REF NO 8/1/R + 6/2/3/3

CAPE WINELANDS DISTRICT
MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

ACKNOWLEDGMENT RECEIPT OF TENDER AND QUOTATION

1. T 2020/052: INTERNAL TRAINING PROGRAMMES FOR CWDM EMPLOYEES FOR THE PERIOD ENDING 30 JUNE 2023 X 3
2. T 2021/010: PROVISION OF PEST DISINFESTATION AND RODENT CONTROL SERVICES AT VARIOUS OFFICE BUILDINGS AND FACILITIES OF THE CAPE WINELANDS DISTRICT MUNICIPALITY FOR THE PERIOD ENDING 30 JUNE 2024 X 2
3. T2021/023: LABOUR INTENSIVE CLEARING OF INVASIVE ALIEN PLANTS WITHIN THE DRANKENSTEIN MUNICIPALITY X 4
4. T2021/024: LABOUR INTENSIVE CLEARING OF INVASIVE ALIEN PLANTS WITHIN WITZENBERG MUNICIPALITY X 2
5. T2021/025: LABOUR INTENSIVE CLEARING OF INVASIVE ALIEN PLANTS WITHIN BREEDE VALLEY MUNICIPALITY X 3
6. T2021/026: LABOUR INTENSIVE CLEARING OF INVASIVE ALIEN PLANTS WITHIN LANGERBERG MUNICIPALITY X 2
7. T2021/046: PROVISION OF BUYING SERVICES FOR DIGITAL AND BROADCASTING MEDIA FOR THE PERIOD ENDING 30 JUNE 2024
8. Q 2021/013: MANUFACTORING AND DELIVERING OF PURPOSE-MADE TIMBER LOCKERS TO THE CWDM FIRE STATIONS IN PAARL AND WORCESTER
9. Q 2021/032: SERVICING A CALIBRATION OF HAZMAT DETECTION DEVICES FOR A 12 MONTH PERIOD
10. Q 2021/100: WEBPAGE MAINTENANCE AND SUPPORT SERVICES

I Lorna van Niekerk hereby acknowledge receipt of the following original tender and quotation documents:

Received by .... Date 04/03/2022

11. Q 2021/025: SUPPLY AND DELIVERY OF SANITARY TOWELS
12. Q 2021/055: FACILITATION AND DELIVERING OF AN ADVANCED 4X4 DRIVING AND RECOVERY SKILLS TRAINING PROGRAMME

CAPE WINELANDS DISTRICT
MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

TENDER NUMBER: T 2021/010

PROVISION OF PEST DISINFESTATION AND RODENT CONTROL SERVICES AT VARIOUS OFFICE BUILDINGS AND FACILITIES OF THE CAPE WINELANDS DISTRICT MUNICIPALITY FOR THE PERIOD ENDING 30 JUNE 2024

COMPANY NAME: Sanitech, a div. of Waco Africa (Pty) Ltd

POSTAL ADDRESS: P.O. Box 411
Parow
7499

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:
Financial and Strategic Support Services
Supply Chain Management
Tel: 086 126 5263
Fax: 086 688 4173

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A. TENDER NOTICE

Tenders are hereby invited from suitably qualified and registered service providers for the provision of pest disinfestation and rodent control services **at the District Municipality's buildings** and facilities for the period ending 30 June 2024.

Technical enquiries regarding this bid can be directed to Dorian Heath at telephone no. 023 348 2305 or 073 241 3733

Closing date: 11:00 on Wednesday, 23 June 2021

Tender documents, in English, are available free of charge on the websites: www.capewinelands.gov.za or https://etenders.treasury.gov.za. Alternatively, hard copies of the document are obtainable from the offices of the Supply Chain Management Unit, Cape Winelands District Municipality at 29 Du Toit Street, Stellenbosch, upon payment of a non-refundable fee of R 220.00 per document.

All prospective bidders must ensure that they are registered and accredited on the CWDM's Supplier Database and the Central Supplier Database, prior to the closing date of the tender.

Duly completed tenders must be enclosed in a (separate) sealed envelope and endorsed with the relevant tender number and description on the envelope/s. The sealed tenders must be placed in **the official tender box of the District Municipality's offices at 29 Du Toit Street, Stellenbosch on the** abovementioned time and dates.

Tenders will be opened in public as soon as possible after this closing time.

HF PRINS
MUNICIPAL MANAGER

B. GENERAL CONDITIONS AND INFORMATION

Inviting of tenders by the Cape Winelands District Municipality (CWDM), all relevant bid documentation, submitting of tenders by prospective bidders, evaluation / awarding of tenders and all subsequent contractual responsibilities regarding supply and delivery of goods and/or services, will be managed in terms of and MUST comply with:-

- Chapter 11 of the Municipal Finance Management Act, 2003 (Act no.56 of 2003);
- Municipal Supply Chain Management Policy of the CWDM;
- Supply Chain Management: A guide for Accounting Officers of Municipalities (Guide for AO's);
- Any relevant Regulations / Circulars issued by the National Treasury, from time to time, and
- Any Special Conditions detailed in this Contract (SCC) – *referring to, but not limited to: paragraphs **B.1. - 17.** and **C** to **P**.*

Where the GCC and SCC are in conflict with one another, the stipulations of the SCC will prevail (chapter 4.5.2.9 – Guide for AO's)

1. Acceptance or Rejection of a Tender

The Municipality reserves the right to withdraw any invitation to tender and/or to re-advertise or to reject any tender or to accept any tender in whole or part.

The Municipality does not bind itself to accepting the lowest tender or the tender scoring the highest points.

The Municipality reserves the right to accept more than one tender (in the event of a number of items being offered).

2. Validity Period

The fact and action of handing in a tender to the Municipality is accepted as a contract between the Municipality and the bidder whereby such a tender remains valid and available for a period of ninety (90) days, calculated from the closing date as advertised for the tender, for acceptance, or non-acceptance by the Municipality. The bidder undertakes not to withdraw, or alter, the tender during this period.

3. Registration on Accredited Supplier Database

It is expected of all prospective service providers who are not yet registered on the Municipality's Accredited Supplier Database to register without delay on the prescribed form.

It will be expected from Suppliers to update registration details every 12 months from date of registration. Payment will not be effected if supplier information is outdated.

The Municipality reserves the right not to award tenders to prospective suppliers who are not registered on the Database.

4. Completion of Tender Documents

The official tender form must be completed in BLACK ink and any corrections to the official tender form must also be made in BLACK ink and signed by the bidder.

Any tender documents received with correction fluid (Tippex) corrections shall be disqualified.

The complete original tender document must be returned. Missing pages will result in the disqualification of the tender.

Any ambiguity has to be cleared with contact person for the tender before the tender closure.

5. Authorised Signatory

A copy of the recorded Resolution taken by the Board of Directors, members, partners or trustees authorising the representative to submit this bid on the bidder's behalf must be attached to the Bid Document on submission of same.

A bid shall be eligible for consideration only if it bears the signature of the bidder or of some person duly and lawfully authorised to sign it for and on behalf of the bidder.

If such a copy of the Resolution does not accompany the bid document of the successful bidder, the Municipality reserves the right to obtain such document after the closing date to verify that the signatory is in order. If no such document can be obtained within a period as specified by the Municipality, the bid will be disqualified.

6. Site / Information Meetings

Site or information meetings, if specified, are compulsory. Bids will not be accepted from bidders who have not attended compulsory site or information meetings. Bidders that arrive 15 minutes or more after the advertised time the meeting starts will not be allowed to attend the meeting or to sign the attendance register. If a bidder is delayed, he must inform the contact person before the meeting commence and will only be allowed to attend the meeting if the chairperson of the meeting as well as all the other bidders attending the meeting, give permission to do so.

All partners or the leading partner of a Joint Venture must attend the compulsory site or information meeting.

7. Quantities of Specific Items

If tenders are called for a specific number of items, the Municipality reserves the right to change the number of such items to be higher or lower. The successful bidder will then be given an opportunity to evaluate the new scenario and inform the Municipality if it is acceptable. If the successful bidder does not accept the new scenario, it will be offered to the second-placed bidder.

8. Expenses Incurred in Preparation of Tender

The Municipality shall not be liable for any expenses incurred in the preparation and submission of the tender.

9. Contact with Municipality after Tender Closure Date

Bidders shall not contact the Municipality on any matter relating to their bid from the time of the opening of the bid to the time the contract is awarded. If a bidder wishes to bring additional information to the notice of the Municipality, it should do so in writing to the Municipality. Any effort by the firm to influence the Municipality in the bid evaluation, bid comparison or contract award decisions may result in the rejection of the bid.

10. Opening, Recording and Publications of Tenders Received

Tenders will be opened on the closing date immediately after the closing time specified in the tender documents. The names of the bidders, and if practical, the total amount of each bid and of any alternative bids will be read out aloud.

Telexed, faxed or e-mailed tenders will not be accepted.

The tender forms should be carefully completed and no errors will be condoned after tenders have been opened.

The Bidder will be liable to take out **forward cover** to barricade him/her against fluctuation of the exchange rate in the event of importing any component, related to the quotation, from a country dealing in currency other than that of South Africa.

11. Evaluation of Tenders

Tenders will be evaluated in terms of their responsiveness to the tender specifications and requirements as well as such additional criteria as set out in this set of tender documents.

12. Subcontracting

The Contractor shall not subcontract the whole of the contract.

Except where otherwise provided by the Contract, the Contractor shall not subcontract any part of the Contract without the prior written consent of the Municipality, which consent shall not be unreasonably withheld.

Any consent granted or appointment of a subcontractor shall not imply a contract between the Municipality and the subcontractor, or a responsibility or liability on the part of the Municipality to the subcontractor and shall not relieve the Contractor from any liability or obligation under the Contract and he shall be liable for the acts, defaults and neglects of any subcontractor, his agents or employees as fully as if they were the acts, defaults or neglects of the Contractor, his agents or employees.

13. Extension of Contract

The contract with the successful bidder may be extended should additional funds become available.

14. Past Practices

The bid of any bidder may be rejected if that bidder or any of its directors have abused the **municipality's supply chain management system or committed any improper conduct in** relation to such system.

The bid of any bidder may be rejected if it is or has been found that that bidder or any of its directors influenced or tried to influence any official or councilor with this or any past tender.

The bid of any bidder may be rejected if it is or has been found that that bidder or any of its directors offered, promised or granted any official or any of his/her close family members, partners or associates any reward, gift, favors, hospitality or any other benefit in any improper way, with this or any past tender.

15. Persons in the service of the state

Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.

16. Broad-based black economic empowerment (B-BBEE) status level certificates

Bidders are required to submit original and valid B-BBEE Status Level Verification Certificates or certified copies of the original, *not a photo-copy of another certified copy* thereof together with their bids, to substantiate their B-BBEE rating claims.

Bidders who do not submit B-BBEE Status Level Verification Certificates or who are non-compliant contributors to B-BBEE do not qualify for preference points for B-BBEE but should not be disqualified from the bidding process. They will score points out of 90 or 80 for price only and zero (0) points out of 10 or 20 for B-BBEE.

A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid.

Public entities and tertiary institutions must also submit B-BBEE Status Level Verification Certificates together with their bids.

If an institution is already in possession of a valid and original or certified copy of a bidder's B-BBEE Status Level Verification Certificate that was obtained for the purpose of establishing the database of possible suppliers for price quotations or that was submitted together with another bid, it is not necessary to obtain a new B-BBEE Status Level Verification Certificate each time a bid is submitted from the specific bidder.

Such a certificate may be used to substantiate B-BBEE rating claims provided that the closing date of the bid falls within the expiry date of the certificate that is in the institution's possession.

Each time this provision is applied, cross-reference must be made to the B-BBEE Status Level Verification Certificate already in possession for audit purposes.

AOs / AAs must ensure that the B-BBEE Status Level Verification Certificates submitted are issued by the following agencies:

Bidders other than EMEs

- Verification agencies accredited by SANAS; or
- Registered auditors approved by IRBA (until the expiration of the period prescribed by the DTI

Bidders who qualify as EMEs

- Sworn affidavit signed by the EME representative and attested by a Commissioner of oaths.

VALIDITY OF B-BBEE STATUS LEVEL VERIFICATION CERTIFICATES

Verification agencies accredited by SANAS

These certificates are identifiable by a SANAS logo and a unique BVA number.

Confirmation of the validity of a B-BBEE Status Level Verification Certificate can be done by tracing the name of the issuing Verification Agency to the list of all SANAS accredited agencies. The list is accessible on **http://www.sanas.co.za/directory/bbee_default.php**.

The relevant BVA may be contacted to confirm whether such a certificate was issued.

As a minimum requirement, all valid B-BBEE Status Level Verification Certificates should have the following information detailed on the face of the certificate:

- The name and physical location of the measured entity;
- The registration number and, where applicable, the VAT number of the measured entity;
- The date of issue and date of expiry;
- The certificate number for identification and reference;
- The scorecard that was used (for example QSE, Specialized or Generic);
- The name and / or logo of the Verification Agency;
- The SANAS logo;
- The certificate must be signed by the authorized person from the Verification Agency; and
- The B-BBEE Status Level of Contribution obtained by the measured entity.

Registered auditors approved by IRBA

The format and content of B-BBEE Status Level Verification Certificates issued by registered auditors approved by IRBA must -

- Clearly identify the B-BBEE approved registered auditor by the auditor's individual registration number with IRBA and the auditor's logo;
- Clearly record an approved B-BBEE Verification Certificate identification reference in the format required by the SASAE;
- Reflect relevant information regarding the identity and location of the measured entity;
- Identify the Codes of Good Practice or relevant Sector Codes applied in the determination of the scores;
- Record the weighting points (scores) attained by the measured entity for each scorecard element, where applicable, and the measured entity's overall B-BBEE Status Level of Contribution; and
- Reflect that the B-BBEE Verification Certificate and accompanying assurance report issued to the measured entity is valid for 12 months from the date of issuance and reflect both the issuance and expiry date.

Confirmation of the validity of a B-BBEE Status Level Verification Certificate can be done by tracing the name of the issuing B-BBEE approved registered auditor to the list of all approved registered auditors. The list is accessible on **http://www.thedti.gov.za** and / **http://www.irba.co.za**.

The relevant approved registered auditor may be contacted to confirm whether such a certificate was issued.

Accounting officers as contemplated in section 60(4) of the CCA;

These certificates will be issued on the accounting officer's letterhead with the accounting officer's practice number and contact number clearly specified on the face of the certificates.

The content of B-BBEE Status Level Verification Certificates issued by accounting officers as contemplated in the CCA is detailed in paragraph 4.8.5 below.

VERIFICATION OF B-BBEE LEVELS IN RESPECT OF EMEs

In terms of the Generic Codes of Good Practice, an enterprise including a sole propriety with annual total revenue of R10 million or less qualifies as an EME.

In instances where Sector Charters are developed to address the transformation challenges of specific sectors or industries, the threshold for qualification as an EME may be different from the generic threshold of R10 million. The relevant Sector Charter thresholds will therefore be used as a basis for a potential bidder to qualify as an EME.

- For example the approved thresholds for EMEs for the Tourism and Construction Sector Charters are R2.5 million and R1.5 million respectively.
- An EME automatically qualifies as a level 4 contributor with B-BBEE recognition level of 100% in terms of the Codes of Good Practice.
- An EME with at least 51% black ownership qualifies as Level 2 Contributor with B-BBEE level of 125% in terms of the Codes of Good Practice.
- An EME with 100% black ownership qualifies as a Level 1 contributor with B-BBEE level of 135% in terms of the Codes of Good Practice.
- An EME that is regarded as a specialized enterprise with at least 75% black beneficiaries qualifies as Level 1 contributor with B-BBEE level of 135% in terms of Codes of Good Practice.
- An EME that is regarded as a specialized enterprise with at least 51% black beneficiaries qualifies as a Level 2 contributor with B-BBEE level of 125% in terms of the Codes of Good Practice.
- An EME is required to submit a sworn affidavit confirming their annual total revenue of R 10 million or less and level of black ownership to claim points as prescribed by regulation 6 and 7 of the Preferential Procurement Regulations 2017.
- An EME that is regarded as a Specialized Enterprise, is required to submit a sworn affidavit confirming their annual turnover/ allocated budget/ gross receipt of R 10 million or less and level of percentage of black beneficiaries to claim points as prescribed by regulation 6 and 7 of the Preferential Procurement Regulations 2017.
- An EME may be measured in terms of the QSE scorecard should they wish to maximize their points and move to a higher B-BBEE recognition level. It is in this context that an EME may submit a B-BBEE verification certificate.

ELIGIBILITY AS QUALIFYING SMALL ENTERPRISES (QSE)

The Codes define a QSE as any enterprise with annual total revenue of between R10 million and R50 million.

- A QSE with at least 51% black ownership qualifies as a Level 2 contributor.
- A QSE with 100% black ownership qualifies as a Level 1 Contributor.
- A QSE that is regarded as a specialized enterprise with at least 75% black beneficiaries qualifies as a Level 1 contributor with B-BBEE level of 135% in terms of the Codes of Good Practice.
- A QSE that is regarded as a specialized enterprise with at least 51% black beneficiaries qualifies as a Level 2 contributor with B-BBEE level of 125% in terms of the Codes of Good Practice.
- A QSE is required to submit a sworn affidavit confirming their annual total revenue of between R10 million and R 50 million and level of black ownership or a B-BBEE level verification certificate to claim points as prescribed by regulation 6 and 7 of the Preferential Procurement Regulations 2017.
- A QSE that is regarded as a specialized enterprise is required to submit a sworn affidavit confirming their annual turnover/ budget/ gross receipt of R 50 million or less and level of percentage of black beneficiaries or a B-BBEE level verification certificate to claim points as prescribed by regulation 6 and 7 of the Preferential Procurement Regulations 2017

IN ORDER TO BE AWARDED PREFERENCE POINTS, ANEXURE H. QUESTIONNAIRE AND ANNEXURE K. PREFERENCE POINTS CLAIM FORM (MBD 6.1), MUST BE COMPLETED - FAILURE TO COMPLY WITH THE ABOVEMENTIONED WILL RESULT IN NO PREFERENCE POINTS BEING AWARDED

17. Application

These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

Where applicable, special conditions of contract may be laid down and included to cover specific supplies, services or works.

Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

18. Standards

The goods supplied or the services rendered shall conform to the standards mentioned in the bidding documents and specifications.

19. Information and Inspection

The service provider shall not, without the District Municipality's prior written consent, disclose the agreement, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the District Municipality in connection therewith, to any person other than a person employed by the service provider in the performance of the agreement. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.

The service provider shall permit the District Municipality to inspect the supplier's records relating to the performance of the service provider and to have them audited by auditors appointed by the District Municipality, if so required by the District Municipality.

20. Governing Language

The governing language shall be English. All correspondence and other documents pertaining to the agreement that is exchanged by the parties shall also be written in English.

21. Payments

Payments shall be made by the District Municipality within **thirty (30)** calendar days of receiving the relevant **invoice / statement provided** by the supplier.

Payment will be made in Rand unless otherwise stipulated.

22. Prices and Evaluation of bids

Prices charged by the service provider for goods delivered and services performed under the contract shall not vary from the prices quoted by the service provider in this Tender.

The Bidder will be liable to take out forward cover to barricade him/her against fluctuation of the exchange rate in the event of importing any component, related to the tender, from a country dealing in currency other than that of South Africa.

THIS BID WILL BE EVALUATED AND ADJUDICATED ACCORDING TO THE FOLLOWING:

- Relevant specifications
- Value for money
- Capability to execute the contract
- PPPFA & associated regulations

23. Termination for default

The District Municipality, without prejudice to any other remedy for breach of contract, by written notice of default sent to the service provider, may terminate this agreement in whole or in part:

If the service provider fails to deliver any or all of the goods within the period(s) specified in the agreement;

If the service provider fails to perform any obligation(s) under the contract; or

. If the service provider in the judgment of the District Municipality, has engaged in corrupt or fraudulent practices in competing for or in executing the contract

In the event the District Municipality terminates the contract in whole or in part, the District Municipality may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the service provider shall be liable to the District Municipality for any excess costs for such similar goods, works or services. However, the service provider shall continue performance of the contract to the extent not terminated.

Where the District Municipality terminates the contract in whole or in part, the District Municipality may decide to impose a restriction penalty on the service provider by prohibiting such service provider from doing business with the public sector for a period not exceeding 10 years.

If a District Municipality intends imposing a restriction on a service provider or any person associated with the service provider, the service provider will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the service provider fail to respond within the stipulated fourteen (14) days the District Municipality may regard the service provider as having no objection and proceed with the restriction.

Any restriction imposed on any person by the District Municipality will, at the discretion of the District Municipality, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the District Municipality actively associated.

If a restriction is imposed, the District Municipality must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

The name and address of the supplier and / or person restricted by the District Municipality;
The date of commencement of the restriction;
. The period of restriction; and
The reasons for the restriction

These details will be loaded in the National Treasury's central database of service provider or persons prohibited from doing business with the public sector.

If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule **that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on** the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Termination for Insolvency

The District Municipality may at any time terminate the contract by giving written notice to the service provider if the service provider becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the service provider, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the District Municipality.

25. Settlement of Disputes

If any dispute or difference of any kind whatsoever arises between the District Municipality and the service provider in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the District Municipality or the service provider may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
Notwithstanding any reference to mediation and/or court proceedings herein, the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

The District Municipality shall pay the service provider any monies due for goods delivered and/or services rendered according to the prescripts of the contract.

26. Applicable Law

The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

27. Notices

Every written acceptance of a bid and any other notices shall be posted to the service provider concerned by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice;

The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

28. Taxes and duties

A service provider shall be entirely responsible for all taxes, duties, license fees, etc., of the contracted goods to the District Municipality.

No contract shall be concluded with any tenderer whose tax matters are not in order.

No contract shall be concluded with any tenderer whose municipal rates and taxes and municipal services charges are in arrears.

29. Value-added tax (VAT) on invoices

Tax invoices are to comply with the requirements as contained in the Value Added Tax Act, 1991 (Act No 89 of 1991). The content of the invoice must contain information as prescribed by the Act.

It is a requirement of this contract that the amount of value-added tax (VAT) must be shown clearly on each invoice.

The amended Value Added Tax Act, 1991 (Act No 89 of 1991) requires that a Tax Invoice for supplies in excess of R3,000 should, in addition to the other required information, also disclose the VAT registration number of the recipient, with effect from 1 March 2005.

Where the value of an intended contract will exceed R 1 000 000.00 (R1 Million) it is the bidder's responsibility to be registered with the South African Revenue Services (SARS) for VAT purposes in order to be able to issue tax invoices. CWDM will deem the price above R 1 000 000.00 (R1 Million) to be VAT inclusive even if it is indicated that no VAT is charged. Please ensure that provision is made for VAT in these instances.

The VAT registration number of the District Municipality is 4700193495.

30. Tax Clearance Certificate

A copy of a Tax Compliance Status Pin, printed from the South African Revenue Service (SARS) website, must accompany the bid documents. The onus is on the bidder to ensure that their tax matters are in order with SARS.

In the case of a Consortium/Joint Venture every member must submit a separate Tax Compliance Status Pin, printed from the SARS website, with the bid documents.

If a bid is not supported by a Tax Compliance Status Pin as an attachment to the bid documents, the Municipality reserves the right to obtain such documents after the closing date to verify that the bidder's tax matters are in order. If no such document can be obtained within a period as specified by the Municipality, the bid will be disqualified.

The Tax Compliance Status Pin will be verified by the Municipality on the SARS website.

31. Municipal Rates, Taxes and Charges

A certified copy of the bidder's and those of its directors municipal accounts (for the Municipality where the bidder pays his account) for the month preceding the tender closure date must accompany the tender documents. If such a certified copy does not accompany the bid document of the successful bidder, the Municipality reserves the right to obtain such documents after the closing date to verify that their municipal accounts are in order.

Any bidder which is or whose directors are in arrears with their municipal rates and taxes or municipal charges due to any Municipality or any of its entities for more than three months and have not made an arrangement for settlement of same before the bid closure date will be unsuccessful.
If a bidder rents their premises, proof must be submitted that the rental includes their municipal rates and taxes or municipal charges and that their rent is not in arrears.

32. Construction Industry Development Board (CIDB) (If applicable)

When applicable, the bidder's CIDB registration number must be included with the tender. The Municipality will verify the bidder's CIDB registration during the evaluation process.

33. Letter of Good Standing from the Commissioner of Compensation

A valid Letter of Good Standing from the Compensation Commissioner or a certified copy thereof must accompany the bid documents unless the bidder is registered on the Accredited Supplier Database of the Municipality and the Municipality has a valid Letter of Good Standing from the Compensation Commissioner or a certified copy thereof for the bidder on record. The onus is on the bidder to ensure that the Municipality has a valid Letter of Good Standing from the Compensation Commissioner or a certified copy thereof on record.

A letter of good standing for "tender purposes" from the Department of Labour will also be accepted.

If no such document/s as specified by the Municipality is submitted, the bid will be disqualified.

C. NATIONAL TREASURY - GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

The purpose of this document is to:

(a) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
(b) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.
(c) The General Conditions of Contract will form part of all bid documents and may not be amended.
(d) Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC will prevail

1. DEFINITIONS

The following terms shall be interpreted as indicated:

1.1 **"Closing time"** means the date and hour specified in the bidding documents for the receipt of bids.

1.2 **"Contract"** means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 **"Contract price"** means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 **"Corrupt practice"** means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 **"Countervailing duties"** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 **"Country of origin"** means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 **"Day"** means calendar day.

1.8 **"Delivery"** means delivery in compliance of the conditions of the contract or order.

1.9 **"Delivery ex stock"** means immediate delivery directly from stock actually on hand.

1.10 **"Delivery into consignees store or to his site"** means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order,the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.

1.11 **"Dumping"** occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 **"Force majeure"** means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 **"Fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 **"GCC"** means the General Conditions of Contract.

1.15 **"Goods"** means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 **"Imported content"** means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.

1.17 **"Local content"** means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.

1.18 **"Manufacture"** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 **"Order"** means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 **"Project site,"** where applicable, means the place indicated in bidding documents.

1.21 **"Purchaser"** means the organization purchasing the goods.

1.22 **"Republic"** means the Republic of South Africa.

1.23 **"SCC"** means the Special Conditions of Contract.

1.24 **"Services"** means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 **"Supplier"** means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

1.26 **"Tort"** means in breach of contract

1.27 **"Turnkey"** means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

1.28 **"Written" or "in writing"** means hand-written in ink or any form of electronic or mechanical writing.

2. APPLICATION

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. GENERAL

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

4. STANDARDS

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. USE OF CONTRACT DOCUMENTS AND INFORMATION INSPECTION

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. PATENT RIGHTS

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. PERFORMANCE SECURITY

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier's or certified cheque.

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. INSPECTIONS, TESTS AND ANALYSES

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

9. PACKING

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

10. DELIVERY AND DOCUMENTS

10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

11. INSURANCE

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.

12. TRANSPORTATION

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.

13. INCIDENTAL SERVICES

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:

(a) Performance or supervision of on-site assembly and/or commissioning of the supplied goods;
(b) Furnishing of tools required for assembly and/or maintenance of the supplied goods;
(c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
(e) Training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. SPARE PARTS

14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and;

(b) in the event of termination of production of the spare parts:

(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. WARRANTY

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. PAYMENT

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated.

16.5 Where the value of an intended contract will exceed R1 000 000, 00 (R1 million) it is the bidder's responsibility to be registered with the South African Revenue Service (SARS) for VAT purposes in order to be able to issue tax invoices. It is a requirement of this contract that the amount of value-added tax (VAT) must be shown clearly on each invoice. The amended Value-Added Tax Act requires that a Tax Invoice for supplies in excess of R3 000 should, in addition to the other required information, also disclose the VAT registration number of the recipient, with effect from 1 March 2005.

17. PRICES

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

8. VARIATION ORDERS

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. For construction related goods, services and/or infrastructure project, contracts may be expanded or varied by not more than 20%. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. ASSIGNMENT

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. SUBCONTRACTS

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. DELAYS IN THE SUPPLIER'S PERFORMANCE

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. PENALTIES

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. TERMINATION FOR DEFAULT

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) If the supplier fails to perform any other obligation(s) under the contract; or

(c) If the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.

23.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.

23.6 a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

(i) The name and address of the supplier and / or person restricted by the purchaser;

(ii) The date of commencement of the restriction

(iii) The period of restriction; and

(iv) The reasons for the restriction

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7. If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website

24. ANTIDUMPING AND COUNTERVAILING DUTIES AND RIGHTS

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favorable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. FORCE MAJEURE

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. TERMINATION FOR INSOLVENCY

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

27. SETTLEMENT OF DISPUTES

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Notwithstanding any reference to mediation and/or court proceedings herein,
(a) The parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
(b) The purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. LIMITATION OF LIABILITY

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
(b) The aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. GOVERNING LANGUAGE

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. APPLICABLE LAW

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

31. NOTICES

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. TAXES AND DUTIES

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. TRANSFER OF CONTRACTS

33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

34. AMENDMENT OF CONTRACTS

34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

35. PROHIBITION OF RESTRICTIVE PRACTICES

35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.

35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 0f 1998.

35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s)concerned.

D. APPLICATION OF PREFERENCE POINT SYSTEM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

The applicable **80/20** preferential points system as set out in Preferential Procurement Regulations 2017 will be used to evaluate individual tenders.

Regulation R 32 of 20 January 2017 provide for a preference points system

80/20 Preference point system [(for acquisition of goods or services for a Rand value equal to or above R30 000 and up to R50 million) (all applicable taxes included)]

The points are awarded as follows:

- 80 points is awarded for the **lowest price** if it complies with the Tender / Formal Written Price Quotation conditions.
- Additional points are awarded for attaining the **B-BBEE status level** of contributor in accordance with the table below:

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

E. INVITATION TO BID - MBD1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)					
Tender number:	T 2021/010	Closing date:	23/06/2021	Closing time:	11h00
Description	PROVISION OF PEST DISINFESTATION AND RODENT CONTROL SERVICES AT VARIOUS OFFICE BUILDINGS AND FACILITIES OF THE CAPE WINELANDS DISTRICT MUNICIPALITY FOR THE PERIOD ENDING 30 JUNE 2024				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE TENDER BOX SITUATED AT: 29 DU TOIT STREET, STELLENBOSCH					

SUPPLIER INFORMATION				
Name of bidder	Sanitech, a div. of Waco Africa (Pty) Ltd			
Postal address	P.O. Box 411, Parow, 7499			
Street address	c/o Milan Rd & Montreal Drive, Airport Industria, Cape Town, 7490			
Telephone number	Code 021		Number	386 4634
Cell phone number	083 461 5740			
E-mail address	carolynr@sanitech.co.za			
VAT registration number	444 0260 539			
Tax compliance status	TCS PIN: F7358172DA	OR	CSD No:	MAAA 0331005
B-BBEE status level verification certificate [tick applicable box]	☑ yes ☐ no		B-BBEE status level sworn affidavit	☐ Yes ☒ No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE / SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]				
Are you the accredited representative in South Africa for the goods / services / works offered?	☑ Yes ☐ No [If yes enclose proof]		**Are you a foreign based supplier for** the goods / services / works offered?	☐ Yes ☒ No [If yes, answer part b:3
Total number of items offered	1		Total bid price	R See Pricing schedule
Signature of bidder	[signature]		Date	26/5/2021
Capacity under which this bid is signed	Director			

TECHNICAL INFORMATION MAY BE DIRECTED TO:	
Contact person	Dorian Heath
Telephone number	023 348 2305 or 073 241 3733
E-mail address	dorian@capewinelands.gov.za
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED	
Contact person	Elmine Niemand
Telephone number	021 888 5175
E-mail address	elmine@capewinelands.gov.za

TERMS AND CONDITIONS FOR BIDDING – PART B
1. BID SUBMISSION:
1.1. Bids must be delivered by the stipulated time to the correct address. Late bids will not be accepted for consideration. 1.2. All bids must be submitted on the official forms provided–(not to be re-typed) or online 1.3. This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations, 2017, the General Conditions of Contract (GCC) and, if applicable, any other special conditions of contract.
2. TAX COMPLIANCE REQUIREMENTS
2.1 Bidders must ensure compliance with their tax obligations. 2.2 Bidders are required to submit their unique personal identification number (pin) issued by SARS to **enable the organ of state to view the taxpayer's profile and tax status.** 2.3 Application for the tax compliance status (TCS) certificate or pin may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website www.sars.gov.za. 2.4 Foreign suppliers must complete the pre-award questionnaire in part b:3. 2.5 Bidders may also submit a printed TCS certificate together with the bid. 2.6 In bids where consortia / joint ventures / sub-contractors are involved, each party must submit a separate TCS certificate / pin / CSD number. 2.7 Where no TCS is available but the bidder is registered on the central supplier database (CSD), a CSD number must be provided.
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS
3.1. Is the entity a resident of the republic of South Africa (RSA)? ☑ Yes ☐ No 3.2. Does the entity have a branch in the RSA? ☑ Yes ☐ No 3.3. Does the entity have a permanent establishment in the RSA? ☑ Yes ☐ No 3.4. Does the entity have any source of income in the RSA? ☑ Yes ☐ No 3.5. Is the entity liable in the RSA for any form of taxation? ☑ Yes ☐ No **If the answer is "no" to all of the above, then it is not a requirement to register for a tax compliance status system pin code from the South African Revenue Service (SARS) and if not register as per 2.3 above.**
NB: failure to provide any of the above particulars may render the bid invalid. No bids will be considered from persons in the service of the state.

Signature(s): ....

Name(s): Calvin Chetty

Capacity for the Tenderer: Director

Date: 26/5/2021

F. SPECIAL CONDITIONS OF CONTRACT AND TERMS OF REFERENCE

INTRODUCTION

The Cape Winelands District Municipality invite tenders from suitably qualified and registered service providers for the provision of pest disinfestation and rodent control services at the District Municipality's buildings and facilities for the period ending 30 June 2024.

1. SCOPE OF WORK

1.1 The pest disinfestation services, and rodent control program must cover all structural macro-pests, including, but not limited to cockroaches, fish moths, bedbugs, fleas, ants, rodents, rats, mice, dust mites, bees, as well as all crawling and flying insects. If other pest disinfestation and rodent control services are required, a quotation will be requested from the preferred service provider to perform these services. The District Municipality reserves the right to accept that quotation.

1.2 Compulsory visits at selected premises should be carried out regularly and timeously every three months. Intervening callouts to a maximum of two (2) at the premises as stipulated under paragraph 1.10.4, should be carried out **free of additional charges**.

1.3 The service provider must be a member of a **recognized** South African professional body / institute, the membership which will ensure that the service provider is committed to ethical business practices and will provide an appropriate level of service to adequately prevent, monitor, treat and control pests within/around the premises of the client, and to protect the safety and health of the clients' employees and visitors by establishing and maintaining minimum standards of practice, knowledge and skills.

1.3.1 A **certificate of active membership of a recognized South African professional body / institute,** must be submitted with the tender documents. Failure to submit and attach a certificate of active membership of a South African professional body/institute will automatically disqualify a service provider.

1.4 In terms of section 10 of the Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act No 36 of 1947) any person who in the course of a business, industry or trade uses an agricultural remedy, must be registered as a Pest Control Operator in order to perform duties in terms of the Scope of Work of this tender.

1.4.1 The Cape Winelands District Municipality reserves the right to request proof of registration of the Pest Control Operators each and every time they perform services on premises of the Cape Winelands District Municipality.

1.5 The service provider must adhere to the Occupational Health and Safety Act, 1993 (Act No 85 of 1993) at all times with specific attention to the Electrical Installation Regulations, 2009.

1.6 The areas to be covered by this contract include all floors, carpeted or otherwise, inside open-air and/or communal areas, stairways, ramps, all furnishings, equipment, machinery and external drains. An intensive initial treatment is recommended in respect of the indicated areas, followed by similar treatments at subsequent regular visits.

1.7 The Cape Winelands District Municipality is engaging the use of sophisticated electronic equipment; thus, the service provider must be mindful of always applying the correct pesticidal formulation to such equipment. Pesticidal dusting powders and gels must be discriminately applied to all "hard-to-get" places, particularly in the kitchens and ducting.

1.8 The service provider must ensure that all pesticides to be used are registered under the Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act No 36 of 1947).

1.9 The service provider must ensure that the choice of pesticides have no adverse side effects on the occupants of the District Municipality's buildings, do not stain or taint, have no offensive odour (are virtually odourless) and must not leave unsightly deposits. The pesticides used should not put personnel, visitors or customers at risk of injury.

1.10 Logistical Requirements

1.10.1 The pest disinfestation and rodent control services are to be conducted between 08:00 to 16:00 from Mondays to Thursdays and from 08:00 to 12:00 on Fridays, excluding public holidays. If and when required, the pest disinfestation and rodent control services are to be conducted after business hours without any additional charges and / or costs. The **compulsory quarterly visits at selected premises** should be carried out on dates agreed upon between the Cape Winelands District Municipality and the successful service provider.

1.10.2 Special requests under circumstances which may negatively affect the health and safety of employees, visitors and/or customers of the Cape Winelands District Municipality, must be attended to as expeditiously as possible and not later than forty-eight (48) hours of it being reported to the service provider, or within a reasonable timeframe as mutually agreed upon between the service provider and the Cape Winelands District Municipality.

1.10.3 Supplementary visits and inspections may be necessary if fresh signs of pest activities are noticed in the intervening period between the regular calls and will be performed at no extra charge.

1.10.4 The premises where **compulsory quarterly services are required** are as follow:

Premises / Facility	Address	Approximate Area
OFFICE BUILDING: STELLENBOSCH Ground Floor, First Floor, Second Floor, Basement Lift Foyer, Security Hut	29 Du Toit Street Erf 5169 Stellenbosch	2,256 m²
THATCH ROOF OFFICE BUILDING: STELLENBOSCH Ground Floor, First Floor	46 Alexander Street Erf 566 Stellenbosch	835 m²
ANNEX OFFICE BUILDING: STELLENBOSCH	46 Alexander Street Erf 566 Stellenbosch	364 m²
TRAINING FACILITY: STELLENBOSCH	46 Alexander Street Erf 566 Stellenbosch	106 m²
OFFICE BUILDINGS: STELLENBOSCH Block A, Block B, Block C, Security Room	C/o Langenhoven and Bird Street Erf 8977 Stellenbosch	710 m²
KAYAMANDI HOSTEL	Mdala Road Erf 187 Kayamandi, Stellenbosch	215 m²
FIRE STATION: STELLENBOSCH Living Quarters, Ground Floor, First Floor, Second Floor, Lecture Rooms, Control Room, Ablution Facilities, Kitchen, Security Room	Papegaairand Street Erf 123 Stellenbosch	680 m²

Premises / Facility	Address	Approximate Area
OFFICE BUILDING & OUTER OFFICE BUILDING: PAARL Ground Floor, First Floor, Security Hut	194 Main Street Erf 14399 Paarl	918 m²
FIRE STATION: NIEUWEDRIFT, PAARL	Boland Road Farm 486 Paarl	72 m²
OFFICE BUILDING / FIRE STATION: CERES Ground Floor, First Floor	27 Munnik Street Erf 2888 Ceres	837 m²
OFFICE BUILDING / ARCHIVE: WORCESTER Ground Floor, First Floor	51 Trappes Street Erf 6024 Worcester	2,497 m²
FIRE STATION EERSTE BEGIN FARM / TRAINING FACILITY / WORKING FOR FIRE LIVING QUARTERS / GARAGE: WORCESTER	Eerste Begin Farm Stainwell / Roché Road Farm 306/36 Worcester	423 m²
TOTAL ESTIMATED AREA FOR COMPULSORY QUARTERLY PEST DISINFESTATION		**9,913 m²**

1.10.5 The District Municipality's **premises in the following various towns are to be serviced as and when required** based on a price per pest disinfestation and/or rodent control service for structural macro-pests, including, but not limited to cockroaches, fish moths, bedbugs, fleas, ants, rodents, rats, mice, dust mites, bees, as well as all crawling and flying insects:

Premises / Facility	Address	Approximate Area
OFFICE BUILDING: STELLENBOSCH Basement Parking Area	29 Du Toit Street Erf 5169 Stellenbosch	1,520 m²
STORES: STELLENBOSCH Offices, Stores, Kitchen, Ablutions, etc.	Drukkers Avenue Erf 121 Stellenbosch	357 m²
ROADS DEPOT: STELLENBOSCH Offices, Training Room, Kitchens, Cloakrooms, Ablutions, etc.	Drukkers Avenue Erf 121 Stellenbosch	290 m²
MECHANICAL WORKSHOP: STELLENBOSCH Offices, Workshop, Tool Store, etc. = 451m² Stores oil, ghries, tyre, wash bay, garages, etc. = 516m²	Drukkers Avenue Erf 121 Stellenbosch	967 m²
STORE, BUDGET AND TREASURY OFFICE: STELLENBOSCH	Drukkers Avenue Erf 121 Stellenbosch	120 m²
ROADS DEPOT: PAARL Offices, Training Room, Kitchens, Cloakrooms, Ablutions, etc. = 429m² Stores = 252m² Duplex House = 104m²	Heide Street Erf 488 Paarl	785 m²
Premises / Facility	**Address**	**Approximate Area**

MECHANICAL WORKSHOP: PAARL Office, Workshop, Tool Store, Cloakroom, Ablutions, etc.	Heide Street Erf 488 Paarl	390 m^2
ROADS DEPOT: CERES Offices, Training Room, Cloakroom, Kitchen, Ablutions, etc. = 240m^2 Garages, Stores, etc. = 492m^2	R46 Erf 3731 Ceres	732 m^2
MECHANICAL WORKSHOP: CERES Offices, Workshop, Training Room, Rest Rooms, Kitchen, Ablutions, etc. = 842m^2 Stores, Garages, Sheds, etc. = 259m^2	R46 Erf 3731 Ceres	1,101 m^2
OFFICE BUILDING: WORCESTER Garages, Underroof Parking, DB Rooms, Transformer Rooms, etc.	51 Trappes Street Erf 6024 Worcester	616 m^2
REDUNDANT STORE: WORCESTER	Napier Street Erf 1350 Worcester	298 m^2
ROADS DEPOT: WORCESTER Offices, Training Room, Kitchens, Cloakrooms, Ablutions, etc. = 733m^2 Garages, Underroof Walkways, etc = 317m^2	C/o Louis Lange and Schönland Street Erf 4 Worcester	1,050 m^2
MECHANICAL WORKSHOP: WORCESTER Offices, Workshop, etc. = 439m^2 Stores Machine, Ghries, Weld, Tools, Wash Bay, etc. = 233m^2	C/o Louis Lange and Schönland Street Erf 4788 Worcester	672 m^2
TRAINING FACILITY DEPOT: WORCESTER	C/o Louis Lange and Schönland Street Erf 4788 Worcester	101 m^2
MAIN OFFICE/OUT-BUILDINGS: ROBERTSON	40 Van Reenen Street Erf 236 Robertson	466 m^2
ROADS DEPOT: ROBERTSON Offices, Training Room, Cloakrooms, Kitchens, Ablutions, etc. = 264m^2 Stores = 232m^2	Constitution Street Erf 1348 Robertson	496 m^2
MECHANICAL WORKSHOP: ROBERTSON Office, Workshop, Ablutions, etc. = 303m^2 Stores = 30m^2	Constitution Street Erf 1348 Robertson	333 m^2
FIRE STATION: ROBERTSON	Constitution Street Erf 1348 Robertson	106 m^2
OFFICE BUILDING: MONTAGU Offices, Training Room, Kitchen, Ablutions, etc. = 198m^2 Underroof Parking, Store, Out-Buildings, etc. = 436m^2	50A Bath Street Erf 229 Montagu	634 m^2
TOTAL ESTIMATED AREA FOR PEST DISINFESTATION AS AND WHEN REQUIRED		**11,034 m^2**

2. DUTIES OF CONTRACTOR

It is first and foremost incumbent upon the service provider to familiarize themselves with the general environment and conditions in which they are to operate.

3. PROTECTIVE CLOTHING

The service provider undertakes to issue protective clothing to personnel in terms of the Occupational Health and Safety Act, 1993 (Act No 85 of 1993) and the Regulations promulgated in terms of the Act.

4. STATUTORY PROVISIONS, ETC.

The service provider declares that it is conversant with all statutory provisions, regulations and by-laws relating to the services to be provided and undertakes to conform to and comply with all relevant legislation in respect of the services to be rendered.

5. INDEMNIFICATION

The Cape Winelands District Municipality shall be indemnified against any loss, injury to employees and/or damage to property of the service provider while executing the works.

6. REPORTING REQUIREMENT

6.1 The service provider shall report to the Representative of the specific building of the Cape Winelands District Municipality each and every time prior to rendering the said pest control services.

6.2 After the completion of the pest disinfestation and / or rodent control services, a copy of the treatment report, countersigned by the Representative of the specific building of the Cape Winelands District Municipality, must be submitted to the said Representative for record purposes.

7. REFERENCES

At least two (2) **references to demonstrate the service provider's ability to deliver** on the scope of work as stipulated in this tender must be included in the tender document, together with the contact details of the references, alternatively references must be submitted within a reasonable timeframe as to be determined by the Cape Winelands District Municipality.

8. ENQUIRIES

Although there will be no site / information sessions, bidders must familiarise themselves with the premises where required services must be rendered.

9. PRICING SCHEDULE

9.1 The prices quoted must include all labour, transport, consumables, disbursements and all related costs of rendering pest disinfestation and rodent control services at the respective premises of the Cape Winelands District Municipality, without any hidden costs.

9.2 Prices quoted must be fixed and valid for the period ending 30 June 2024 and should be applicable to all geographical areas included in the tender, irrespective of the location where the services will be required.

9.3 For proper evaluation purposes, it is obligatory that the prescribed pricing schedules must be completed in full and signed. Alternative and/or incomplete pricing schedules will not be accepted and will be regarded as non-responsive for the whole of the tender.

10. EVALUATION CRITERIA

10.1 This tender will be evaluated and awarded per geographical area, subject thereto that a service provider can provide both pest disinfestation services and rodent control service for a specific geographical area as identified by the Cape Winelands District Municipality in respect of compulsory quarterly services, as well as ad hoc services to ensure a safe and healthy working environment.

10.2 Cognisance should however be taken that the Cape Winelands District Municipality reserves the right to award more than one or all the geographical areas to a single service provider.

10.3 The geographical areas are divided as follow:

10.3.1 Premises to be serviced on a **compulsory quarterly** basis:

STELLENBOSCH		
Premises / Facility	**Address**	**Approximate Area**
OFFICE BUILDING: STELLENBOSCH Ground Floor, First Floor, Second Floor, Basement Lift Foyer, Security Hut	29 Du Toit Street Erf 5169 Stellenbosch	2,256 m²
THATCH ROOF OFFICE BUILDING: STELLENBOSCH Ground Floor, First Floor	46 Alexander Street Erf 566 Stellenbosch	835 m²
ANNEX OFFICE BUILDING: STELLENBOSCH	46 Alexander Street Erf 566 Stellenbosch	364 m²
TRAINING FACILITY: STELLENBOSCH	46 Alexander Street Erf 566 Stellenbosch	106 m²
OFFICE BUILDINGS: STELLENBOSCH Block A, Block B, Block C, Security Room	C/o Langenhoven and Bird Street Erf 8977 Stellenbosch	710 m²
KAYAMANDI HOSTEL	Mdala Road Erf 187 Kayamandi Stellenbosch	215 m²
FIRE STATION: STELLENBOSCH Living Quarters, Ground Floor, First Floor, Second Floor, Lecture Rooms, Control Room, Ablution Facilities, Kitchen, Security Room	Papegaairand Street Erf 123 Stellenbosch	680 m²

PAARL		
Premises / Facility	**Address**	**Approximate Area**
OFFICE BUILDING & OUTER OFFICE BUILDING: PAARL Ground Floor, First Floor, Security Hut	194 Main Street Erf 14399 Paarl	918 m²
FIRE STATION: NIEUWEDRIFT, PAARL	Boland Road Farm 486 Paarl	72 m²

CERES		
Premises / Facility	**Address**	**Approximate Area**
OFFICE BUILDING / FIRE STATION: CERES Ground Floor, First Floor	27 Munnik Street Erf 2888 Ceres	837 m²

WORCESTER		
Premises / Facility	**Address**	**Approximate Area**
OFFICE BUILDING / ARCHIVE: WORCESTER Ground Floor, First Floor	51 Trappes Street Erf 6024 Worcester	2,497 m²
FIRE STATION EERSTE BEGIN FARM / TRAINING FACILITY / WORKING FOR FIRE LIVING QUARTERS / GARAGE: WORCESTER	Eerste Begin Farm Stainwell / Roché Road Farm 306/36 Worcester	423 m²

10.3.2 Premises to be serviced on a **"as and when required"** basis:

STELLENBOSCH		
Premises / Facility	**Address**	**Approximate Area**
OFFICE BUILDING: STELLENBOSCH Basement Parking Area	29 Du Toit Street Erf 5169 Stellenbosch	1,520 m²
STORES: STELLENBOSCH Offices, Stores, Kitchen, Ablutions, etc.	Drukkers Avenue Erf 121 Stellenbosch	357 m²
ROADS DEPOT: STELLENBOSCH Offices, Training Room, Kitchens, Cloakrooms, Ablutions, etc.	Drukkers Avenue Erf 121 Stellenbosch	290 m²
MECHANICAL WORKSHOP: STELLENBOSCH Offices, Workshop, Tool Store, etc. = 451m² Stores oil, ghries, tyre, wash bay, garages, etc. = 516m²	Drukkers Avenue Erf 121 Stellenbosch	967 m²
STORE, BUDGET AND TREASURY OFFICE: STELLENBOSCH	Drukkers Avenue Erf 121 Stellenbosch	120 m²

PAARL		
Premises / Facility	**Address**	**Approximate Area**
ROADS DEPOT: PAARL Offices, Training Room, Kitchens, Cloakrooms, Ablutions, etc. = 429m² Stores = 252m² Duplex House = 104m²	Heide Street Erf 488 Paarl	785 m²

MECHANICAL WORKSHOP: PAARL Office, Workshop, Tool Store, Cloakroom, Ablutions, etc.	Heide Street Erf 488 Paarl	390 m^2
CERES		
Premises / Facility	**Address**	**Approximate Area**
ROADS DEPOT: CERES Offices, Training Room, Cloakroom, Kitchen, Ablutions, etc. = <u>240m^2</u> Garages, Stores, etc. = <u>492m^2</u>	R46 Erf 3731 Ceres	732 m^2
MECHANICAL WORKSHOP: CERES Offices, Workshop, Training Room, Rest Rooms, Kitchen, Ablutions, etc. = <u>842m^2</u> Stores, Garages, Sheds, etc. = <u>259m^2</u>	R46 Erf 3731 Ceres	1,101 m^2
WORCESTER		
Premises / Facility	**Address**	**Approximate Area**
OFFICE BUILDING: WORCESTER Garages, Underroof Parking, DB Rooms, Transformer Rooms, etc.	51 Trappes Street Erf 6024 Worcester	616 m^2
REDUNDANT STORE: WORCESTER	Napier Street Erf 1350 Worcester	298 m^2
ROADS DEPOT: WORCESTER Offices, Training Room, Kitchens, Cloakrooms, Ablutions, etc. = <u>733m^2</u> Garages, Underroof Walkways, etc = <u>317m^2</u>	C/o Louis Lange and Schönland Street Erf 4 Worcester	1,050 m^2
MECHANICAL WORKSHOP: WORCESTER Offices, Workshop, etc. = <u>439m^2</u> Stores Machine, Ghries, Weld, Tools, Wash Bay, etc. = <u>233m^2</u>	C/o Louis Lange and Schönland Street Erf 4788 Worcester	672 m^2
TRAINING FACILITY DEPOT: WORCESTER	C/o Louis Lange and Schönland Street Erf 4788 Worcester	101 m^2

ROBERTSON & MONTAGU		
Premises / Facility	**Address**	**Approximate Area**
MAIN OFFICE/OUT-BUILDINGS: ROBERTSON	40 Van Reenen Street Erf 236 Robertson	466 m^2
ROADS DEPOT: ROBERTSON Offices, Training Room, Cloakrooms, Kitchens, Ablutions, etc. = <u>264m^2</u> Stores = <u>232m^2</u>	Constitution Street Erf 1348 Robertson	496 m^2

MECHANICAL WORKSHOP: ROBERTSON Office, Workshop, Ablutions, etc. = 303m^2 Stores = 30m^2	Constitution Street Erf 1348 Robertson	333 m^2
FIRE STATION: ROBERTSON	Constitution Street Erf 1348 Robertson	106 m^2
OFFICE BUILDING: MONTAGU Offices, Training Room, Kitchen, Ablutions, etc. = 198m^2 Underroof Parking, Store, Out-Buildings, etc. = 436m^2	50A Bath Street Erf 229 Montagu	634 m^2

10.4 The complete suite of services to be rendered per the above geographical areas must include all of the below mentioned:

10.4.1 Pest disinfestation services; and

10.4.2 Rodent Control.

10.5 Service providers will thus be allowed to submit prices for a specific geographical area, however, subject thereto that the full suite of services as prescribed under paragraph 10.4 above can be provided by the service provider, and that the service provider clearly indicate with a **"X"** on the prescribed pricing schedules for which geographical area they submit a tender and that the prescribed pricing schedules are completed in full.

10.6 No partially completed pricing schedules for a specific geographical area will be considered for evaluation.

10.7 Services providers are required to attach to their tender document proof of membership with a recognized South African professional body/institute, the membership which will ensure that the service provider is committed to ethical business practices and will provide an appropriate level of service to adequately prevent, monitor, treat and control pests within/around the premises of the client, and to protect the safety and health of the clients' employees and visitors by establishing and maintaining minimum standards of practice, knowledge and skills. Alternatively, the proof of membership with a recognized South African professional body/institute must be submitted within a timeframe to be determined by the Cape Winelands District Municipality.

10.8 Failure to submit proof of membership with a recognized South African professional body/institute within a reasonable timeframe as determined by the Cape Winelands District Municipality, will automatically disqualify a service provider.

10.9 The numbers and square meters in this tender have been calculated by the Cape Winelands District Municipality, however, cognisance should be taken that there may be variances in the numbers and square meters.

10.10 Cognisance should be taken that the Cape Winelands District Municipality cannot guarantee the exact square meters of the pest disinfestation services and the number of rodent control services to be rendered.

10.11 For evaluation purposes, the prices quoted in the prescribed pricing schedules will be calculated as follows for each year of the contract, however cognisance should be taken that the Cape Winelands District Municipality will not be bound by the numbers to be utilized in the calculations:

Compulsory quarterly pest disinfestation services:

Unit price per m^2

x 5,166 m^2 (estimated m^2 to be serviced per quarter for **Stellenbosch** geographical area)
x 990 m^2 (estimated m^2 to be serviced per quarter for **Paarl** geographical area)
x 837 m^2 (estimated m^2 to be serviced per quarter for **Ceres** geographical area)
x 2,920 m^2 (estimated m^2 to be serviced per quarter for **Worcester** geographical area)

x 4 quarters
= annual amount

Compulsory once-off supply and installation of tamper-proof bait stations, inclusive of bait:

Unit price per bait station

x 35 (estimated number of bait stations for **Stellenbosch** geographical area)
x 30 (estimated number of bait stations for **Paarl** geographical area)
x 35 (estimated number of bait stations for **Worcester** geographical area)
x 16 (estimated number of bait stations for **Ceres** geographical area)
x 16 (estimated number of bait stations for **Robertson & Montagu** geographical area)

= annual amount

Compulsory monthly service fee per tamper-proof bait station:

Unit price per service per bait station

x 35 (estimated number of bait stations for **Stellenbosch** geographical area)
x 30 (estimated number of bait stations for **Paarl** geographical area)
x 35 (estimated number of bait stations for **Worcester** geographical area)
x 16 (estimated number of bait stations for **Ceres** geographical area)
x 16 (estimated number of bait stations for **Robertson & Montagu** geographical area)

x 12 months
= annual amount

"If and when required" pest disinfestation services:

Unit price per m^2

x 3,254 m^2 (estimated m^2 to be serviced per quarter for **Stellenbosch** geographical area)
x 1,175 m^2 (estimated m^2 to be serviced per quarter for **Paarl** geographical area)
x 1,833 m^2 (estimated m^2 to be serviced per quarter for **Ceres** geographical area)
x 2,737 m^2 (estimated m^2 to be serviced per quarter for **Worcester** geographical area)
x 2,035 m^2 (estimated m^2 to be serviced per quarter for **Robertson & Montagu** geographical area)

x 1 (based on the assumption that one call-out may be required per site)
= annual amount

"If and when required" once-off supply and installation of tamper-proof bait stations, inclusive of bait:

Unit price per bait station

x 15 (estimated number of bait stations for **Stellenbosch** geographical area)
x 12 (estimated number of bait stations for **Paarl** geographical area)
x 15 (estimated number of bait stations for **Worcester** geographical area)
x 9 (estimated number of bait stations for **Ceres** geographical area)
x 9 (estimated number of bait stations for **Robertson & Montagu** geographical area)

= annual amount

"If and when required" monthly service fee per tamper-proof bait station:

Unit price per service per bait station

x 15 (estimated number of bait stations for **Stellenbosch** geographical area)
x 12 (estimated number of bait stations for **Paarl** geographical area)
x 15 (estimated number of bait stations for **Worcester** geographical area)
x 9 (estimated number of bait stations for **Ceres** geographical area)
x 9 (estimated number of bait stations for **Robertson & Montagu** geographical area)

x 12 months
= annual amount

10.12 The District Municipality reserves the right to amend the quantities at its discretion in order to meet operational requirements.

10.13 Further cognisance should be taken that the District Municipality reserves the right to suspend, or partly suspend, any or all of the required services at any of the identified sites in the respective geographical areas.

11. REMUNERATION

11.1 Cognisance should be taken that all services related to this tender, including standard and ad hoc services, may only be commenced with after the issuing of an official order by the Cape Winelands District Municipality.

11.2 The successful service provider must submit monthly invoices to the Cape Winelands District Municipality, not later than the 7th day of the month following the month for which the services were rendered.

11.3 The successful service provider must submit invoices for ad hoc services to the Cape Winelands District Municipality, not later than 7 days after completion of the services being rendered.

11.4 All invoices must clearly stipulate the prices per product/service, as well as the unit price and numbers, where applicable.

11.5 No advance payments will be made for any reason whatsoever. Invoices rendered will be payable within 30 days.

11.6 The successful service provider must submit separate invoices for each location and type of service rendered.

11.7 The Cape Winelands District Municipality will only process invoices for payment if it is accompanied by advice slips, signed by the Representative of the specific building of the Cape Winelands District Municipality.

12. DELIVERABLES

12.1 Utilization of pesticides that have no adverse side effects on the occupants of the District Municipality's buildings, do not stain or taint, have no offensive odour (are virtually odourless), leave no unsightly deposits and conform to national or local legislation on pesticides usage.

12.2 Only registered qualified Pest Control Operators allowed to perform services in buildings or facilities of the Cape Winelands District Municipality.

12.3 Special requests attended to as expeditiously as possible and not later than forty-eight (48) hours of it being reported to the service provider, or within a timeframe as mutually agreed upon between the service provider and the Cape Winelands District Municipality.

G. FORM OF OFFER

OFFER

The Cape Winelands District Municipality, identified in the acceptance signature block, has solicited offers to enter into a Contract in respect of the following works:

T 2021/010: PROVISION OF PEST DISINFESTATION AND RODENT CONTROL SERVICES AT VARIOUS OFFICE BUILDINGS AND FACILITIES OF THE CAPE WINELANDS DISTRICT MUNICIPALITY FOR THE PERIOD ENDING 30 JUNE 2024

The bidder, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the tender schedules, and by submitting this offer has accepted the Conditions of Tender and offers to perform all of the obligations and liabilities under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount of be determined in accordance with the conditions of contract identified in the Conditions of Contract.

By the representative of the bidder, deemed to be duly authorized, signing this part of this form of offer and acceptance, the bidder offers to perform all of the obligations and liabilities of the Service Provider under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount of be determined in accordance with the conditions of contract identified in the Conditions of Contract.

For proper evaluation purposes it is essential that this specific pricing schedule be completed in full and signed. Alternative pricing schedules will not be accepted

This offer may be accepted by the Cape Winelands District Municipality by signing the Acceptance part of this form of offer and acceptance and returning one copy of this document to the bidder before the end of the period of validity Stated in the Conditions of Tender, whereupon the bidder becomes the party named as the Service Provider in the Conditions of Contract.

Signature(s): ....

Name(s): Calvin Chetty

Capacity for the Tenderer: Director

Name of organization: Sanitech, a div. of Waco Africa (Pty) Ltd

Name and Signature of Witness: Belinda Daith .... Date: 26/5/2021

PRICING SCHEDULE: COMPULSORY QUARTERLY PEST DISINFESTATION SERVICES AND MONTHLY MAINTENANCE OF BAIT STATIONS
YEAR ONE: PERIOD ENDING 30 JUNE 2022

Description	Unit	Unit Cost (Excl. VAT)	VAT @ 15%	Unit Cost (Incl. VAT)
Quarterly Pest Disinfestation Services	m^2	R 0-60	R 0-09	R 0.69
Rodent Control: Once-off Supply and installation of tamper-proof bait stations, inclusive of bait	Per bait station	R 80-00	R 12-00	R 92-00
Rodent Control: Monthly service fee per tamper-proof bait station	Per bait station	R 20-00	R 3-00	R 23-00

INDICATE BELOW WITH A "X' FOR WHICH GEOGRAPHICAL AREA THIS TENDER IS SUBMITTED			
Stellenbosch	X	**Paarl**	X
Ceres	X	**Worcester**	X
Robertson & Montagu	X	[redacted]	

NAME OF SERVICE PROVIDER: Sanitech a div. of Waco Africa (Pty) Ltd

SIGNED ON BEHALF OF SERVICE PROVIDER:

DATE: 26/5/2021

23 JUN 2021

PRICING SCHEDULE: SERVICES "AS AND WHEN REQUIRED"
YEAR ONE: PERIOD ENDING 30 JUNE 2022

Description	Unit	Unit Cost (Excl. VAT)	VAT @ 15%	Unit Cost (Incl. VAT)
Quarterly Pest Disinfestation Services	m^2	R 0.70	R 0.10	R 0-80
Rodent Control: Once-off Supply and installation of tamper-proof bait stations, inclusive of bait	Per bait station	R 80-00	R 12-00	R 92-00
Rodent Control: Monthly service fee per tamper-proof bait station	Per bait station	R 20-00	R 3-00	R 23-00
INDICATE BELOW WITH A "X' FOR WHICH GEOGRAPHICAL AREA THIS TENDER IS SUBMITTED				
Stellenbosch	X	**Paarl**		X
Ceres	X	**Worcester**		X
Robertson & Montagu	X			

NAME OF SERVICE PROVIDER: Sanitech, a div. of Waco Africa (Pty) Ltd

SIGNED ON BEHALF OF SERVICE PROVIDER: ____________________

DATE: 26/5/2021

Cape ... Municipality
Opened at 11h00 on
23 JUN 2021
Witness:

PRICING SCHEDULE: COMPULSORY QUARTERLY PEST DISINFESTATION SERVICES AND MONTHLY MAINTENANCE OF BAIT STATIONS

YEAR TWO: 01 JULY 2022 TO 30 JUNE 2023

Description	Unit	Unit Cost (Excl. VAT)	VAT @ 15%	Unit Cost (Incl. VAT)
Quarterly Pest Disinfestation Services	m^2	R 0-63	R 0·09	R 0·72
Rodent Control: Once-off Supply and installation of tamper-proof bait stations, inclusive of bait	Per bait station	R 80-00	R 12-00	R 92-00
Rodent Control: Monthly service fee per tamper-proof bait station	Per bait station	R 20-00	R 3-00	R 23-00

INDICATE BELOW WITH A "X' FOR WHICH GEOGRAPHICAL AREA THIS TENDER IS SUBMITTED			
Stellenbosch	X	**Paarl**	X
Ceres	X	**Worcester**	X
Robertson & Montagu	X	[redacted]	

Sanitech, a div. of Waco Africa (Pty) Ltd

SIGNED ON BEHALF OF SERVICE PROVIDER: ______________

DATE: 26|5|2021

PRICING SCHEDULE: SERVICES "AS AND WHEN REQUIRED"
YEAR TWO: 01 JULY 2022 TO 30 JUNE 2023

Description	Unit	Unit Cost (Excl. VAT)	VAT @ 15%	Unit Cost (Incl. VAT)
Quarterly Pest Disinfestation Services	m^2	R 0-72	R 0-11	R 0-83
Rodent Control: Once-off Supply and installation of tamper-proof bait stations, inclusive of bait	Per bait station	R 82-00	R 12-30	R 94-30
Rodent Control: Monthly service fee per tamper-proof bait station	Per bait station	R 21-00	R 3-15	R 24-15

INDICATE BELOW WITH A "X' FOR WHICH GEOGRAPHICAL AREA THIS TENDER IS SUBMITTED

Stellenbosch	X	**Paarl**	X
Ceres	X	**Worcester**	X
Robertson & Montagu	X		

NAME OF SERVICE PROVIDER: Sanitech, a div. of Waco Africa (Pty) Ltd

SIGNED ON BEHALF OF SERVICE PROVIDER:

DATE: 26/5/2021

Cape Winelands ... Municipality
Opened ... on
23 JUN 2021

PRICING SCHEDULE: COMPULSORY QUARTERLY PEST DISINFESTATION SERVICES AND MONTHLY MAINTENANCE OF BAIT STATIONS

YEAR THREE: 01 JULY 2023 TO 30 JUNE 2024

Description	Unit	Unit Cost (Excl. VAT)	VAT @ 15%	Unit Cost (Incl. VAT)
Quarterly Pest Disinfestation Services	m^2	R 0-63	R 0-09	R 0-72
Rodent Control: Once-off Supply and installation of tamper-proof bait stations, inclusive of bait	Per bait station	R 84-00	R 12-60	R 96-60
Rodent Control: Monthly service fee per tamper-proof bait station	Per bait station	R 21-00	R 3-15	R 24-15

INDICATE BELOW WITH A "X' FOR WHICH GEOGRAPHICAL AREA THIS TENDER IS SUBMITTED

Stellenbosch	X	**Paarl**	X
Ceres	X	**Worcester**	X
Robertson & Montagu	X		

NAME OF SERVICE PROVIDER: Sanitech, a div. of Waco Africa (Pty) Ltd

SIGNED ON BEHALF OF SERVICE PROVIDER:

DATE: 26/5/2021

Cape Winelands District Municipality
Opened at ...
23 JUN 2021

PRICING SCHEDULE: SERVICES "AS AND WHEN REQUIRED"
YEAR THREE: 01 JULY 2023 TO 30 JUNE 2024

Description	Unit	Unit Cost (Excl. VAT)	VAT @ 15%	Unit Cost (Incl. VAT)
Quarterly Pest Disinfestation Services	m^2	R 0-66	R 0-10	R 0-76
Rodent Control: Once-off Supply and installation of tamper-proof bait stations, inclusive of bait	Per bait station	R 86-00	R 12-90	R 98-90
Rodent Control: Monthly service fee per tamper-proof bait station	Per bait station	R 23-00	R 3-45	R 26-45

INDICATE BELOW WITH A "X' FOR WHICH GEOGRAPHICAL AREA THIS TENDER IS SUBMITTED

Stellenbosch	X	**Paarl**	X
Ceres	X	**Worcester**	X
Robertson & Montagu	X		

NAME OF SERVICE PROVIDER: Sanitech a div. of Waco Africa (Pty) Ltd

SIGNED ON BEHALF OF SERVICE PROVIDER:

DATE: 26/5/2021

23 JUN 2021

H. ACCEPTANCE

By signing this part of this form of offer and acceptance, the Employer identified below accepts the Tenderers offer. In consideration thereof, the Employer shall pay the Service Provider the amount due in accordance with the Conditions of Contract identified in the contract that is the subject of this agreement.

Deviations from and amendments to the documents listed in the tender data and any addenda thereto as listed in the tender schedules as well as any changes to the terms of the offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the schedule of deviations attached to, and forming part of this agreement. No amendments to or deviations from said documents are valid unless contained in this schedule, which must be signed by the authorized representative(s) of both parties.

The tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the Employer's agent (whose details are given in the contract data) to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the tenderer (now Service Provider) within five days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

ACCEPTANCE (to be completed by the Cape Winelands District Municipality)	
T 2021/010: PROVISION OF PEST DISINFESTATION AND RODENT CONTROL SERVICES AT VARIOUS OFFICE BUILDINGS AND FACILITIES OF THE CAPE WINELANDS DISTRICT MUNICIPALITY FOR THE PERIOD ENDING 30 JUNE 2024	
.... K Smit Director Support Services	25/02/2022 Date
.... Me. E Niemand Witness	25/02/2022 Date

I. QUESTIONNAIRE

List all partners / members / directors of this enterprise			
Van / Surname / Ifani	Voornaam / First name / Amagama	ID Nr./No. Inombolo	State Employee Number
Please see attached	List of Directors	& ownership	
organogram			

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (Act 53 of 2003)

LW! Om Voorkeurpunte te eis moet 'n gesertifiseerde afskrif van u Gebalanseerde Breë Basis Swart Ekonomiese Bemagtigings-telkaart voorgelê word tesame met die **MBD 6.1 Eisvorm** vir punte.

NB! To claim Preference points a certified copy of your Balanced Broad-Based Black Economic Empowerment Score Card must be submitted with the **MBD 6.1 Claim Form**.

QAPHELA! Ukuba ufuna ukwenza ibango lamanqaku akhethekileyo, kufuneka ukuba isicelo sakho sekopi eqinisekisiweyo ye Balanced Broad-Based Black Economic Empowerment Score Card ihambe kunye nefomu eyi **MBD 6.1 Claim Form**.

Vir meer inligting besoek: / For more information please visit: / Inkcukach ezithe vetshe uzakuzifumana aph:

The Department of Trade and Industry: http://bee.thedti.gov.za/
South African National Accreditation System: http://www.sanas.co.za/directory.php
Independent Regulatory Board of Auditors: http://irba.co.za/index.php

Sanitech, a div. of Waco Africa (Pty) Ltd

Besigheid of persoon se naam:- / Business or person's name:- / Igama leshishini okanye lomntu

1. Persentasie aandeelhouding van persone (HBI) in die besigheid wat histories benadeel is as gevolg van onregverdige diskriminasie gebaseerd op **ras.
Percentage of shareholding of persons (HDI) in the business historically disadvantaged because of unfair discrimination based on **race**.
Ipersenti yesabelo sabantu kwishishini elalisakuthinteleka ekuxhamleni amalungelo athile ngenxa yobandlululo **ngokobuhlanga**. — 51.56%

2. Persentasie aandeelhouding van persone (HBI) in die besigheid wat histories benadeel is as gevolg van onregverdige diskriminasie gebaseerd op **geslag**.
Percentage of shareholding of persons (HDI) in the business historically disadvantaged because of unfair discrimination based on **gender**.
Ipersenti yesabelo sabantu kwishishini elalisakuthinteleka ekuxhamleni amalungelo athile ngenxa yobandlululo **ngokwesini**. — 20.32%

3. Persentasie aandeelhouding van persone (HBI) in die besigheid wat histories benadeel is as gevolg van onregverdige diskriminasie gebaseerd op **gestremdheid**.
Percentage of shareholding of persons (HDI) in the business historically disadvantaged because of unfair discrimination based on **disability**.
Ipersenti yesabelo sabantu kwishishini elalisakuthinteleka ekuxhamleni amalungelo athile ngenxa yobandlululo **ngokobulwelwe**. — 0 %

4. Persentasie aandeelhouding van persone geklassifiseer as **jeug**. (18 – 35 Jaar oud).
Percentage of shareholding of persons in the business classified as **youth**. (18 – 35 Years old)
Ipersenti labantu abanezabelo kwinkonzo zoshishino ababizwa ngokuba **lulutsha** (18 – 35 Yeminyaka) — 0 %

5. Is u besigheid geleë binne die jurisdiksie van die Distriksmunisipaliteit ? In / Uit
Is your business established within the area of jurisdiction of the District Municipality? In / Out
Ingaba ishishini lakho limi kwingingqi elawulwa nguMasipala wesithili? Ngaphakathi / Ngaphandle
- [x] **In/Ngaphakathi**
- [ ] **Uit/Out/Ngaphandle**

6. Maak u gebruik van plaaslike arbeid (werkskepping)? Ja / Nee
Do you make use of local labour (job creation)? Yes / No
Uyawasebenzisa amathuba avelayo odalo lomsebenzi (ukudala umsebenzi)? Ewe / hayi
- [x] **Ja/Yes/Ewe**
- [ ] **Nee/No/Hayi**

J. DECLARATION OF INTEREST – (MBD 4 B)

(On behalf of the company and its directors/ members/ trustees/ principle shareholders[2])

1. No bid/database registration will be accepted from persons in the service of the **state[1]**.

2. Any person, having a kinship with persons in the service of the state, including a **blood** relationship, may make an offer or offers in terms of this invitation to bid/database registration. In view of **possible** allegations of favouritism, should the resulting bid, or part thereof, be awarded to **persons** connected with or related to persons in the service of the state, it is required that the bidder **or** their authorised representative declare their position in relation to the **evaluating/adjudicating authority**.

3 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid/database registration in respect of owners/shareholders[2] of the company.**

3.1	Full Name of bidder or his or her **representative**	Calvin Chetty
3.2	Identity Number (**person submitting this declaration)**	8503025059 085
3.3	Position occupied in the Company (official/director/trustee/s**hareholder[2]**):	Director
3.4	Company Registration Number	2012\000665\07
3.5	Tax Reference **Number**	925 708 3197
3.6	VAT Registration Number	444 0260 539
3.7	The names of all directors/ members/ trustees/ principle shareholders, their individual identity numbers, personal tax reference numbers and state employee numbers must be indicated in paragraph 4 below	

3.8	Are you or any director/ member/ trustee/ principle shareholder presently in the service of the state?	[redacted]	No
3.8.1	If yes, furnish particulars. (Please write in Block Letters. Add separate page if more than one.		

SA ID Number:		Relation:	
Surname:	N/A	Persal No:	
Full Names:			
Organ of State:		Position:	

3.9	Have you or any director/ member/ trustee/ principle shareholder been in the service of the state for the past twelve months?	[redacted]	No
3.9.1	If yes, furnish particulars. (Please write in Block Letters. Add separate page if more than one.		

SA ID Number:		Relation:	
Surname:	N/A	~~Persal No~~:	
Full Names:			
Organ of State:		Position:	

3.10	Do you or any director/ member/ trustee/ principle shareholder have any relationship (family, friend, other) with **persons** in the service of the state and/or who may be involved **with** the evaluation and/or adjudication of this or any other prospective bid?	[redacted]	No
3.10.1	If yes, furnish particulars. (Please write in Block Letters. Add separate page if more than one.		

SA ID Number:	N/A	Relation:	
Surname:		Persal No:	
Full Names:			
Organ of State:		Position:	

3.11	Are you aware of any relationship (family, friend, other) **between** you or any director/ member/ trustee/ principle shareholder and any persons in the service of the state **who may be** involved with the evaluation and/or adjudication of this or any other prospective bid?	[redacted]	No
3.11.1	If yes, furnish particulars. (Please write in Block Letters. Add separate page if more than one.		

SA ID Number:	N/A	Relation:	
Surname:		Persal No:	
Full Names:			
Organ of State:		Position:	

3.12	Is any spouse, child or parent of the **company's directors/ members/** trustees/ principle shareholders or **stakeholders** in the service of the state?	[redacted]	No
3.12.1	If yes, furnish particulars. (Please write in Block Letters. Add separate page if more than one.		

SA ID Number:	N/A	Relation:	
Surname:		Persal No:	
Full Names:			
Organ of State:		Position:	

3.13	Do you or any director/ member/ trustee/ principle shareholder/ stakeholders of this **company** have any interest in any other related companies **or** business whether or not they are bidding for this contract.	[redacted]	No
3.13.1	If yes, furnish particulars. ....N/A..		

3.14	Is the supplier or any director/ member/ trustee/ principle shareholder listed **on the National Treasury's database as a company or person prohibited** from doing business with the public sector?	[redacted]	No
3.14.1	If yes, furnish particulars. ....N/A..		

3.15	Is the supplier or any director/ member/ trustee/ principle shareholder listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?	[redacted]	No
3.15.1	If yes, furnish particulars. ……………N/A…………………………………………………………………… …………………………………………………………………………………		

3.16	Was the supplier or any director/ member/ trustee/ principle shareholder convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	[redacted]	No
3.16.1	If yes, furnish particulars. ……………N/A…………………………………………………………………… …………………………………………………………………………………		

3.17	Does the supplier or any director/ member/ trustee/ principle shareholder owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	[redacted]	No
3.17.1	If yes, furnish particulars. …………N/A…………………………………………………………………… ………………………………………………………………………………… The municipality may not do business with individuals/businesses, including that of all the owners/partners/members/directors, whose municipal rates and taxes and/or service charges are in arrears for more than three (3) months unless arrangements have been made with the municipality to settle such arrears. Refer to SCM Regulation 38*(d)*. (Certified copies of your *most current* accounts/statements and/or proof of any arrangement to be submitted ***every three*** months – provide individual information in the schedule under par. 4.		

3.18	Was any contract between the supplier and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	[redacted]	No
3.18.1	If yes, furnish particulars. …………N/A…………………………………………………………………… …………………………………………………………………………………		

4	***MFMA Circular No 62 of July 2013*** require bidders to submit the names of their directors/ trustees/ shareholders, their individual identity numbers, personal tax reference numbers and employee numbers of those who are in the service of the state as defined in the Municipal Supply Chain Management Regulations as part of their bid submissions. ***A shareholder is defined as a person who owns shares in the company and is actively involved in the management of the company or business, and exercises control over the company.***					
	Full name of directors / trustees / shareholders	**Identity Number**	**% Share-holding in company**	**Personal Tax Reference Number**	**State Employee Number (Persal)**	**Municipal rates & services account numbers (3.17.1)** *Municipal clearance or most recent service account must be attached as evidence*
1	Please see attached List of Directors & ownership organogram					
2						
3						
4						
5						
6						
7						
8						
9						
10						

I, the under signed, certify that the information furnished on this declaration form is true and correct. **I accept that my/my company's bid/registration may be rejected and in addition to the** rejection that action may be taken against me/ my company should this declaration prove to be false.

....
Signature

26|5|2021
Date

Director
Capacity of Signatory

Sanitech, a div-of Waco Africa (Pty) Ltd
Name of Bidder/Company/CC Name

MANDATORY SECTION: THIS DECLARATION WILL NOT BE ACCEPTED IF NOT CERTIFIED:

[1] MSCM Regulations: **"in the service of the state"** means to be –
(a) a member of –
(i) any municipal council;
(ii) any provincial legislature; or
(iii) the national Assembly or the national Council of provinces;
(b) a member of the board of directors of any municipal entity;
(c) an official of any municipality or municipal entity;
(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
(e) a member of the accounting authority of any national or provincial public entity; or
(f) an employee of Parliament or a provincial legislature.

[2] **"Shareholder"** means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

Commissioner of Oaths

Signed and sworn to before me at Elandsfontein

on this the 26 day of May 2021 by the Deponent, who has acknowledged that he/she knows and understands the contents of this Affidavit, it is true and correct to the best of his/her knowledge and that he/she has no objection to taking the prescribed oath, and that the prescribed oath will be binding on his/her conscience.

Commissioner of Oaths ....

Position: Financial Manager

Address 181 Barbara Rd

Elandsfontein

....

Tel: 011 842 4000

Apply official stamp of authority on this page:

COMMISSIONER OF OATHS
ELMARIE ESTERHUIZEN
CA (SA) 09008798
Commissioner of Oaths (RSA)
P.O. Box 669
Isando
1600

This document is compulsory, in terms of Regulation 44 of the Supply Chain Management Regulations, to do business with any municipality – If not endorsed by a Commissioner of Oaths, or failure to submit it, will disqualify your business from the acquisitioning process. (Must be submitted annually)

K. DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED (MBD 5)

For all procurement expected to exceed R10 (all applicable taxes included), bidders must complete the following questionnaire:

1.	Are you by law required to prepare annual financial statements for auditing?	Yes / [redacted]
1.1	If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years. Please see attached Financial Statement 2018-2020	
2.	Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?	[redacted] / No
2.1	If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.	
2.2	If yes, provide particulars. N/A	
3	Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material noncompliance or dispute concerning the execution of such contract?	[redacted] / No
3.1	If yes, furnish particulars n/a	
4	Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?	[redacted] / No

4.1	If yes, furnish particulars ....n/a.. ....

CERTIFICATION

I, THE UNDERSIGNED (NAME) ....Calvin Chetty.......................................
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

....26/5/2021......
Signature Date

...Director.................... ....Sanitech, a div. of Waco Africa (Pty) Ltd
Position Name of Bidder

L. PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017 (MBD 6.1)

This document serves as a claim form to qualify for preference points in respect of Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution and must accompany an original certified copy of the applicable certificate.

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point system is applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included)

1.2 The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore only the 80/20 preference point system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

(a) Price; and

(b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
Price	80
B-BBEE status level of contributor	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

(a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

(b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;

(d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(e) **"EME"** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black

Economic Empowerment Act;

(f) **"Functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.

(g) **"prices"** includes all applicable taxes less all unconditional discounts;

(h) **"proof of B-BBEE status level of contributor"** means:

1) B-BBEE Status level certificate issued by an authorized body or person;
2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
3) Any other requirement prescribed in terms of the B-BBEE Act;

(i) **"QSE"** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

(j) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 THE PREFERENCE POINT SYSTEM

A maximum of 80 points is allocated for price on the following basis: 80/20

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where

Ps = Points scored for price of bid under consideration
Pt = Price of bid under consideration
Pmin = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 **B-BBEE Status Level of Contributor** 2 **= ...**18**... (maximum of 20 points)**

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(***Tick applicable box***)

YES		NO	X

7.1.1 If yes, indicate:

i) **What percentage of the contract will be subcontracted** ..n/a... %

ii) The name of the sub-contractor......................n/a..............................

iii) The B-BBEE status level of the sub-contractor.............n/a..............................

iv) Whether the sub-contractor is an EME or QSE
(Tick applicable box)

YES		NO	X

v) **Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:**

Designated Group: An EME or QSE which is at last 51% owned by:	**EME** √	**QSE** √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		N/A
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm: Sanitech, a div. of Waco Africa (Pty) Ltd

8.2 VAT registration number: ......444 0260 539..............................

8.3 Company registration number: ......2012/000665/07..............................

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☒ (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

Hygiene / Cleaning / Pest Control Services

Mobile Toilets / Pumping of Septic Tanks

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☒ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[*TICK APPLICABLE BOX*]

8.7 MUNICIPAL INFORMATION

Municipality where business is situated: City of Cape Town

Registered Account Number: 135181260

Stand Number: 166047

8.8 **Total number of years the company/firm has been in business:** ....

8.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

(a) disqualify the person from the bidding process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that **person's conduct**;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) Forward the matter for criminal prosecution.

Signature of Bidders: ....

DATE: 26|5|2021

ADDRESS: 17 Wrench Rd, Isando, 1600

WITNESSES:

1. ....

2. ....

M. CONTRACT FORM – RENDERING OF SERVICES (MBD 7.2)

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution) Cape Winelands District Municipality in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number T2021/010 at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.

2. The following documents shall be deemed to form and be read and construed as part of this agreement:

   (i) Bidding documents, *viz*
   - Invitation to bid;
   - Tax clearance certificate;
   - Pricing schedule(s);
   - Filled in task directive/proposal;
   - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
   - Declaration of interest;
   - Declaration of Bidder's past SCM practices;
   - Certificate of Independent Bid Determination;
   - Special Conditions of Contract;

   (ii) General Conditions of Contract; and
   (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorised to sign this contract.

Name	Calvin Chetty		
Capacity	Director		
Signature			
Company name	Sanitech, a div. of Waco Africa (Pty) Ltd		
Date	26/5/2021		
Witness 1		Date	26/5/2021
Witness 2		Date	26/5/2021

PART 2 - RENDERING OF SERVICES

1. I, **Karina Smit** in my capacity as **Director Support Services** accept your bid under reference number **T 2021/010** dated **23/06/2021** for the rendering of services indicated hereunder and/or further specified in the annexure(s).

2. An official order indicating service delivery instructions is forthcoming.

3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

Tender/ Quotation number:	**T 2021/010: PROVISION OF PEST DISINFESTATION AND RODENT CONTROL SERVICES AT VARIOUS OFFICE BUILDINGS AND FACILITIES OF THE CAPE WINELANDS DISTRICT MUNICIPALITY FOR THE PERIOD ENDING 30 JUNE 2024**
Awarded to:	Sanitech a Division of Waco Africa (Pty) Ltd
Delivery Period	Period ending 30 June 2024
B-BBEE Status level of contribution	2
Minimum threshold for Local Production and Content	Not applicable
Price including VAT	Various prices

4. I confirm that I am duly authorized to sign this contract, signed at Stellenbosh.

Name	Karina Smit	
Signature		25/02/2022
Witness 1		25/02/2022
Witness 2		25/02/2022

N. DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES – MBD 8

1. This Municipal Bidding Document must form part of all bids invited.

2. It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

3. The bid of any bidder may be rejected if that bidder, or any of its directors have:
   - Abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
   - Been convicted of fraud or corruption during the past five years;
   - Willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
   - Been listed in the Register of Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No12 of 2004)

4. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	**Is the bidder or any of its directors listed on the National Treasury's Database** of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audi alteram partem rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.		X
4.1.1	If so, furnish particulars: …………n\a…………………………………………………… ……………………………………………………………………		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National **Treasury's website** (www.treasury.gov.za) by clicking on its link at the bottom of the home page.		X
4.2.1	If so, furnish particulars: ……………n\a…………………………………………………… ……………………………………………………………………		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?		X
4.3.1	If so, furnish particulars: ………………n\a………………………………………………… ……………………………………………………………………		

4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?		X
4.2.1	If so, furnish particulars: …………n/a…………………………………………… ………………………………………………………		
4.3	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?		X
4.3.1	If so, furnish particulars: …………n/a…………………………………………… ………………………………………………………		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) ……Calvin Chetty……CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM ~~IS~~ TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

……………………………………… ……26/5/2021……………………
Signature Date

……Director……………………… Sanitech, a div. of Waco Africa (Pty) Ltd
Position Name of Bidder

O. CERTIFICATE OF INDEPENDENT BID DETERMINATION (MBD 9)

1. This Municipal Bidding Document (MBD) must form part of all bids[1] invited.

2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).[2] Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
   a. take all reasonable steps to prevent such abuse;
   b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
   c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

4. This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid rigging.

5. In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

[1] Includes price quotations, advertised competitive bids, limited bids and proposals.
[2] Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

T 2021/010: Provision of Pest disinfestation & Rodent Control Services @ various office buildings & Facilities of the Cape Winelands District Municipality for the period ending 30 June 2024 (Bid Number and Description)

in response to the invitation for the bid made by: CAPE WINELANDS DISTRICT MUNICIPALITY do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: Cape Winelands District Municipality that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;

2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;

3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;

4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;

5. For the purposes of this Certificate and the accompanying bid, I understand that the word **"competitor" shall include any individual or organization, other than the bidder**, whether or not affiliated with the bidder, who:
   (a) Has been requested to submit a bid in response to this bid invitation;
   (b) Could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
   (c) Provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium[3] will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
   (a) Prices;
   (b) Geographical area where product or service will be rendered (market allocation)
   (c) Methods, factors or formulas used to calculate prices;
   (d) The intention or decision to submit or not to submit, a bid;
   (e) The submission of a bid which does not meet the specifications and conditions of the bid; or
   (f) Bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

…………………………	26/5/2021
Signature	Date
Director	Sanitech a div. of Waco Africa (Pty) Ltd
Position	Name of Bidder

[3] Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

P. MUNICIPAL RATES AND SERVICES

Names of Directors / Partners	Physical residential address of the Directors / Partners	Municipal Account Number	Name of Municipality
Please see attached list of Municipal Accounts			

NB: Please attach certified copy/copies of the Municipal Account(s)

DECLARATION:

I, the undersigned (name) Calvin Chetty
Certify that the information furnished above is correct. I accept that the state may act against me should this declaration prove to be false.

.... 26/5/2021
Signature **Date**

Director .... Sanitech, a div. of Waco Africa (Pty) Ltd
Position **Name of Bidder**

Q. AUTHORITY FOR SIGNATORY

We, the undersigned, hereby authorize Mr/~~Mrs~~ ....Calvin Chetty........

acting in his/~~her~~ capacity as ....Director........

of the business trading as ....Sanitech........

to sign all documentation in connection with Tender........T 2021/010........

Name of members / directors	Signature	Date
Please see attached Resolution	of the Board	of Directors

Note: If bidders attached a copy of their Authorized Signatory it is not necessary to complete this form.

R. CREDIT ORDER INSTRUCTION

It is the policy of the Cape Winelands District Municipality to pay all creditors by means of direct **bank transfers. Please complete this information and acquire your banker's** confirmation.

DETAILS OF FIRM/INSTITUTION

Name	Sani-Tech H/S CT Div of
	Waco Africa (Pty) Ltd

DETAILS OF MY/OUR BANK ACCOUNT ARE AS FOLLOWS:

NAME OF BANK	Standard Bank
NAME OF BRANCH	Kenilworth Centre
BRANCH CODE	026209
ACCOUNT NUMBER	07287322 1
TYPE OF ACCOUNT	01 (1 = Cheque, 2 = Savings)

I/we hereby request and authorise the Cape Winelands district municipality to pay any amounts that may accrue to me/us to the credit of my/our bank account.

I/we understand that a payment advice will be supplied by the Cape Winelands District municipality in the normal way that will indicate the date on which funds will be available in my/our bank account and details of payment.

I/we further undertake to inform the Cape Winelands District municipality in advance of any change in my/our bank details and accept that this authority may only be cancelled by me/us by giving thirty days' notice by prepaid registered post.

C. Chetty		26/5/2021	011 823 6060
INITIALS AND SURNAME:	AUTHORISED SIGNATURE:	DATE:	TELEPHONE NUMBER:

FOR BANK USE ONLY

I/we hereby certify that the details of our clients bank account as indicated on the credit order instruction is correct:

* Please see attached Bank Confirmation Letter

AUTHORISED SIGNATURE

OFFICIAL DATE STAMP

FOR FULL SUPPLIER ACCREDITATION ALL PARTS MUST BE COMPLETED AND SIGNED:

S. COMPULSORY DOCUMENTATION / CHECKLIST

PLEASE ENSURE THAT THE FOLLOWING FORMS HAVE BEEN DULY COMPLETED AND SIGNED AND THAT ALL DOCUMENTS AS REQUESTED, ARE ATTACHED TO THE TENDER DOCUMENT: (Failure to submit this documentation shall lead to disqualification)

Form G - Form of offer Is the form duly completed and signed?	**Yes**	✓	**No**	
Form J – Declaration of Interest (MBD4) Is the personal declaration from each and every owner / member / director duly completed, certified and signed?	**Yes**	✓	**No**	
Form K – Certificate of Independent Bid Determination (MBD 9) Is the form duly completed and signed?	**Yes**	✓	**No**	
Form L – Preference Points Claim – (MBD 6.1) Is the form duly completed and signed?	**Yes**	✓	**No**	
Form M - Contract Form Is the form duly completed and signed?		✓		
Form N – Municipal Rates and services Is a certified copy of the **bidder's and those of its director's** municipal accounts (for the Municipality where the bidder pays his account) for the month preceding the tender closure date attached?	**Yes**	✓	**No**	
Form O– Authority for Signatory Is the form duly completed and is a certified copy of the resolution attached?	**Yes**	✓	**No**	
Form P – Declaration of Past Supply Chain Practices (MBD 8) Is the form duly completed and signed?	**Yes**	✓	**No**	
Tax Compliance Status Is your unique personal identification number (pin) issued by SARS attached?	**Yes**	✓	**No**	

Additional documents applicable to this specific tender:				
Compensation for Occupational Injury and Diseases Act (COIDA) Is the letter of Good Standing attached?	**Yes**	✓	**No**	
Company profile Is a company profile attached?	**Yes**	✓	**No**	

Failure to submit the following certificate will not lead to disqualification, but the tenderer will score 0 points for B-BBEE during the evaluation of tender offers.

B-BBEE Certificate Is a certified copy of the B-BBEE or Original certificate attached?	**Yes**	✓	**No**	

I, ...Calvin Chetty.... confirm that all compulsory documents for this tender is duly completed, signed and attached to this document.

Signature: .... Date: ...26/5/2021...............

T. REFERENCES

This schedule is to determine the capability of the bidder to execute the contract.

At least three (3) reference letters from companies with whom the service providers are/have conducted business relating to the terms of reference of this tender must be included in the tender document, together with the contact details of the references, alternatively reference letters must be submitted within a timeframe as to be determined by the Cape Winelands District Municipality.

Company Name	Shoprite Checkers
Description of project	Past Control Services
Contact person name	
Contact person telephone number	021 980 4000
Value of project	R 1508 395 p/a

Company Name	SANBS
Description of project	Past Control Services
Contact person name	
Contact person telephone number	011 761 9298
Value of project	R 1977 376-08 p/a

Company Name	Tau Lekoa Gold Mine
Description of project	Past Control Services
Contact person name	
Contact person telephone number	018 478 9212
Value of project	R 3 556 780-52 p/a

Sanitech

REFERENCES

PEST CONTROL SERVICES

Sector	Cust No	Customer Name	Contact Telephone	Contact Email 1	Contact Email 2	2020 FY Revenue	Start Date	End Date
07 Pest Control	HCT31061	SHOPRITE CHECKERS (PTY) LTD	219804000	SedeeqahS@sanitech.co.za	SedeeqahS@sanitech.co.za	R 1 508 395,76	2014/03/27	2022/04/29
07 Pest Control	HJB02354	SOUTH AFRICAN NATIONAL BLOOD SERVICES	011 761 9298	nirig@sanitech.co.za	roslynp@sanitech.co.za	R 1 977 376,08	2015/10/19	2021/09/01
07 Pest Control	SEC00767	EXXARO COAL MPUMALANGA (PTY) LTD	0	0	annelizes@sanitech.co.za	R 426 633,70	2019/06/01	2021/06/01
07 Pest Control	POT77953	TAU LEKOA GOLD MINE (PTY) LTD	018 478 9212	HanesiaH@sanitech.co.za	HanesiaH@sanitech.co.za	R 3 556 780,52	2017/06/26	2020/11/30
07 Pest Control	HBM40113	CENTLEC	0514122755	Brian.Leserwane@centlec.co.za	Brian.Leserwane@centlec.co.za	R 814 962,80	2017/08/01	2021/11/01
07 Pest Control	PRI00382	NHLS - SANDRINGHAM CAMPUS	011 386 6181/ 0118855408 lindi	abednigo.sambo@nhls.ac.za	nirig@sanitech.co.za	R 206 315,00	2017/10/21	2020/10/31
07 Pest Control	WIT80010	EXXARO COAL (PTY) LTD, (LEEUWPAN)	013 665 9012	vendor.services@exxaro.com	vendor.services@exxaro.com;	R 221 458,00	2019/04/12	2021/04/12
07 Pest Control	HJB01579	WACO AFRICA (PTY) LTD	118 424 215	denisel@wacoafrica.co.za;carriec@sanitech.co.za	biankak@wacoafrica.co.za; carriec@sanitech.co.za	R 1 548 985,90	2008/02/29	ONGOING
07 Pest Control	HDB00396	G.U.D HOLDINGS (PTY) LTD	031-9106708	singhl@gud.co.za	singhl@gud.co.za	R 2 276 184,14	2018/11/01	2020/10/01
07 Pest Control	HCT00333	EXIM INTERNATIONAL (PTY) LTD	0215114000	fatimaa@exim.co.za	fatimaa@exim.co.za	R 133 007,00	2019/08/01	2021/08/31
07 Pest Control	HDB00239	FLM SA (PTY) LTD T/A DURBAN DC	0314621956/0873750785	mduplessis@fnv.co.za	mduplessis@fnv.co.za	R 541 670,99	2017/06/01	2021/06/01
07 Pest Control	HJB02376	CTP LIMITED T/A RNA DISTRIBUTION (All Branches)	011-2483500/0824126404	RoslynP@wacoafrica.co.za	Roslynp@wacoafrica.co.za	R 290 007,29	2016/07/01	2021/06/01
07 Pest Control	HJB02819	CORRUSEAL CORRUGATED	0873108382	creditorsjhb@corruseal.co.za	trasha@corruseal.co.za	R 727 922,76	2019/03/01	2022/01/31
07 Pest Control	HCT00214	SG Consumer a div of Super Group Trading (PTY) Ltd	0113873279	sheila.appollis@supergrp.com	sheila.appollis@supergrp.com	R 936 508,16	2017/07/03	2021/10/31
07 Pest Control	HDB00269	ETHEKWINI MUNICIPALITY - MOSES MABIDA STADIUM	031-311 1111	Snenhlanhla.Mtshali@durban.gov.za	Snenhlanhla.Mtshali@durban.gov.za	R 113 460,41	2017/08/03	2020/07/01
07 Pest Control	HDB00421	TRANSNET PORT TERMINALS DCT PEIR 2	0	0	michelle.smith@transnet.net	R 112 902,12	2019/02/01	2020/10/01
07 Pest Control	HDB22298	GATEWAY PRIVATE HOSPITAL (PTY) LTD	031 4921371	pennym@busamed.co.za	pennym@busamed.co.za	R 124 501,08	2014/09/22	2020/07/31
07 Pest Control	HDB00196	TOTAL SERVE FACILITIES MANAGEMENT	031-8270982/0726404961	bookkeeper3@thasola.co.za	bookkeeper3@thasola.co.za	R 330 054,68	2017/01/01	2021/09/01
07 Pest Control	HDB00477	SAFRIPOL (PTY) LTD	031-4504111 / 4130	accpaydbn@SAFRIPOL.COM;Zuleika.Essop@safripol.com	accpaydbn@SAFRIPOL.COM;Zuleika.Essop@safripol.com	R 1 082 896,55	2019/10/01	2021/12/01
07 Pest Control	HDB00173	BMS FOODS T/A BMS RICHARDSBAY	031-5795613	0	sandrac@bluffmeatsupply.co.za	R 106 783,63	2016/11/01	2021/08/01
07 Pest Control	HDB00261	DSV SOLUTIONS (PTY) LTD MOBENI	031-9403828	0	prettys@sanitech.co.za	R 790 864,26	2017/08/01	2021/10/01
07 Pest Control	HDB22325	BELGOTEX FLOORCOVERINGS (PTY) LTD	0338977558	Sanjay.maikoo@belgotex.co.za	Sanjay.maikoo@belgotex.co.za	R 799 895,04	2020/01/06	2021/12/01
07 Pest Control	HDB00148	INTUTHUKO HOLDINGS (PTY) LTD - INTUSERV	031-3092718	Lynn <lbaird@intuthukoholdings.co.za>	lbaird@intuthukoholdings.co.za	R 173 563,44	201/08/08	2022/02/01

REG. NO. 1929/001817/07 (PTY) LTD

16 February 2021

To whom it may concern

RE USAVE WESTERN CAPE AND SANITECH - RECOMMENDATION

This serves to confirm that Sanitech, a division of Waco Africa (Pty)Ltd, has been our preferred Pest Control service provider since 2015. In this time Carolyn Ryan and her team have managed to professionally plan and roll out a well structured pest control campaign in our 64 stores. Their pro-active methodology has proven to be effective in the various environments we operate in. Due to this we have seen continued levels of improvement through their commitment to our cause.

We recommend them without hesitation.

Regards

PIETER LE ROUX

Sign: ....

Date: ....

Pieter le Roux

USAVE WESTERN CAPE

CONSULMET® (Pty) Limited

Reg 2005/013599/07
Vat No.: 4060188846
15 Friesland Drive
Longmeadow Business Estate South
Modderfontein 1644
P.O. Box 93, Longmeadow 1609
Tel: +27 10 001 8550
Fax: +27 11 608 3853

19 October 2020

To whom it may Concern,

Dear Sir/Madam

I hereby confirm that:

Sanitech, a division of Waco Africa (Pty) Ltd performs HYGIENE SERVICES | PEST CONTROL SERVICES | MOBILE TOILETS services work for our Company.

The work is to our satisfaction and successfully implemented at our Company. The estimated value of the contract with Sanitech is R8,566.40 per month.

Sanitech has performed the specified work for our Company from January 2018 to date.

Please feel free to contact me should you require further information.

Yours faithfully
Consulmet (Pty) Limited

Mrs Verity Gorman
Administrative Manager

Beverages for Students CC
t/a Misty Creek Spur
Shop 1, Ben Fleur Boulevard
c/o Paul Sauer & Da Vinci
Ben Fleur
WITBANK
1035
P O Box 411
River Crescent
1042

TEL: 013-692 8402
FAX: 013-692 8601
VAT No: 4550248332
CC No: 2008/141431/23
mistycreekspur@vodamail.co.za

9 May 2018

To whom it may Concern

I hereby confirm that:

Sanitech, a div. of Waco Africa (Pty) Ltd performs **HYGIENE / PEST CONTROL** services work for our Company.

The work is to our satisfaction and successfully implemented at our Company.

The estimated value of the contract with Sanitech is R940.00 per month.

Sanitech performs the specified work for our Company:

From: 1 March 2018 to 9/5/2018 (Current/Ongoing)

Please feel free to contact me should you require further information.

Yours faithfully

Yvette Grobler
Administrator

TWINSAVER
GROUP

Address
Building 3, Bryanston Gate
170 Curzon Road
Private Bag X85, Bryanston
2021, South Africa

Contact Us
T +27 11 799 7111
F +27 11 799 7222
W www.twinsavergroup.co.za
E info@twinsaver.co.za

Date: 02 May 2018

To whom it may Concern,

I hereby confirm that:

Sanitech, a div. of Waco Africa (Pty) Ltd performs CLEANING(HACCP)/HYGIENE/PEST CONTROL services work for our Company.
The work is to our satisfaction and successfully implemented at our Company.
The estimated value of the contract with Sanitech is R131 109.98 per month.
Sanitech performs the specified work for our Company:
From: 12/2016 to 05/2018 (Current/Ongoing)

Please feel free to contact me should you require further information.

Yours faithfully

Marika Pretorius
MRO Buyer for Twinsaver Group

UBER

28 February 2018

TO WHOM IT MAY CONCERN

This letter serves to confirm that Uber South Africa Technology (Pty) Ltd is a client to Sanitech and with our engagement with Zerelda Combrinck we have been impressed not only by the quality of the service but their understanding to diverse culture and compliance to legislative compliance sets them apart to other industry players.

We would recommend Sanitech for their services.

EVALUATION CRITERIA				
DECRIPTION	**CLIENT FEEBACK**			
1. Description of the goods or services rendered to the client by the supplier	Depending on the site, we get cleaning, equipment hire, pest control, gardening and supervisor services from Sanitech			
2. Contract Period	1 year +			
3. The total length of our relationship with us	1 year +			
4. Supplier Rating	EXCELLENT	GOOD	AVERAGE	POOR
	✔			

Yours Sincerely,

(Stacey Murcell – Facilities Site Lead)

Date: **28 November 2018**

To whom it may Concern,

I hereby confirm that:

Sanitech, a division of Waco Africa (Pty) Ltd performs **CLEANING, HYGIENE and PEST CONTROL** services work for our Company.

The work is to our satisfaction and successfully implemented at our Company.
The average value of the contract with Sanitech is R2 022.00 per month.

Sanitech performs the specified work for our Company since April 2017.

Please feel free to contact me should you require further information.

Yours faithfully

Lynne Marais
Executive Director: Operations

+27 12 431 9700 | PO Box 11793 | Hatfield | 0028
Hatfield Gardens | Block E | 1st floor | Cnr Grosvenor & Arcadia Street | Hatfield | South Africa
www.batsumicare.com

COEGA
DEVELOPMENT CORPORATION
right PLACE • right TIME • right CHOICE

Corner Alcyon & Zibuko Street, Zone 1, Coega SEZ, Port Elizabeth, 6100
Coega Development Corporation, Private Bag X6009, Port Elizabeth, 6000, South Africa
Tel: +27 (0) 41 403 0400 • E-mail: contact@coega.co.za • Website: www.coega.co.za

ISO 9001 14001 20001 27001 31000 • OHSAS 18001

Ref no. : CDC-CDCS-LET-052-18

Date: 27 November 2018

To whom it may Concern,

RE: REFERANCE LETTER

I hereby confirm that:

Sanitech, a div. of Waco Africa (Pty) Ltd performs **PEST CONTROL** services work for our Company.
The work is to our satisfaction and successfully implemented at our Company.
The estimated value of the contract with Sanitech is **R 12591.06** per month under contract number CDC/355/15 and CDC/58/18 respectively.
Sanitech performs the specified work for our Company:

From: **01/2016** to **Current/Ongoing**

Please feel free to contact me should you require further information.

Yours faithfully,

Liwalethu Mondi

Facilities Manager

Coega Development Corporation (Pty) Ltd

CURRO
Durbanville
Semper Curro

29 October 2014

To Whom It May Concern

SANITECH

During the past year Sanitech have been our service provider of choice for both hygiene and pest control services.

We have found them to be professional as well as accommodating to our needs.

We are satisfied with their good service thus far and would strongly recommend them as service provider.

Yours sincerely

DIRK VAN ZYL
Executive Head

1 Momento Drive / -rylaan Sonstraal Heights / -hoogte Durbanville 7550 PO Box / Posbus 269 Cape Gate 7562
T 021 975 6377 Primary F 021 975 6378 E curroprimary@curro.co.za / High F 021 975 7539 E currohigh@curro.co.za W www.curro.co.za
Executive Head / Uitvoerende Hoof Mr / Mnr Dirk van Zyl

Valotype 128 t/a

MAC BEEF ABATTOIR AND FEED LOT

P.O. Box 1754
Polokwane
0700

Reg.No 2011/088929/23
Vat no 4600276887

Leeuwkuil Plot 86
Polokwane
0699

Contact details:
015-5907868

27 November 2018

TO: WHOM IT MAY CONCERN

SERVICES : SANITECH

It is hereby confirmed that Sanitech, a division of Waco Africa (Pty) ltd performs Pest Control for our company.

The work is to our satisfaction and successfully implemented at our company.

The estimated value of the contract with Sanitech is R3000.00 per month.

Sanitech performs this specified work for our company from September 2017, and is still current.

Please feel free to contact me should you require any further information.

Yours faithfully

Das Villoen
MAC Beef Abattoir
and Feedlot
015-5907868

Terra Strata Construction (Pty) Ltd

Reg no (2011/003592/07)

Pinelands F10
Ardeer Road
Modderfontein
1645

P.O Box 592
Modderfontein
1645

Tel: +27 (0) 11 608 2644 / +27 (0) 11 088 4800
email: info@terrastrata.co.za
website: www.terrastrata.co.za

terra strata

27th November 2018

To whom it may Concern,

I hereby confirm that:

Sanitech, a div. of Waco Africa (Pty) Ltd performs **HYGIENE/MOBILE TOILETS/PUMP TRUCK** services work for our Company.
The work is to our satisfaction and successfully implemented at our Company.
The estimated value of the contract with Sanitech is **R 6420.00** per month.
Sanitech performs the specified work for our Company:

From: May 2018 to November (**Ongoing**)

Please feel free to contact me should you require further information.

Yours faithfully

Paul Van Der Merwe

FUTURE HISTORY PROJECTS

688 Karee Drive
Carlswald North
Life Style Centre
Midrand
060 976 8010

Date: **27/11/2018**

To whom it may Concern,

I hereby confirm that:

Sanitech, a div. of Waco Africa (Pty) Ltd performs **MOBILE TOILET** services work for our Company.

The work is to our satisfaction and successfully implemented at our Company.

The estimated value of the contract with Sanitech is **R 2 824-40** per month.

Sanitech performs the specified work for our Company:

From: **01/06/2018** to **Ongoing**

Please feel free to contact me should you require further information.

Yours faithfully

Tony Wudebwe **(Financial Administrator)**

CAPCU
FARMING

27/11/2018

To whom it may Concern,

I hereby confirm that:

Sanitech, a div. of Waco Africa (Pty) Ltd performs
CLEANING(HACCP)/HYGIENE/PEST CONTROL/MOBILE TOILETS/PUMP TRUCK services work for our Company.
The work is to our satisfaction and successfully implemented at our Company.
The estimated value of the contract with Sanitech is **R1,384.60** per month.
Sanitech performs the specified work for our Company:
From: **03/2018** to **11/2018 (Current/Ongoing)**

Please feel free to contact me should you require further information.

Yours faithfully

C. Gerritsen

CAPCU Farming (Pty) Ltd
Reg No. 2018/053866/07 | VAT No: 4760281438
Physical Address: Plot 101, Tweefontein, Polokwane, 0699
Postal Address: PO Box 5812, Pietersburg North, 0750
Directors: M Andrin, RJ Brand, AA Fourie, PFG Fourie, GJ Gerritsen

ORIGINAL

1 of 2

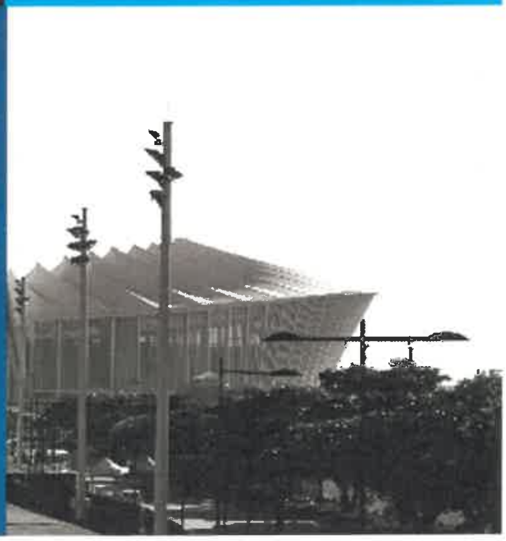
Sanitech presents to...

CAPE WINELANDS DISTRICT MUNICIPALITY
29 DU TOIT STREET
STELLENBOSCH

Presented by...

Carolyn Ryan
Regional Manager
Sanitech
A division of Waco Africa (Pty) Ltd
C/O Milan Road & Montreal Drive
Airport Industria
Cape Town
7490
Email carolynr@sanitech.co.za

TENDER NUMBER: T 2021/010
Closing Date: 23 June 2021
Closing Time: 11H00



CAPE WINELANDS DISTRICT MUNICIPALITY

PROVISION OF PEST DISINFESTATION AND RODENT CONTROL SERVICES AT VARIOUS OFFICE BUILDINGS AND FACILITIES OF THE CAPE WINELANDS DISTRICT MUNICIPALITY FOR THE PERIOD ENDING 30 JUNE 2024

Sanitech

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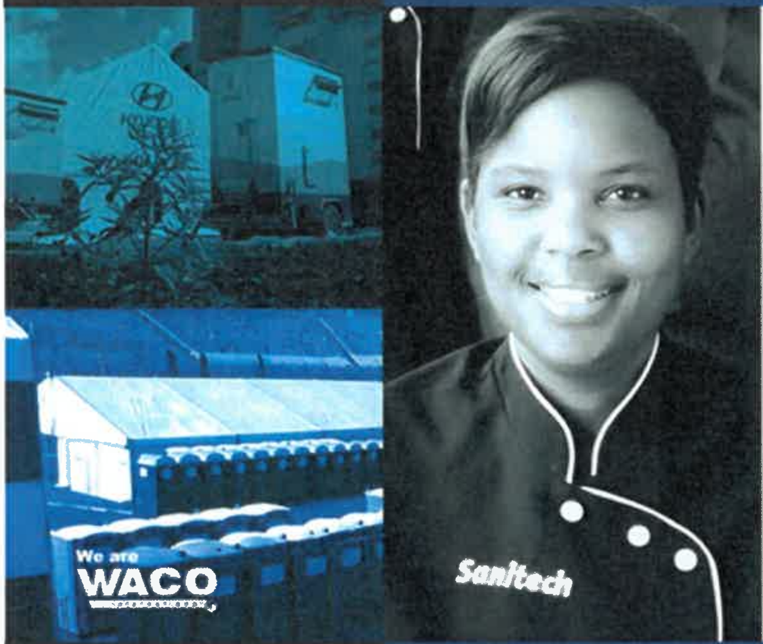
PROVISION OF PEST DISINFESTATION AND RODENT CONTROL SERVICES AT VARIOUS OFFICE BUILDINGS AND FACILITIES OF THE CAPE WINELANDS DISTRICT MUNICIPALITY FOR THE PERIOD ENDING 30 JUNE 2024

ATTACHMENTS

Sanitech

WACO International



CAPE WINELANDS DISTRICT MUNICIPALITY

PROVISION OF PEST DISINFESTATION AND RODENT CONTROL SERVICES AT VARIOUS OFFICE BUILDINGS AND FACILITIES OF THE CAPE WINELANDS DISTRICT MUNICIPALITY FOR THE PERIOD ENDING 30 JUNE 2024

TENDER NUMBER: T 2021/010
Closing Date: 23 June 2021
Closing Time: 11H00

About Us

Sanitech is a well-established brand that has been in business since the early 1980's as the first portable toilet hire company in South Africa. However, it was not until the purchase of the business by WACO in 2007 that Sanitech stepped up to the next level. After this purchase by WACO, Sanitech grew from 8 to 20 branches nationwide. In recent years Sanitech has expanded into Africa and continues to grow. Sanitech is the complete solution as they are an integrated service provider offering both Sanitation Solutions and Integrated Hygiene Solutions.

Our Values:

- Innovation
- Integrity
- Team work
- Accountability

Sanitation Solutions

- Toilet Hire
- Septic Pump Services
- Special Events
- Portable Waste Water Plants
- Informal Sector - REPIT
- Mining Sector - NIC

Toilet Hire

Sanitech has the largest national fleet, with over 25 000 'ready-to-use' units available through 21 national branches and African branches. Sanitech has the widest variety of units to suit your needs, whether you need an executive unit or a basic non flush unit.

Sanitech has the ability to 'go the distance', whether you need a unit for an event, construction site or for both on surface or underground at a mining site.

Septic Pump Services

Capacity and Capability.

Sanitech offers a full pump out solution, servicing and managing all septic tanks, portable toilets, pit latrines, mobile ablution units and conservancy tank pumping.

We operate a fleet of more than 25 000 rental units and 220 vehicles. This enables them to supply and service locations throughout the country, speedily and efficiently.

Special Events

First in Special Event Services.

Portable toilet solutions at special events are a prerequisite to your success.

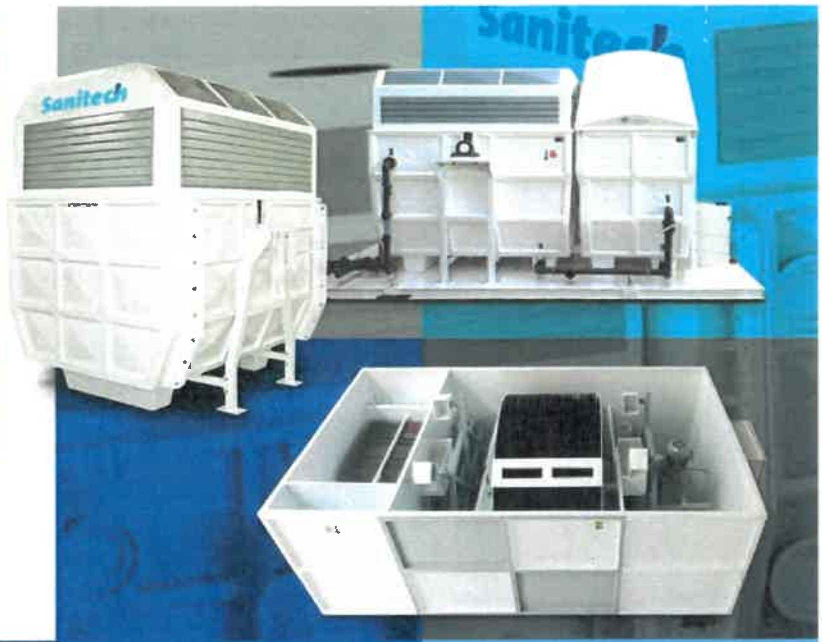
Event organisers and planners know that Sanitech's products not only boast state of the art quality, design and performance but also adhere to all environmental and health regulations.

The range is vast and competitively priced.

Sanitech supplies rapidly deployable, and re-deployable portable wastewater treatment solutions.

The purpose of these mobile and modular plants is to convert domestic wastewater into reusable water for agricultural purposes or to be recycled in industrial applications.

Portable Waste Water Plant



Informal Sector- REPIT

Retro fit system for existing ventilated improved pit latrines.

It is an innovation that replaces the traditional open pit latrines. It has an additional feature called the 'bladder'- which is highly durable and adaptable to varying pit sizes and can contain up to 2000L of waste.

This concept addresses the health and safety shortfalls and servicing problems, whilst ensuring that environmental contamination cannot occur.

Another unique feature is a tamper proof service hatch which is only accessible to the Sanitech servicing team and aides in the prevention of disposing foreign objects into the toilet/pit.

Mining Sector- NIC

New Concept.

A portable toilet unit that is freestanding with a self-contained water supply which operates without cables, pipes or connections to water or electricity.

The rotating bowl mechanism is coated with nano technology which assists in the prevention of debris from sticking to the bowl and also the disposal of foreign objects.

More hygienic to the users, environment and servicing team as there is no exposure to waste due to the removable canister which minimises the spillage opportunity.

Integrated Hygiene Solutions

Allow US to manage YOUR service solutions.

The benefit of an integrated service solution allows you to select Sanitech as the sole provider of key outsourced solutions on your site.

This allows us to manage and render the best possible comprehensive multiple service solutions for your site, from your site, and allows your company the benefit of control over the usage of service providers, thus enhancing management control and standardising costs thereby ensuring financial control.

It also facilitates a single billing system which effectively incorporates all services onto one statement of account. The reduced contractors passing through your site by having the existing staff on site conduct your soft services reduces security risks and ensures servicing is completed and signed off by on-site management

- *Hygiene Washroom Solutions*
- *Daily Cleaning Services*
- *Pest Control*
- *Deep Cleaning Services*
- *Specialised Cleaning*

Hygiene Washroom Solutions

Sanitech supplies a comprehensive range of effective, durable and reliable hygiene products including sanitisers, wipes, toilet tissue dispensers, sanitary bins, hand washing and hand drying components. Many of the ranges are available in white, stainless steel and platinum.

There is no charge for the installation of hygiene units and these are fully maintained during the contract period.

Daily Cleaning Services

Cleaning services are not your core business.

By being part of the NCCA, Sanitech's professional, qualified and competent team have made this their core business. Training is essential and Sanitech have set the industry benchmark through their professionalism at all levels.

Sanitech provides all the necessary equipment and materials for the successful execution of services including vacuums and cleaning equipment, cleaning materials, chemicals and consumables.

All of Sanitech's on-site cleaning staff are neatly dressed in uniforms with necessary personal protective equipment

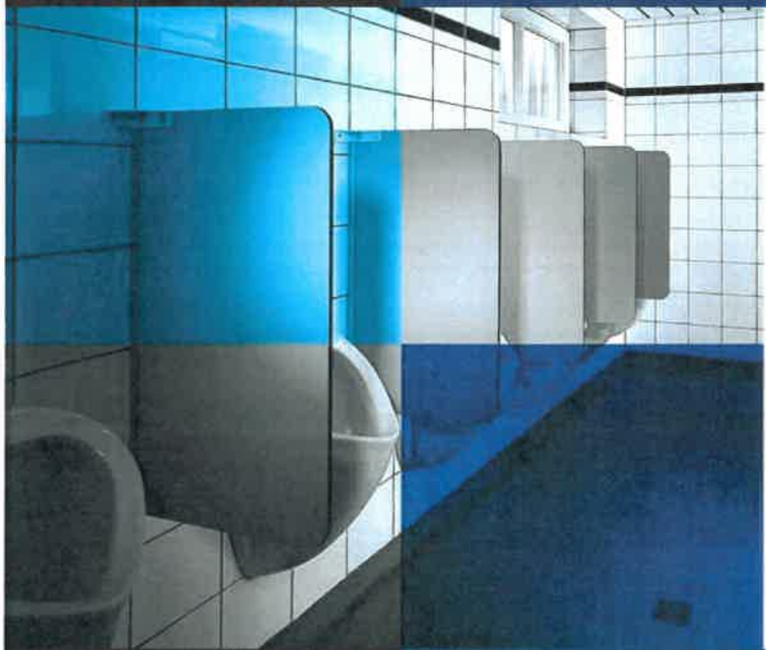
Pest Control

Insect Control:

Minimising or removing a wide range of undesirable insects and pests on a regular basis is necessary at any work place. Sanitech offer a combination of treatments in order to effectively get rid of infestations. Treatments include fumigation, misting, gelling, dusting or spraying. Monthly servicing includes surface spray repellents, insect light traps and insecticidal aerosol dispensers.

Rodent Control:

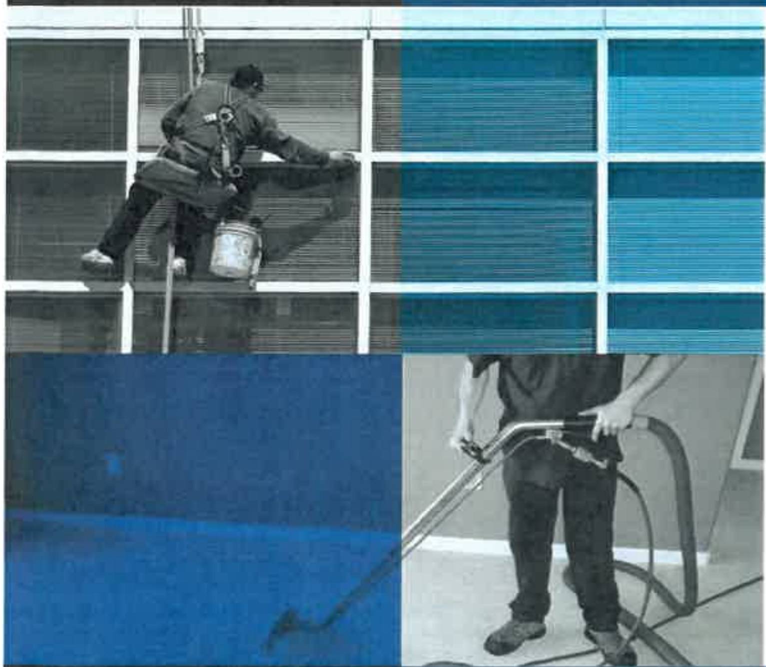
Removing mice and other types of pests from areas such as offices, garbage areas and canteens will reduce structural damage to the work place. Sanitech also maintains, and regularly service, tamper proof rodent bait boxes around the perimeter of your property.



Deep Clean Services

Sanitech's heavy duty cleaning teams utilise specialised chemicals that focus directly on removing built up body fats, grease and grime. Cross contamination and spreading of bacteria is controlled through the application of HACCP compliant, colour coded cleaning principles.

Sanitech's staff are fully trained staff to comply with our nationally standardised training programme



Specialised Cleaning

Sanitech Specialised Cleaning is a contractual and project based service that addresses the highly technical cleaning requirements of businesses such as high rise cleaning, stripping and sealing of flooring and carpet cleaning extraction and drying.

As a leader in innovation, Sanitech makes use of the latest technological advancements where possible and utilises equipment at the forefront of the industry. This includes the use of diamond twister pads, water-fed pole technology and eco-friendly carpet cleaning chemicals.

GAUTENG

JET PARK: Tel (011) 823 6060

LIMPOPO

LEPHALALE: Tel (014) 940 0904

POLOKWANE: Tel (015) 293 1040

STEELPOORT: Tel (013) 230 3842

NORTH WEST

RUSTENBURG: Tel (014) 596 7414

POTCHEFSTROOM: Tel (018) 285 7318

MPUMALANGA

NELSPRUIT: Tel (o13) 758 2381

WITBANK (KENDAL): Tel (074) 170 8014

SECUNDA: Tel (017) 631 4999

NORTHERN CAPE

KATHU: Tel (053) 723 2502

FREE STATE

BLOEMFONTEIN, KIMBERLY, WELKOM:

Tel(051)4324360

KWAZULU NATAL

GLENCOE: Tel (034) 393 2258

RICHARDS BAY: Tel (035) 751 1963 /

(035) 751 1964

PIETERMARITZBURG: Tel (033) 386 1023

BALLITO: Tel (032) 947 9430

DURBAN: Tel (031) 482 2100

NEWCASTLE: Tel (034)375 6033

MARGATE: Tel (039) 312 2304

EASTERN CAPE

PORTELIZABETH: Tel(041) 453 8996

WESTERN CAPE

GEORGE: Tel (044) 874 6448

CAPE TOWN: Tel (021) 386 4634

ZAMBIA

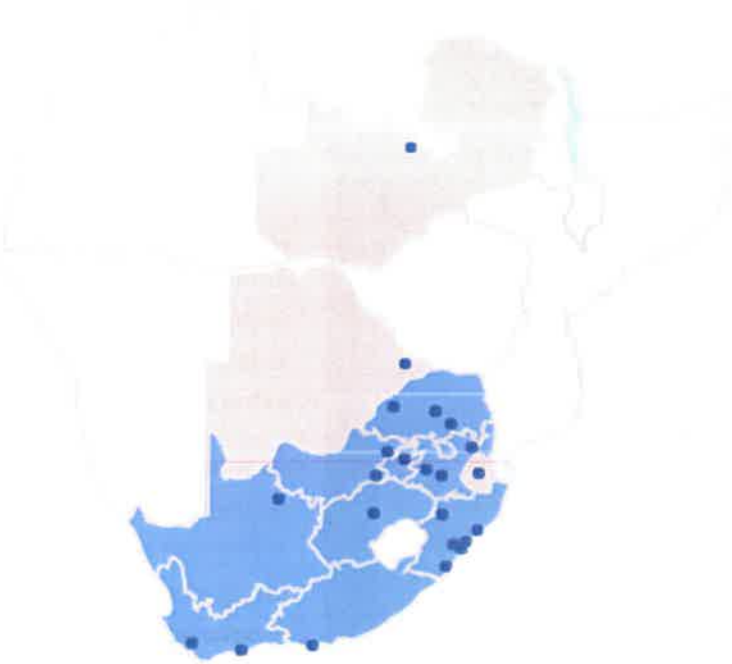
KITWE: Tel +26 096 158 9018

BOTSWANA

SELEBI PHIKWE: Tel+27 83 447 3686

SWAZILAND

MATSAPHA: Tel +268 2518 8360



SANITECH, A DIV. OF WACO AFRICA (PTY) LTD

Waco Africa is jointly owned by two juristic persons namely WacoSA Security, with 69.9% ownership, and Bopa Moruo Private Equity Fund1 (Black Owned Company), with 25.1% ownership. Waco Employee Share Benefit Trust with 5% ownership.

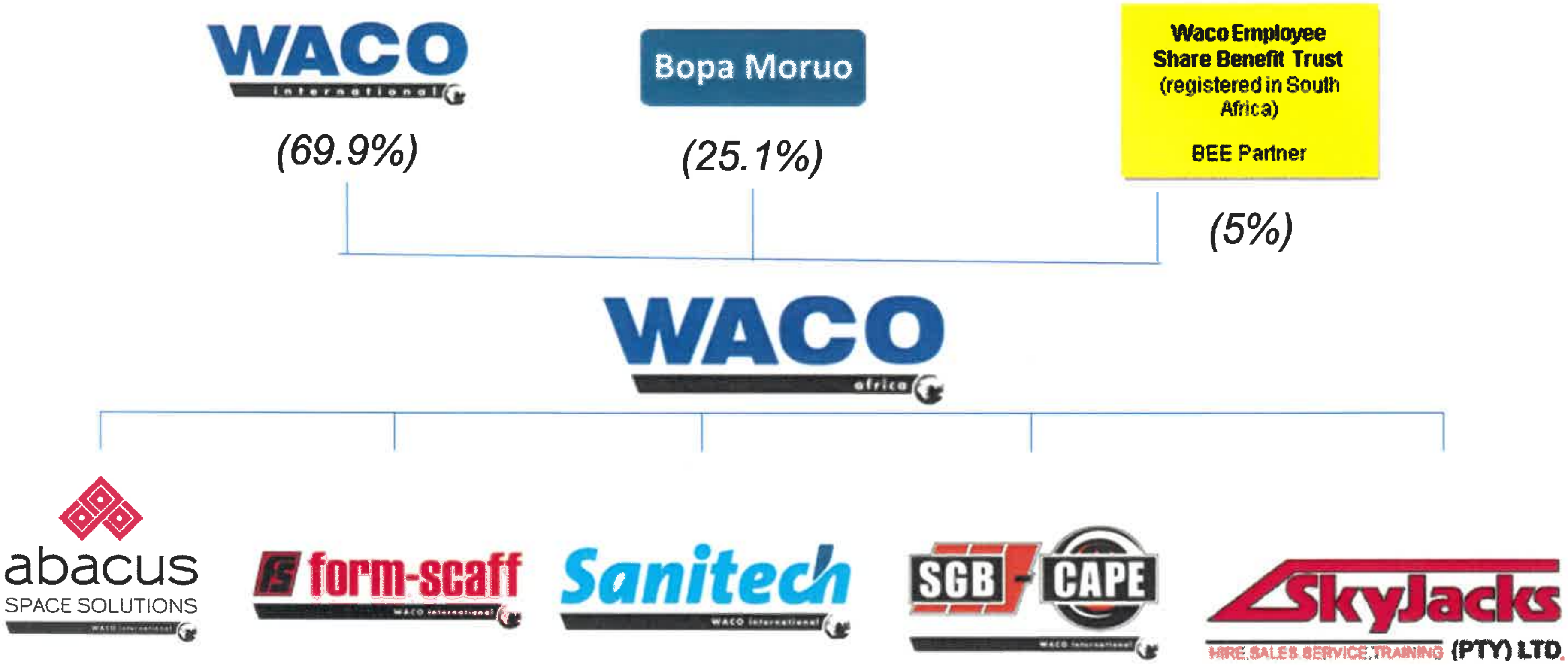
Juristic Shareholders

Name	Address	Percentage of Shares
Bopa Moruo Private Equity Fund1 Company Reg No : 2012/030645/07 Tel : 011 784 1740	1st Floor, Deutsche Bank Building 3 Exchange Square 87 Maude Street Sandton, 2196	25,10%
Waco SA Security Company Reg No : 2012/012663/07 Tel : 011 461 1403	Woodmead Office Park 14 Stirrup Lane off van Reenen Ave Woodmead 2191	69,90%
Waco Employee Share Benefit Trust IT003020/2015	Woodmead Office Park 14 Stirrup Lane off van Reenen Ave Woodmead 2191	5,00%

Registered Director Details

Name	Identity No	Position	Tax Reference Nr.	Cellphone Nr.	HDI Status	Gender	% devoted to firm
Waco Africa (Pty) Ltd Appointed Directors : Tel : 011 842 4000							
Michael Graham Els	680221 5108 08 8	Director	0581687647	0794964189	W	Male	69,90%
Mark Robert Towler	600207 5146 08 4	Company Secretary		083 300 9408	W	Male	69,90%
Stephen John Michael Goodburn	630709 5021 08 8	Director	0106039811	083 419 7408	W	Male	69,90%
Philisani David Ngcobo	651224 5560 08 9	Director	0323716142	083 273 9315	B	Male	69,90%
Gregory Michael Slabbert	650729 5160 08 7	Director	1438139642	082 823 5227	W	Male	69,90%
Dharishan Padiachy	860809 5010 08 0	Director	3963209147	079 517 2883	I	Male	69,90%
Andiswa Mjuleka	880622 0516 08 4	Director	432 459 188	011 328 7451	B	Female	25,10%
Velli Baloyi	900611 5623 08 2	Director	452 033 244	061 486 0870	B	Male	25,10%
Boitumelo Tlhabanelo	7702285362087	Director	0953054145	082 389 3609	B	Male	25,10%
Nthime Dwight Khoele	7207025328083	Director	1838075842	084 909 9999	B	Male	25,10%
Sanitech's Divisional Directors Tel : 031-482 2100 (Head Office)							
Robert Erasmus	750831 5071 08 9	Managing Director	0293038642	083 444 9605	W	Male	100%
Faizal Dockrat	840625 5039 08 4	Financial Director	0724342159	082 5111 281	I	Male	100%
Gary Arthur Brown	610121 5166 08 3	Regional Director KZN	0341025203	083 449 8377	W	Male	100%
Riaan Swartz	700831 5211 08 2	Regional Director Cape	0169125143	073 114 8314	W	Male	100%
Calvin Chetty	850302 5059 08 5	Africa Director	0941353153	083 461 5912	I	Male	100%
Gerhard Britz	690618 5146 08 3	Director | Environmental Systems	0001296680	073 001 3705	W	Male	100%

Ownership Organogram



Registered Director Details - Municipal

Name	Physical Business Address	Identity No	Position	Physical Residental address	Municipal Account	HDI Status	Gender	% devoted to firm
Waco International Holdings (Pty) Ltd Appointed Directors : Tel : 011 461 1400								
Stephen John Michael Goodburn	Woodmead Office Park, 14 Stirrup Lane off van reenens Ave, Woodmead, 2191	630709 5021 08 8	Director	45 Monte Christo, Anchor Road, Beyerspark, Boksburg, 1459	2202343052	W	Male	74,90%
Philisani David Ngcobo	171 Barbara Rd, Elandsfontein	651224 5560 08 9	Director	6 Summerset Estate, 7th Road, Blue Hills, Midrand, 1685	6970809564	B	Male	74,90%
Andiswa Mjuleka	35 Fricker Road, Sandton, 2196	880622 0516 08 4	Director	62 Kyalami Hills, Maple Drive, Midrand	432 459 188	B	Female	74,90%
Velli Baloyi	35 Fricker Road, Sandton, 2196	900611 5623 08 2	Director	279 Kyalami Hills, Maple Drive, Midrand	452033244	B	Male	74,90%
Dharishan Padiachy	Woodmead Office Park, 14 Stirrup Lane off van reenens Ave, Woodmead, 2191	860809 5010 08 0	Director	3687 Nile Drive, Waterfall Country Village Est, Jukskei View, 2195	3963209147	I	Male	74,90%
Boitumelo Tlhabanelo	Deutsche Bank Building, 3 Exchange Square, 87 Maude Street, Sandton	7702285362087	Director	898 Redbush Close, Carlswald North Estate, Midrand, 1685	900703888	B	Male	25,10%
Nthime Dwight Khoele	Deutsche Bank Building, 3 Exchange Square, 87 Maude Street, Sandton	7207025328083	Director	124 A Riverside Road, Athol, 2116	440822700	B	Male	25,10%

1

I.D.No. 630709 5021 08 8

S.A.BURGER/S.A.CITIZEN

GEREGISTREERDE WOON- EN POSADRES

1. Bewaar die bewys van u GEREGISTREERDE WOON- EN POSADRES in hierdie sakkie.

2. Indien u van adres verander het, of indien besonderhede van u huidige adres bv. straatnaam en/of -nommer, ens. verander het, moet die vorm KENNISGEWING VAN ADRESVERANDERING, wat in die sakkie agter in die identiteitsdokument is, gebruik word om die verandering aan te meld en moet dit ingedien word by of gepos word aan die naaste streek/distrikkantoor van die DEPARTEMENT VAN BINNELANDSE SAKE

REGISTERED RESIDENTIAL AND POSTAL ADDRESS

1. Keep the proof of your REGISTERED RESIDENTIAL AND POSTAL ADDRESS in this pocket.

2. If you have changed your address, or if particulars of your physical address, e.g. name of street and/or street number, etc. have been changed, the NOTICE OF CHANGE OF ADDRESS form in the pocket at the back of the identity document must be used to report the changes and it must be handed in at or posted to the nearest regional/district office of the DEPARTMENT OF HOME AFFAIRS.

VAN/SURNAME

GOODBURN

VOORNAME/FORENAMES

STEPHEN JOHN MICHAEL

GEBOORTEDISTRIK OF-LAND/
DISTRICT OR COUNTRY OF BIRTH

SOUTH AFRICA

GEBOORTEDATUM/
DATE OF BIRTH

1963-07-09

3

DATUM UITGEREIK
DATE ISSUED

1999-01-04

UITGEREIK OP GESAG VAN DIE DIREKTEUR-GENERAAL: BINNELANDSE SAKE

ISSUED BY AUTHORITY OF THE DIRECTOR GENERAL HOME AFFAIRS

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

8/6/2021

P O BOX 669 ISANDO 1600

www.ekurhuleni.gov.za

City of Ekurhuleni
a partnership that works

www.siyakhokha.ekurhuleni.gov.za
Siyakhokha Portal
siyakhokha@ekurhuleni.gov.za

Phone: 0860 543 000
Email:
callcentre@ekurhuleni.gov.za
Twitter: @EMM_Call_Centre

COPY TAX INVOICE

VAT Reg No. 4280193493

Invoice Number:
22023430522021/05/24

Name	AS GOODBURN	**Account Number**	2202343052
Ward Number	22	**Payments Included Until**	2021-05-24
Vat Reg. No.			

Street Address	**Electricity / Water Deposit** Cash	Guarantee	**Statement Date**
45 MONTE CRISTO NOT TIE 1671	1600.00	0.00	2021-05-24

Township	**Valuation** Site	Improvements	Total Value
BEYERS PARK EXT 87		3730000	3730000

ERF Number	F40 087 00001672	**Portion**	00000 0000 0000	Area m2	560

Date	Icon	Details	Charge (excl. VAT)	VAT	Charge (incl. VAT)
04/19		BALANCE BROUGHT FORWARD	5199.00		5199.00
05/18		PAYMENT - THANK YOU	-5199.00		-5199.00
		PROPERTY RATES			
05/19		PROPERTY RATES RESIDENTIAL	3269.97		3269.97
05/19		VA-VALUE-EXCLUSION	-131.50		-131.50
		REFUSE REMOVAL			
05/19		REFUSE: DOMESTIC 240L BIN	348.82	52.32	401.14
		WATER SERVICE			
05/19		METER-NO 140146928 TARIFF: WATER-RESIDENTIAL			
		Curr = 3538 Prev = 3503 Cons = 35			
		Reading dates: Curr 21/04/23 Prev 21/03/25			
		WATER 35 kl	874.71	131.21	1005.92
		SEWERAGE			

30 Days	60 Days	90 Days	90 + Days	Total Charge (excl.VAT)	Total VAT	Total Charge (incl.VAT)
0.00	0.00	0.00	0.00	4713.38	236.24	4949.62

Amount In Advance 0.00 **Due Date** 2021-06-18 **Amount Payable** 4950.00

MESSAGE

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09006798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
P.O BOX 669 ISANDO 1600

www.ekurhuleni.gov.za

City of Ekurhuleni
a partnership that works

www.siyakhokha.ekurhuleni.gov.za
Siyakhokha Portal
siyakhokha@ekurhuleni.gov.za

Phone: 0860 543 000
Email:
callcentre@ekurhuleni.gov.za
Twitter: @EMM_Call_Centre

PAY NOW

REMITTANCE ADVICE

VAT Reg No. 4280193493

4 0 2

2 2 0 2 3 4 3 0 5 2

EasyPay "a better way to pay"

> >>>>>> 9 1331 2202 3430
525

2202343052

pay@

115442202343052

Name
AS GOODBURN

Account Number
2202343052

Due Date	Amount Payable
2021-06-18	4950.00

www.ekurhuleni.gov.za

City of Ekurhuleni
a partnership that works

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Siyakhokha Portal
siyakhokha@ekurhuleni.gov.za

Phone: 0860 543 000
Email:
callcentre@ekurhuleni.gov.za
Twitter: @EMM_Call_Centre

COPY TAX INVOICE

VAT Reg No. 4280193493

Invoice Number:
22023430522021/05/24

Name	AS GOODBURN		**Account Number**	2202343052	
Ward Number	22	**Payments Included Until**	2021-05-24	**Vat Reg. No.**	

Street Address	**Electricity / Water Deposit**		**Statement Date**
	Cash	**Guarantee**	
45 MONTE CRISTO NOT TIE 1671	1600.00	0.00	2021-05-24
Township	**Valuation**		
	Site	**Improvements**	**Total Value**
BEYERS PARK EXT 87		3730000	3730000

ERF Number	F40 087 00001672	**Portion**	00000 0000 0000	Area m2	560

05/19		SEWER-RESIDENTIAL 35 kl TOTAL CURRENT LEVY 4949.62	351.38	52.71	404.09

30 Days	60 Days	90 Days	90 + Days	Total Charge (excl.VAT)	Total VAT	Total Charge (incl.VAT)
0.00	0.00	0.00	0.00	4713.38	236.24	4949.62

Amount In Advance	0.00	**Due Date**	2021-06-18	**Amount Payable**	4950.00

MESSAGE

www.ekurhuleni.gov.za

City of Ekurhuleni
a partnership that works

www.siyakhokha.ekurhuleni.gov.za
Siyakhokha Portal
siyakhokha@ekurhuleni.gov.za

Phone: 0860 543 000
Email:
callcentre@ekurhuleni.gov.za
Twitter: @EMM_Call_Centre

PAY NOW

REMITTANCE ADVICE

VAT Reg No. 4280193493

EasyPay "a better way to pay"

blu PAY

402

2202343052

> >>>>>> 9 1331 2202 3430
525

2202343052

pay@

115442202343052

Name
AS GOODBURN

Account Number
2202343052

Due Date	Amount Payable
2021-06-18	4950.00

GEREGISTREERDE WOON- EN POSADRES

1. Bewaar die bewys van u GEREGISTREERDE WOON- EN POSADRES in hierdie sakkie.

2. Indien u van adres verander het, of indien besonderhede van u huidige adres, bv. straatnaam en/of -nommer, ens. verander het, moet die vorm KENNISGEWING VAN ADRESVERANDERING, wat in die sakkie agter in die identiteitsdokument is, gebruik word om die verandering aan te meld en moet dit ingedien word by of gepos word aan die naaste streek-/distrikkantoor van die DEPARTEMENT VAN BINNELANDSE SAKE.

REGISTERED RESIDENTIAL AND POSTAL ADDRESS

1. Keep the proof of your REGISTERED RESIDENTIAL AND POSTAL ADDRESS in this pocket.

2. If you have changed your address, or, if particulars of your present address, e.g. name of street and/or street number, etc., have been changed, the NOTICE OF CHANGE OF ADDRESS form in the pocket at the back of the identity document must be used to report the change, and it must be handed in at or posted to the nearest regional/district office of the DEPARTMENT OF HOME AFFAIRS.

1

I.D.No. 651224 5560 08 9

S.A.BURGER/S.A.CITIZEN

VAN/SURNAME
NGCOBO

VOORNAME/FORENAMES
PHILISANI DAVID

GEBOORTEDISTRIK OF-LAND/
DISTRICT OR COUNTRY OF BIRTH
SOUTH AFRICA

GEBOORTEDATUM/
DATE OF BIRTH
1965-12-24

DATUM UITGEREIK
DATE ISSUED
2000-02-16

UITGEREIK OP GESAG VAN DIE DIREKTEUR-GENERAAL: BINNELANDSE SAKE

ISSUED BY AUTHORITY OF THE DIRECTOR-GENERAL HOME AFFAIRS

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

8/6/2021

P.O. BOX 669 ISANDO 1600

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COPY OF TAX INVOICE

Z H & PD NGCOBO
PO Box 67107
SUMMERSET
2021

You can contact us in the following ways

Phone:
Tel: 0860 56 28 74
Fax: (011) 358-3408/9

Correspondence:
P O BOX 5000
JOHANNESBURG
2000

E-mail:
joburgconnect@joburg.org.za

VAT NO: CITY OF JOHANNESBURG: 4760117194
VAT NO: JOHANNESBURG WATER: 4270191077
VAT NO: PIKITUP: 4790191282
VAT NO: CITY POWER 4710191182

Date	2021/05/06
Statement for	May 2021
Physical Address	6 LA MOTTE STREET
Stand No./Portion	00000006 - 00000 - 00
Township	SUMMERSET

Stand Size	Number of Dwellings	Date of Valuation	Portion	Municipal Valuation	Region
1910 m2	1	2018/07/01	A1	Market Value R 4,043,000.00	REGION A WARD 112

Invoice Number: 130003890612
Client VAT Number:
Next Reading Date: 2021/05/21
Deposit: R 800.00

Account Number: 900677003 **PIN CODE: xxxxxx**

Previous Account Balance	4,748.58
Less: Incoming Payment (Last Payment Made 2021/04/26)	- 4,600.00
Sub Total	148.58
Current Charges (Excl. VAT)	4,328.39
VAT @ 15%	277.23

90 DAYS +	60 DAYS	30 DAYS	CURRENT	INSTALMENT PLAN	TOTAL AMOUNT OUTSTANDING
0.00	0.00	148.58	4,605.62	0.00	4,754.20

Total Due	4,754.20
Due Date	2021/05/21

We notice that payment on your account was not received in full last month. If you have since paid we thank you and request that you ignore this message. If you had not yet paid please do so urgently

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
P.O. BOX 669 ISANDO 1600

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Remittance Advice:

This stub must accompany payment, please do not detach if paying at the post office

Date: 2021/05/06 Z H & PD NGCOBO
Acc. No.: 900677003 6 LA MOTTE STREET

EasyPay 91115 9006770037

Postal Office 0146 900677003

516008800111159 90067700308

Standard Bank City of Johannesburg Banking details:

Internet banking - Use the banks pre-loaded Company details
SBSA branch deposits - CIN no AA45 to be used in place of bank acc. nr.
Client Account No/Deposit Reference 900677003

Total Due	4,754.20
Due Date	2021/05/21

Account Number: 900677003

City of Johannesburg Property Rates	VAT 4760117194	Sub - Total	Total Amount
Category of Property: Property Rates Residential			
The property rates are based on the market values of the property and are calculated as follows:			
R 4,043,000.00 X R 0.0080590 / 12 (Billing Period 2021/05)		2,715.21	
Less rates on first R350 000.00 of market value		- 235.05	
VAT: 0 %		0.00	2,480.16

Johannesburg Water Water & Sanitation	VAT 4270191077	Sub - Total	Total Amount
(Reading period = 2021/03/18 to 2021/04/16 = 30 days)			
Meter readings and consumption: Meter no CPJA5373 start reading 10,864.000 and end reading 10,896.000 = 32.000 KL - Actual Reading			
Daily average consumption 1.067 KL			
Charges for 32.000 KL are based on a sliding scale for a 30 day period			
Step 1 5.914 KL @ R 0.0000 (Billing Period 2021/05) Step 2 3.942 KL @ R 18.990 Step 3 4.928 KL @ R 19.820 Step 4 4.929 KL @ R 27.790 Step 5 9.856 KL @ R 38.400 Step 6 2.431 KL @ R 42.000		790.08	
Extended Social Package Grant		0.00	
Demand Management Levy		26.52	
Sewer monthly charge based on Stand size 1910 m2 (Billing Period 2021/05)		671.63	
VAT: 15.00%		223.23	1,711.46

PIKITUP Refuse	VAT 4790191292	Sub - Total	Total Amount
WASTE MANAGEMENT SERVICE			
Refuse Charge		360.00	
VAT: 15.00%		54.00	414.00

Current Charges (Including VAT) **4,605.62**

Where can a payment be made?
Any CoJ Office; any Post Office; any EasyPay site; any bank (branch, ATM or internet site).
YOUR ACCOUNT NUMBER IS YOUR REFERENCE NUMBER

How to make a payment
By debit order, cash or debit card.
KEEP ALL RECEIPTS FOR FUTURE REFERENCE

When to make a payment
Payments must reach the CoJ on or before the due date.

Change of address
This must be done timeously, in writing and submitted to any CoJ Municipal Regional Office.

Terminating electricity and water services?
This must be done in writing 7 working days before the date you want your services terminated and submitted to any CoJ Municipal Regional Office.

GEREGISTREERDE WOON- EN POSADRES

REGISTERED RESIDENTIAL AND POSTAL ADDRESS

1. Keep the proof of your REGISTERED RESIDENTIAL AND POSTAL ADDRESS in this pocket.

1

I.D.No. 880622 0516 08 4

S.A.BURGER/S.A.CITIZEN

VAN/SURNAME

MJULEKA

VOORNAME/FORENAMES

ANDISWA

GEBOORTEDISTRIK OF-LAND/
DISTRICT OR COUNTRY OF BIRTH

SOUTH AFRICA

GEBOORTEDATUM/
DATE OF BIRTH

1988-06-22

DATUM UITGEREIK
DATE ISSUED

2004-04-30

CERTIFIED TRUE COPY
OF ORIGINAL

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09003796
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

8/6/2021

PO BOX 669 ISANDO 1600

a world class African city

You can contact us in the following ways

Phone:
Tel: 0860 56 28 74
Fax: (011) 358-3408/9

Correspondence:
P O BOX 5000
JOHANNESBURG
2000

E-mail:
joburgconnect@joburg.org.za

VAT NO: CITY OF JOHANNESBURG: 4760117194 VAT NO: PIKITUP: 4790191292
VAT NO: JOHANNESBURG WATER: 4270191077 VAT NO: CITY POWER 4710191182

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COPY OF TAX INVOICE

ANDISWA MJULEKA
47 MAPLE AVENUE
KYALAMI HILLS
1684

Date	2021/04/08
Statement for	April 2021
Physical Address	47 MAPLE AVENUE
Stand No./Portion	62 KYALAMI HILLS
Township	KYALAMI HILLS EXT.20

Stand Size	Number of Dwellings	Date of Valuation	Portion	Municipal Valuation	Region
97 m2	1	2018/07/01	A1	Market Value R 1,130,000.00	Region A Ward 132

Invoice Number: 34004731863
Client VAT Number:
Next Reading Date: 2021/04/23
Deposit: R 0.00

Account Number: 553481433 **PIN CODE: xxxxxx**

Previous Account Balance	5,124.36
Less: Incoming Payment (Last Payment Made 2021/03/26)	- 3,000.00
Sub Total	2,124.36
Interest on Arrears	9.82
Current Charges (Excl. VAT)	770.84
VAT @ 15%	37.05

90 DAYS +	60 DAYS	30 DAYS	CURRENT	INSTALMENT PLAN	TOTAL AMOUNT OUTSTANDING
294.75	769.04	1,060.57	817.71	0.00	2,942.07

Total Due	2,942.07
Due Date	2021/04/23

You are hereby notified that unless immediate payment of the outstanding amount is made the Council will issue instruction to cut off services and institute legal action.

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
P.O. BOX 669 ISANDO 1600

Remittance Advice:

This stub must accompany payment, please do not detach if paying at the post office

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Date: 2021/04/08 ANDISWA MJULEKA
Acc. No.: 553481433 47 MAPLE AVENUE

EasyPay 91115 5534814339

Postal Office 0146 553481433

516008800111159 55348143306

Standard Bank City of Johannesburg Banking details:

Internet banking - Use the banks pre-loaded Company details
SBSA branch deposits - **CIN no AA45** to be used in place of bank acc. nr.
Client Account No/Deposit Reference 553481433

Total Due	2,942.07
Due Date	2021/04/23

Account Number: 553481433

City of Johannesburg Property Rates	VAT 4760117194	Sub - Total	Total Amount
Category of Property: Property Rates: Sectional Title Resident			
The property rates are based on the market values of the property and			
are calculated as follows:			
R 1,130,000.00 X R 0.0080590 / 12 (Billing Period 2021/04)		758.89	
Less rates on first R350 000.00 of market value		- 235.05	
VAT: 0 %		0.00	523.84

PIKITUP Refuse	VAT 4790191292	Sub - Total	Total Amount
WASTE MANAGEMENT SERVICE			
Refuse Charge		247.00	
VAT: 15.00%		37.05	284.05

Current Charges (Including VAT)	**807.89**

Where can a payment be made?
Any CoJ Office; any Post Office; any EasyPay site; any bank (branch, ATM or internet site).
YOUR ACCOUNT NUMBER IS YOUR REFERENCE NUMBER

How to make a payment
By debit order, cash or debit card.
KEEP ALL RECEIPTS FOR FUTURE REFERENCE

When to make a payment
Payments must reach the CoJ on or before the due date.

Change of address
This must be done timeously, in writing and submitted to any CoJ Municipal Regional Office.

Terminating electricity and water services?
This must be done in writing 7 working days before the date you want your services terminated and submitted to any CoJ Municipal Regional Office.

Internet Banking
Standard Bank Centre
5 Simmonds Street, Johannesburg, 2001
P.O. Box 7725, Johannesburg, 2000
Telephone: 0860 123 000
International: +27 11 299 4701
Fax: +27 11 631 8550
Website: www.standardbank.co.za

Dear CITY OF JOHANNESBURG

We confirm that the following payment has been made into your account from Andiswa:

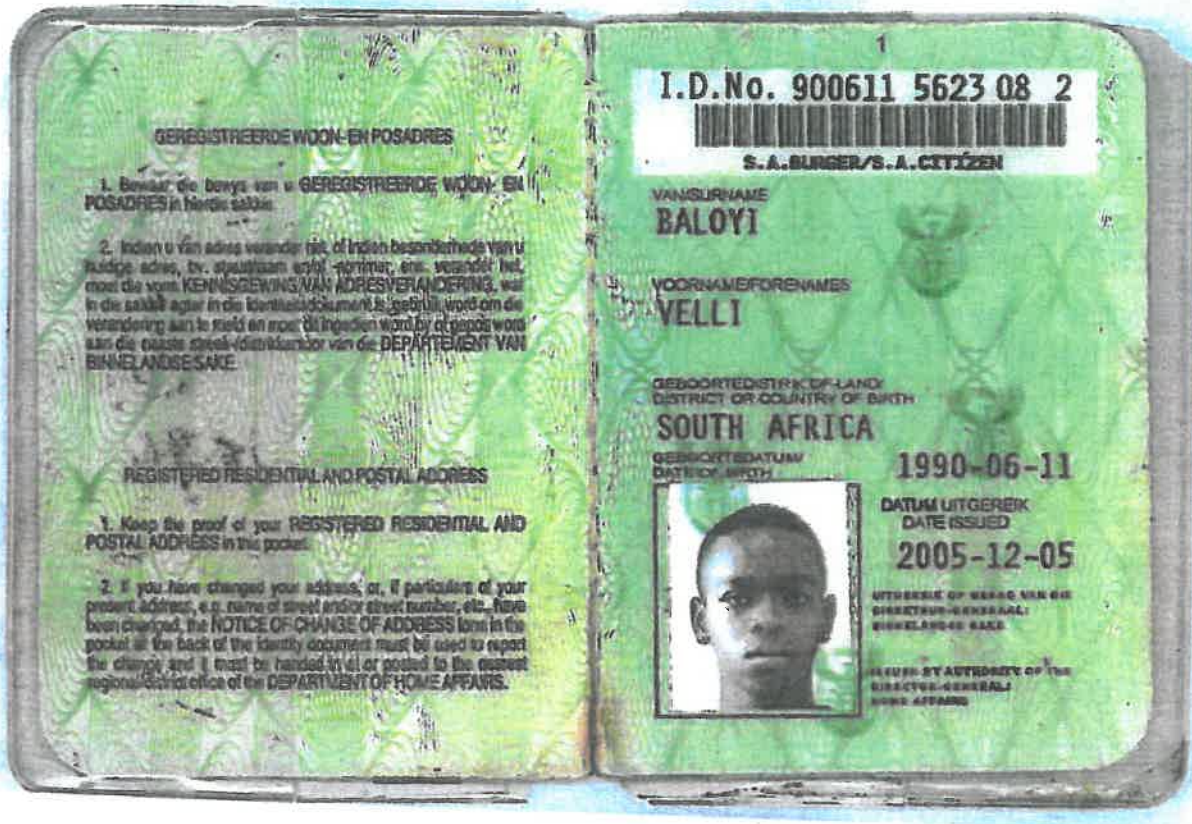
Reference number	2039344713
Listed company name	CITY OF JOHANNESBURG
Bank name	THE STANDARD BANK OF SOUTH AFRICA LIMITED
Listed company number	58250071082
Listed company branch number	00000205
Beneficiary reference	553481433
Amount	2.200.00
Payment date and time	2021-04-08 07h08

If you need more information or have any questions about this payment, please contact:
Andiswa
0733388281

Payments to Standard Bank accounts may take up to one business day to reflect.
Payments to other banks may take up to three business days.

Please check your account to confirm you have received this payment.

Yours sincerely,
The Internet Banking Team



GEREGISTREERDE WOON- EN POSADRES

1. Bewaar die bewys van u GEREGISTREERDE WOON- EN POSADRES in hierdie sakkie.

2. Indien u van adres verander het, of indien besonderhede van u huidige adres, bv. straatnaam en/of -nommer, ens. verander het, moet die vorm KENNISGEWING VAN ADRESVERANDERING, wat in die sakkie agter in die identiteitsdokument is, gebruik word om die verandering aan te meld en moet dit ingedien word by of gepos word aan die naaste streek-/distrikskantoor van die DEPARTEMENT VAN BINNELANDSE SAKE.

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1

I.D.No. 900611 5623 08 2

S.A.BURGER/S.A.CITIZEN

VAN/SURNAME
BALOYI

VOORNAME/FORENAMES
VELLI

GEBOORTEDISTRIK OF-LAND/
DISTRICT OR COUNTRY OF BIRTH
SOUTH AFRICA

GEBOORTEDATUM/
DATE OF BIRTH
1990-06-11

DATUM UITGEREIK
DATE ISSUED
2005-12-05

UITGEREIK OP GESAG VAN DIE DIREKTEUR-GENERAAL: BINNELANDSE SAKE

ISSUED BY AUTHORITY OF THE DIRECTOR-GENERAL: HOME AFFAIRS

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09009798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

8/6/2021

P.O. BOX 669 ISANDO 1600

ANGOR Property Specialists (Pty) Ltd Residential Property Management
Reg No 2005/004571/07 | **VAT No** 4220176988 | **Website** www.angor.co.za | **Email** info@angor.co.za
Tel 087 006 0011 | **Fax** 086 679 6601 | **PO Box** 787319, Sandton, 2146
Head Office First Floor, Wrigley Field, The Campus, Corner of Sloane Street and Main Road, Bryanston, Sandton, 2021

Levy Statement / Tax Invoice

Kyalami Hills Body Corporate
K F Diale & V Baloyi
342 Kyalami Hills
Maple Drive
Midrand

Statement Date: 1-Jun-2021
Payments Up To: 19-May-2021
Premises: UNIT 342

You must use the following reference on your payment:

KHS0342A

Amount Due:

R751.63

Transactions

Date	Details	Debit	Credit	Balance
1-Apr-2021	Balance Brought Forward	R415.66		R415.66
23-Apr-2021	ACB CREDIT SETTLEMENT - INVESTECPBKHS0342A		R-1 960.00	R-1 544.34
1-May-2021	Water: 9-Feb-2021 to 9-Mar-2021 - UNITS 6(424 - 430)	R42.81		R-1 501.53
1-May-2021	Levy - Standard	R1 166.68		R-334.85
1-May-2021	Geyser Insurance	R35.00		R-299.85
1-May-2021	Domestic Effluent	R510.55		R210.70
1-May-2021	Levy - CSOS	R24.24		R234.94
1-May-2021	Maintenance Plan - 10 Year	R305.03		R539.97
3-May-2021	ACB CREDIT SETTLEMENT - INVESTECPBKHS0342A		R-1 960.00	R-1 420.03
1-Jun-2021	Water: 9-Mar-2021 to 9-Apr-2021 - UNITS 10(430 - 440)	R130.16		R-1 289.87
1-Jun-2021	Levy - Standard	R1 166.68		R-123.19
1-Jun-2021	Geyser Insurance	R35.00		R-88.19
1-Jun-2021	Domestic Effluent	R510.55		R422.36
1-Jun-2021	Levy - CSOS	R24.24		R446.60
1-Jun-2021	Maintenance Plan - 10 Year	R305.03		R751.63
			Amount Due:	**R751.63**

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
P.O. BOX 669 ISANDO 1600

Bank Details

Bank: ABSA
Branch Code: 632005
Account Name: Kyalami Hills BC
Account Number: 4077703112

Important: No cash payments at our offices

1. Cheques payable to your Body Corporate
2. All amounts are due and payable in advance on the 1st (first) day of each month and late payments will attract interest
3. Should this account not be queried within 14 days we accept this as correct
4. Payments are accepted without prejudice and will be allocated firstly against collection costs, interest and arrears; and thereafter to current levies due

Please note:

Please visit ANGOR Online to view levy statements, Scheme information and documents. You can also download a Debtors Ledger for your Tax Return or capture banking details to set-up a Debit Order. https://online.angor.co.za

REPUBLIC OF SOUTH AFRICA
NATIONAL IDENTITY CARD

Surname:
PADIACHY
Names:
DHARISHAN
Sex:
M
Nationality:
RSA
Identity Number:
[illegible]
Date of Birth:
[illegible] AUG [illegible]
Country of Birth:
RSA
Status:
CITIZEN

Signature

HERMAN KILIAN
CA(SA) 20034147
COMMISSIONER OF OATHS (RSA)
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

Woodmead Office Park, 14 Stirrup Lane, Woodmead, Gauteng, RSA 2191
Telephone: +27(11) 461 1400 Facsimile: +27(11) 461 1450

Conditions:

This card has been issued by the Department of Home Affairs in terms of the Identification Act, Act 68 of 1997

If found please return to the Department of Home Affairs
For enquiry or verification purposes contact 0800 60 11 90

Date of Issue:
10 OCT 2017

RSA

107049477

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) [illegible]
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

8/6/2021

P.O. BOX 669 ISANDO 1600

Joburg

a world class African city

You can contact us in the following ways

Phone:
Tel: 0860 56 28 74
Fax: (011) 358-3408/9

Correspondence:
P O BOX 5000
JOHANNESBURG
2000

E-mail:
joburgconnect@joburg.org.za

VAT NO: CITY OF JOHANNESBURG: 4760117194
VAT NO: JOHANNESBURG WATER: 4270191077
VAT NO: PIKITUP: 4790191292
VAT NO: CITY POWER 4710191182

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COPY OF TAX INVOICE

WATERFALL COUNTRY ESTATE WUQF (PTY)LTD
21 AUGRABIES FALLS BOULEVARD
JUKSKEI VIEW EXT.19
1662

Date	2021/04/08
Statement for	April 2021
Physical Address	22 NILE DRIVE
Stand No./Portion	00003687 - 00000 - 00
Township	JUKSKEI VIEW EXT.57

Stand Size	Number of Dwellings	Date of Valuation	Portion	Municipal Valuation	Region
600 m2		2018/07/01	A1	Market Value R 6,400,000.00	Region A Ward 132

Invoice Number: 124004485573
Client VAT Number:
Next Reading Date: 2021/04/23
Deposit: R 417.41

Account Number: 551735178 **PIN CODE: xxxxxx**

Previous Account Balance	10,937.97
Less: Incoming Payment (Last Payment Made 2021/03/08)	- 10,937.97
Sub Total	0.00
Current Charges (Excl. VAT)	5,237.00
VAT @ 15%	176.08

90 DAYS +	60 DAYS	30 DAYS	CURRENT	INSTALMENT PLAN	TOTAL AMOUNT OUTSTANDING
0.00	0.00	0.00	5,413.08	0.00	5,413.08

Total Due	5,413.08
Due Date	2021/04/23

Comment on draft IDP & Budget. Join a public mtg from 8 April-5 May 2021 or submit via budgetinputs@joburg.org.za & idpinput@joburg.org.za. Closing date 8 May 2021. Docs & details on www.joburg.org.z

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
P O BOX 669 ISANDO 1600

Joburg
a world class African city

Remittance Advice:
This stub must accompany payment,
please do not detach if paying at the post office

Date: 2021/04/08
Acc. No.: 551735178
WATERFALL COUNTRY ESTATE WUQF (PTY)LTD
22 NILE DRIVE

EasyPay 91115 5517351788

Postal Office 0146 551735178

516008800111159 55173517800

Standard Bank City of Johannesburg Banking details:

Internet banking - Use the banks pre-loaded Company details
SBSA branch deposits - **CIN no AA45** to be used in place of bank acc. nr.
Client Account No/Deposit Reference 551735178

Total Due	5,413.08
Due Date	2021/04/23

Account Number: 551735178

City of Johannesburg Property Rates	VAT 4760117194	Sub - Total	Total Amount
Category of Property: Property Rates Residential			
The property rates are based on the market values of the property and are calculated as follows:			
R 6,400,000.00 X R 0.0080590 / 12 (Billing Period 2021/04)		4,298.13	
Less rates on first R350 000.00 of market value		- 235.05	
VAT: 0 %		0.00	4,063.08

Johannesburg Water Water & Sanitation	VAT 4270191077	Sub - Total	Total Amount
(Reading period = 2021/02/12 to 2021/03/12 = 29 days)			
Meter readings and consumption: Meter no CFRM6061 start reading 3,933.000 and end reading 3,953.000 = 20.000 KL - Actual Reading			
Daily average consumption 0.690 KL			
Charges for 20.000 KL are based on a sliding scale for a 29 day period			
Step 1 5.717 KL @ R 0.0000 (Billing Period 2021/04) Step 2 3.811 KL @ R 18.990 Step 3 4.764 KL @ R 19.820 Step 4 4.763 KL @ R 27.790 Step 5 0.945 KL @ R 38.400		335.44	
Extended Social Package Grant		0.00	
Demand Management Levy		26.52	
Sewer monthly charge based on Stand size 600 m2 (Billing Period 2021/04)		443.96	
VAT: 15.00%		120.88	926.80

PIKITUP Refuse	VAT 4790191292	Sub - Total	Total Amount
WASTE MANAGEMENT SERVICE			
Refuse Charge		368.00	
VAT: 15.00%		55.20	423.20

Current Charges (Including VAT)	5,413.08

Where can a payment be made?
Any CoJ Office; any Post Office; any EasyPay site; any bank (branch, ATM or internet site).
YOUR ACCOUNT NUMBER IS YOUR REFERENCE NUMBER

How to make a payment
By debit order, cash or debit card.
KEEP ALL RECEIPTS FOR FUTURE REFERENCE

When to make a payment
Payments must reach the CoJ on or before the due date.

Change of address
This must be done timeously, in writing and submitted to any CoJ Municipal Regional Office.

Terminating electricity and water services?
This must be done in writing 7 working days before the date you want your services terminated and submitted to any CoJ Municipal Regional Office.

GEREGISTREERDE WOON- EN POSADRES

REGISTERED RESIDENTIAL AND POSTAL ADDRESS

DEPARTMENT OF HOME AFFAIRS

I.D.No. 770228 5362 08 7

S.A.BURGER/S.A.CITIZEN

TLHABANELO

BOITUMELO

SOUTH AFRICA

1977-02-28

1997-05-27

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

8/6/2021

P.O. BOX 669 ISANDO 1600

AFFIDAVIT

I, the undersigned, **BOITUMELO TLHABANELO**, identity number 7702285362087 do hereby make oath and state that:

1.

The information herein contained are within my personal knowledge, unless the contrary appears herefrom and are both true and correct.

2.

I depose to the contents of this affidavit in my own personal capacity and voluntarily without any threat or duress.

3.

I am an adult male with Identity Number 7702285362087. I am currently employed at Bopa Moruo Private Equity Fund Managers (Pty) Ltd with place of business at 3 Exchange Square, 87 Maude Street, Sandton, 2196, Republic of South Africa. My mobile number is 082 389 3609.

4.

This serves to confirm that my residential address is 2 Roseway, Kelvin, 2090.

5.

That I have no municipal accounts or similar which refer to my residential address as I am renting my current residential property.

DEPONENT
BOITUMELO TLHABANELO

THUS SIGNED and SWORN to at Sandton on this the **31 May 2021** by the deponent who has read, knows and understands the contents of this affidavit, who has no objection to taking the prescribed oath and who considers same to be binding on his conscience.

BEFORE ME ON 31 May 2021

ANDISWA MJULEKA CA (SA)
Commissioner of Oaths
SAICA Member No: 20039967
3 Exchange Square, 87 Maude Street
Sandton 2196

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008755
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
P O BOX 669 ISANDO 1600

COMMISSIONER OF OATHS

TRUE COPY

1

I.D. No. 720702 5328 083

S.A.CITIZEN

NOTICE OF PERSONAL PARTICULARS

1. Any changes to the personal particulars in your ID Book must be communicated to all relevant parties.

NOTICE OF CHANGE OF ADDRESS

1. Keep the NOTICE OF CHANGE OF ADDRESS form in this pocket to report a change of address or a change in particular of your present address e.g. name of street and/or street number etc.

Hand in at or post to the nearest regional/district office of the DEPARTMENT OF HOME AFFAIRS

SURNAME
KHOELE

FORENAMES
NTHIME DWIGHT

COUNTRY OF BIRTH
SOUTH AFRICA

DATE OF BIRTH
1972-07-02

DATE ISSUED
2013-04-16

ISSUED BY AUTHORITY OF THE DIRECTOR-GENERAL HOME AFFAIRS

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09006798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

8/6/2021

P.O. BOX 669 ISANDO 1600

a world class African city

You can contact us in the following ways

Phone:
Tel: 0860 56 28 74
Fax: (011) 358-3408/9

Correspondence:
P O BOX 5000
JOHANNESBURG
2000

E-mail:
joburgconnect@joburg.org.za

VAT NO: CITY OF JOHANNESBURG: 4760117194
VAT NO: JOHANNESBURG WATER: 4270191077
VAT NO: PIKITUP: 4790191292
VAT NO: CITY POWER 4710191182

Computer generated
COPY OF TAX INVOICE

KHOELE N&G
PO Box 937
NORTHLANDS
2116

Date	2021/05/13
Statement for	May 2021
Physical Address	124A RIVERSIDE ROAD
Stand No./Portion	00000055 - 00003 - RE
Township	ATHOLL EXT.5

Stand Size	Number of Dwellings	Date of Valuation	Portion	Municipal Valuation	Region
1985 m2	1		E1		Region E WARD 91

Invoice Number: 34004792743
Client VAT Number: 9999999999
Next Reading Date: 2021/05/28
Deposit: R 946.00

Account Number: 440822700 **PIN CODE: xxxxxx**

Previous Account Balance	1,320.00
Less: Incoming Payment (Last Payment Made 2021/04/14)	- 351.36
Sub Total	968.64
Interest on Arrears	2.91
Current Charges (Excl. VAT)	698.15
VAT @ 15%	104.72

90 DAYS +	60 DAYS	30 DAYS	CURRENT	INSTALMENT PLAN	TOTAL AMOUNT OUTSTANDING
0.00	0.00	968.64	805.78	0.00	1,774.42

Total Due 1,774.42
Due Date 2021/05/28

We notice that payment on your account was not received in full last month. If you have since paid we thank you and request that you ignore this message. If you had not yet paid please do so urgently

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
PO BOX 669 ISANDO 1600

a world class African city

Remittance Advice:

This stub must accompany payment, please do not detach if paying at the post office

Date: 2021/05/13 KHOELE N&G
Acc. No.: 440822700 124A RIVERSIDE ROAD

EasyPay 91115 4408227009

Postal Office 0146 440822700

516008800111159 44082270009

Standard Bank City of Johannesburg Banking details:

Internet banking - Use the banks pre-loaded Company details
SBSA branch deposits - **CIN no AA45** to be used in place of bank acc. nr.
Client Account No/Deposit Reference 440822700

Total Due 1,774.42
Due Date 2021/05/28

Account Number: 440822700

Johannesburg Water Water & Sanitation — VAT 4270191077	Sub - Total	Total Amount
(Reading period = 2021/04/08 to 2021/04/13 = 6 days)		
Meter readings and consumption: Meter no C-URM5775 start reading 182.137		
and end reading 182.820 = 0.682 KL - Estimated Reading		
Daily average consumption 0.114 KL		
Charges for 0.682 KL are based on a sliding scale for a 6 day period		
Step 1 0.682 KL @ R 0.0000 (Billing Period 2021/05)	0.00	
Extended Social Package Grant	0.00	
Demand Management Levy	26.52	
Sewer monthly charge based on Stand size 1985 m2 (Billing Period 2021/05)	671.63	
VAT: 15.00%	104.72	802.87

Current Charges (Including VAT)	**802.87**

Where can a payment be made?
Any CoJ Office; any Post Office; any EasyPay site; any bank (branch, ATM or internet site).
YOUR ACCOUNT NUMBER IS YOUR REFERENCE NUMBER

How to make a payment
By debit order, cash or debit card.
KEEP ALL RECEIPTS FOR FUTURE REFERENCE

When to make a payment
Payments must reach the CoJ on or before the due date.

Change of address
This must be done timeously, in writing and submitted to any CoJ Municipal Regional Office.

Terminating electricity and water services?
This must be done in writing 7 working days before the date you want your services terminated and submitted to any CoJ Municipal Regional Office.

NOTIFICATION OF PAYMENT

Dear: Payment Notification

RMB Private Bank hereby confirms that the following payment instruction has been received:

Date Actioned	: 2021/06/04
Time Actioned	: 18:19:00
Trace ID	: CGBSV9GH

Payer Details

Payment From	: MR NTHIME D KHOELE
Cur/Amount	: ZAR1774.42

Payee Details

Recipient/Account no	: 0515165
Name	: CITY OF JOHANNESBURG METR
Bank	: STANDARD BANK OF S.A.
Branch Code	: 000205
Reference	: 440822700

END OF NOTIFICATION

To authenticate this Payment Notification, please visit our website at rmbprivatebank.com, select the Banking Tools link on the left hand menu, followed by the Verify Payment link and follow the on-screen instructions.

Our customer (the payer) has requested that we send this notification of payment to you. Should you have any queries regarding the contents of this notice, please contact the payer.

HAND-TO-HAND COURIERS™

RAM Hand to Hand Properties (Proprietary) Limited.
Reg no. 2007/021611/07
VAT No. 4130243738

Tax Invoice

Invoice No:	IN000005664
Page:	1
Invoice Date	30/04/2021
Account No	SAN01

Sanitech Cape Town
Corner Milan & Montreal Drive
Airport Industria
P O Box 411
Parow
Cape Town
7490

Customer VAT Number4440260539

Description	Amount
Rates for the month April 2021 01.04.2021 to 30.04.2021	4,581.47
Water for the month April 2021 292.000 kL Consumed	7,895.68
Water for the month April 2021 Service charge	58.52
Sewerage for the month April 2021 277.40kL disposed	6,740.82
Sewerage for the month April 2021 Industrial Effluent	8,497.63

Subtotal before Vat	R	27,774.12
Total Vat @ 15%	R	3,478.90
Total amount	R	31,253.02

Remit To:
Account Name: Ram Hand to Hand (Pty) Ltd
Bank: FNB OR Tambo
Account No: 62367687559
Branch Code: 260306

16 Wrench Road, Isando 1609, South Africa PO Box 506 Isando, 1600 Telephone: +27 (011) 977 5000 / Facsimile: +27 (011) 974 0245

Customer Care: 0861 726 726. Head Office - Domestic Hub, Isando: +27 (0)11 392 5050, Jhb Export Hub - Diamond Centre: +27 (0)11 334 8677, Beaufort West: +27 (0)23 415 2685, Bloemfontein: +27 (0)51 432 6250, Cape Town: +27 (0)21 386 4462, Durban: +27 (0)31 312 1200, East London: +27 (0)43 743 2691, George: +27 (0)44 873 3948, Harrismith: +27 (0)58 623 2146, Kimberley: +27 (0)53 832 9414, Klerksdorp: +27 (0)18 462 8603, Midrand: +27 (0)11 546 4635, Nelspruit: +27 (0)13 752 7523, Polokwane: +27 (0)15 297 7314, Port Elizabeth: +27 (0)41 581 7619, Upington: +27 (0)54 331 3020, Gaborone: (09267) 395 9076, Windhoek: (09264) 6127 1437

CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

Civic Centre
12 Hertzog Boulevard 8001
PO Box 655 Cape Town 8000
VAT registration number
4500193497

Tax invoice number	210007938690
Customer VAT registration number	
Account number	135181260
Distribution code	
Business partner number	1000569972

D M G PROP PTY LTD
PO BOX 418
SEA POINT
8060

Computer generated copy tax invoice

Tel: 086 010 3089 - Fax: 086 201 1017
Tel: International calls +27 21 401 4701
E-mail : accounts@capetown.gov.za
Correspondence: Director : Revenue, P O Box 655, Cape Town 8000
Web address:www.capetown.gov.za

Account summary as at 14/04/2021 — **Due date 10/05/2021**

At 4 MILAN ROAD, BOQUINAR INDUSTRIAL AREA / Erf 166047

Previous account balance		23596.83
Less payments (03/04/2021)	Thank you	23596.83-
(a)		**0.00**
Latest account - see overleaf		38430.08
Current amount due (b)	**Payable by 10/05/2021**	**38430.08**
	Total (a) + (b)	**38430.08**
Total (a) + (b) above	38430.08	
Total liability	**38430.08**	

THINK WATER
CARE A LITTLE. SAVE A LOT.
www.capetown.gov.za/thinkwater

Please note:

1. Payment options
(a) Debit orders: Call 0860 103 089 or visit a Customer Service Centre.(b) Internet payments: Visit www.Easypay.co.za.
(c) Electronic payments (EFT): Select the City of Cape Town as a bank-listed beneficiary on your bank's website. Use only your nine-digit municipal account number as reference
(d) Direct deposit at Nedbank: Please present your account number 135181260 to the bank teller. (e) Cash, debit card, credit card and other: Please present your account to the cashier.
2. Where the City incurs bank costs on any mode of payment, the City will recover such cost on the portion of the amount above R7000.00 per transaction per account number. The City absorbs such costs in respect of a single payment of R7000.00 and below.
3. Interest will be charged on all amounts still outstanding after the due date.
4. You may not withhold payment, even if you have submitted a query to the City concerning this account.
5. Failure to pay could result in:
(a) The City recovering debt overdue on the purchasing of pre-paid electricity.
(b) your water and/or electricity supply being disconnected/restricted. Immediate reconnection of the supply after payment cannot be guaranteed.
A disconnection fee will be charged and your deposit amount might be increased.

Pay points: City of Cape Town cash offices or the vendors below:

EasyPay Pay online at www.easypay.co.za — NEDBANK — PEP — Checkers — WOOLWORTHS — SHOPRITE — Pick n Pay — SPAR

D M G PROP PTY LTD

Account number	**135181260**
Total due if not paid in cash	38430.08
Amount due if paid in cash	38430.00
Rounded down amount carried forward to next invoice	0.08

>>>>> 915551351812602

Account details as at 14/04/2021 **Account number** 135181260

PROPERTY RATES (Period 11/03/2021 to 14/04/2021) 35 Days
At 4 MILAN ROAD, BOQUINAR INDUSTRIAL AREA / Erf 166047

Industrial

From 11/03/2021 : R 8869000.00 @ 0.0115400 ÷ 365 x 35 — 9814.22

9814.22

WATER (Period 05/03/2021 to 08/04/2021 - 35 Days) (Actual reading)
At 4 MILAN ROAD, BOQUINAR INDUSTRIAL AREA / Erf 166047
Meter no: C-BKU7662 / Consumption 292.000 kl / Daily average 8.343 kl

& Consumption charge (commercial)
(292.000 kl X R 27.0400) — 7895.68

& Fixed Basic Charge (15MM - C-BKU7662) R 58.52 x 1 — 58.52

7954.20

SEWERAGE (Period 05/03/2021 to 08/04/2021 - 35 Days) (Actual reading)
At 4 MILAN ROAD, BOQUINAR INDUSTRIAL AREA / Erf 166047

0.00

SEWERAGE (Period 05/03/2021 to 08/04/2021 - 35 Days) (Actual reading)
At 4 MILAN ROAD, BOQUINAR INDUSTRIAL AREA / Erf 166047

& Disposal charge
(277.400 kl X R 24.3000) — 6740.82

6740.82

IMPROVEMENT DISTRICT (Period 11/03/2021 to 14/04/2021) 35 Days
At 4 MILAN ROAD, BOQUINAR INDUSTRIAL AREA / Erf 166047

Total value — 1690.70

& From 11/03/2021 : R 8869000.00 @ 0.00198800 ÷ 365 x 35

1690.70

SUNDRIES

SEWERAGE:
Service rendered date: 28/02/2021
Billing for Wastewater disposal at Borcherds Quarry WWTP
Period: February 2021
138.7KL @R21.65/KL

Account details as at 14/04/2021 **Account number** **135181260**

Contract Account : 135181260	
BP : 1000569972	
Amount : R3 002.86 (Excl. VAT)	
Material number : 100001407	
Profit centre : P20040016	
Enquiries : M. Matokazi (021-4005174)	
& Waste water disposal-designated facility	3002.86
SEWERAGE:	
Service rendered date: 31/03/2021	
Billing for Wastewater disposal at Borcherds Quarry WWTP	
Period: March 2021	
253.8KL @R21.65/KL	
Contract Account : 135181260	
BP : 1000569972	
Amount : R5 494.77 (Excl. VAT)	
Material number : 100001407	
Profit centre : P20040016	
Enquiries : M. Matokazi (021-4005174)	
& Waste water disposal-designated facility	5494.77
	8497.63

Add 15% VAT on amounts marked with & above **3732.51**

0% VAT on amounts marked with # above

Current account: Total due **38430.08**

Meter details			**Previous reading**		**New reading**		**Units used**
WATER	C-BKU7662	001	329.000kl	(Actual)	621.000kl	(Actual)	292.000k

ADDENDUM TO LEASE AGREEMENT

between

RAM HAND-TO-HAND PROPERTIES PROPRIETARY LIMITED

and

WACO AFRICA PROPRIETARY LIMITED

TABLE OF CONTENTS

jw

ADDENDUM TO LEASE AGREEMENT

between

RAM HAND-TO-HAND PROPERTIES PROPRIETARY LIMITED

("Landlord")

and

WACO AFRICA PROPRIETARY LIMITED

("Tenant")

1 INTRODUCTION

1.1 The Landlord and the Tenant entered into an Agreement of Lease (hereinafter referred to as the **"2011 Lease"**) on the following salient terms and conditions –

Commencement Date	1 October 2011
Termination Date	30 September 2016
Duration of Initial Period	Five (5) Years
Premises	Erf 166047, Cape Town, Airport Industria

1.2 The Tenant wishes to enter into a new Lease Agreement (**"2016 Lease"**) with the Landlord, based on the same terms and conditions contained in the 2011 Lease, as amended in accordance with this Addendum (**"2016 Addendum"**).

1.3 The Parties have accordingly agreed to reduce the new terms and conditions of the 2016 Lease in writing on the terms and conditions contained in this 2016 Addendum.

2 AMENDMENTS TO 2011 LEASE

2.1 Notwithstanding the date of signature of this 2016 Addendum, the 2016 Lease shall be on the following salient terms and conditions –

Commencement Date	1 October 2016
Termination Date	30 September 2021
Duration of Initial Period	Five (5) Years
Premises	Erf 166047, Cape Town, Airport Industria

2.2 The monthly rental payable by the Tenant to the Landlord during the period of the 2016 Lease shall be –

Period From	Period To	Monthly Rental (Ex VAT)	VAT	Total Monthly Rental
01-Oct-16	30-Sep-17	R84 694.90	R11 857.29	R96 552.19
01-Oct-17	30-Sep-18	R91 470.49	R12 805.87	R104 276.36
01-Oct-18	30-Sep-19	R98 788.13	R13 830.34	R112 618.47
01-Oct-19	30-Sep-20	R106 691.18	R14 936.77	R121 627.95
01-Oct-20	30-Sep-21	R115 226.48	R16 131.71	R131 358.18

3 **REPAIRS TO PREMISES**

3.1 In terms of Clause 12 of the 2011 Lease, the Tenant is obliged to maintain the Premises during the currency of the Lease.

3.2 The Parties have agreed that the Landlord shall attend to the following repairs, on the Premises, prior to the 2011 Lease expiring –

3.2.1 painting the inside and the outside of the Premises;

3.2.2 repairing the yard by laying a concrete or tarred yard. Same shall not apply to the entire yard but only where damage has been sustained to the yard;

3.2.3 servicing and repairing the roof; and

3.2.4 inspecting the roof for leaks.

4 **APPLICABILITY OF THE 2011 LEASE**

Save for the amendments provided herein, the remaining provisions of the 2011 Lease shall remain of full force and effect, provided that in the event of any conflict between the 2011 Lease and this 2016 Addendum, the provisions of this 2016 Addendum shall prevail.

Signed at Isando on the 17th day of May 2016

for **RAM HAND-TO-HAND PROPERTIES PROPRIETARY LIMITED**

____

who warrants that he is duly authorised hereto

Signed at Cape Town on the 26 day of May 2016

for WACO AFRICA PROPRIETARY LIMITED

who warrants that he is duly
authorised hereto

RESOLUTION OF THE BOARD OF DIRECTORS OF
WACO AFRICA PROPRIETARY LIMITED
COMPANY REGISTRATION NUMBER 2012/000665/07
PASSED IN TERMS OF THE COMPANY'S MEMORANDUM OF INCORPORATION ON 1 JUNE 2018

In order to enable efficient operational management and to reduce the amount of administration linked to dealings with external companies, it was decided to review the authority matrix / delegated authority levels currently applied by the Company.

IT WAS RESOLVED THAT

The Delegated Authorities matrix as detailed below is herewith approved with immediate effect: -

1. As applicable to Waco Africa Proprietary Limited, its divisions and all its subsidiaries.

2. Authority levels relate to job titles (refer Annexure "A"): -

   - **Waco Africa Proprietary Limited - Chief Executive Officer**
   - **Waco Africa Proprietary Limited - Chief Financial Officer**

   - **Divisional Managing Directors and Financial Directors of operating divisions :**

     - **Form-Scaff Division**
     - **SGB – Cape Division**
     - **Abacus Division**
     - **Sani-Tech Division**
     - **SkyJacks Division**

3. The capital expenditure authority levels are to be applied not withstanding that the asset concerned could be financed by way of an off or on balance sheet financing instrument (i.e. operating or financial lease, rental agreement, or separate financing facility).

Type of Authority	Authority Details	Approval Authority
Property leases		**Up to: -**
Negotiation signing / entering into of property lease (s)	Waco Africa (Proprietary) Limited Chief Executive Officer	R 5 million
	Divisional Managing Directors	R 5 million
	Waco Africa Proprietary Limited Chief Financial Officer	R 5 million
	Divisional Financial Directors	R 5 million
		Based on gross value of each contract or agreement over its entire term
Capital Expenditure. Tenders Quotations Supply and related contractual matters.		**Up to: -**
• Capital Expenditure including capitalised lease expenditure.	Waco Africa Proprietary Limited - Chief Executive Officer	R 15 million
• Acquisition of assets funded under approved operating	Divisional Managing Directors	R 7,5 million
	Waco Africa Proprietary Limited Chief Financial Officer	R 7.5 million

lease and / or financing arrangements. • General operational purchases and supply contracts. • Tenders, quotations and contracts	Divisional Financial Directors	R 5 million Based on gross value of each contract or agreement over its entire term

CERTIFIED A TRUE EXTRACT OF THE ORIGINAL

Stephen John Michael Goodburn
Chairman

Mark Robert Towler
Company Secretary

BERNADETTE COHN
CA(SA) 20052573
COMMISSIONER OF OATHS (RSA)
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

Woodmead Office Park, [illegible] Lane, Woodmead, Gauteng, RSA 2191
Telephone: +27[illegible]00 Facsimile: +27(11) 461 1450

ANNEXURE "A"

Operation / Division and Position	Name	Identity Number
Waco Africa Proprietary Limited, Form-Scaff and SGB-Cape Divisions:		
- Chief Executive Officer	Michael Graham Els	680221 5108 086
- Chief Financial Officer	Gregory Michael Slabbert	650729 5160 087
Abacus Space Solutions Division:		
- Divisional Managing Director	Mark Selwyn Liquorish	660915 5033 089
- Divisional Financial Director	Amos Mathebula	891209 5251 086
Sanitech Division:		
- Divisional Managing Director	Robert Gerard Erasmus	750831 5071 089
- Divisional Financial Director	Faizal Dockrat	840625 5039 084
SkyJacks Division:		
- Divisional Managing Director	Alistair Bennett	670930 5116 089
- Divisional Financial Director	Jan Gabriel Du Toit	880522 5058 084

BERNADETTE COHN
CA(SA) 20052573
COMMISSIONER OF OATHS (RSA)
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

Woodmead Office Park, 4 Stirrup Lane, Woodmead, Gauteng, RSA 2191
Telephone: +27(11) 461 1400 Facsimile: +27(11) 461 1450

Integrated Hygiene & Sanitation Solutions

Sanitech

GAUTENG:
17 Wrench Road, Isando, Kempton Park, 1600
P O Box 13072, Witfield, 1467
Telephone: 011 823 6060

To Whom It May Concern

RE: AUTHORITY TO SIGN TENDER & SUPPLIER DOCUMENTATION ON BEHALF OF SANITECH, A DIVISION OF WACO AFRICA (PTY) LTD

I, **Robert Gerard Erasmus** identity number **7508315071089**, in my capacity as **Divisional Managing Director** of Sanitech a division of Waco Africa Proprietary Limited, company registration number 2012/000665/07, have been conferred the delegated authorities listed in the attached resolution dated 1 June 2018.

I herewith delegate authority to **Calvin Chetty**, identity number **850302 5059 08 5** in his capacity as **Divisional Director** of Sanitech, to sign contracts, tenders, quotes and similar documentation limited to a maximum amount of **R7.5 million (R7 500 000)** over the full term of any such contracts, tenders, quotes or similar documentation.

Yours faithfully,

R G ERASMUS

32

Passport / Passeport

REPUBLIC OF SOUTH AFRICA / REPUBLIQUE D'AFRIQUE DU SUD

Type / Type	PA
Country code / Code du pays	ZAF
Passport No / No du passeport	A06908553
Surname / Nom	CHETTY
Given names / Prénoms	CALVIN
Nationality / Nationalité	SOUTH AFRICAN / SUD-AFRICAIN
Date of birth / Date de naissance	02 MAR 1985
Identity No / No d'identité	8503025059085
Sex / Sexe	M
Place of birth / Lieu de naissance	ZAF
Date of issue / Date de délivrance	09 JAN 2019
Authority / Autorité	DEPT OF HOME AFFAIRS
Date of expiry / Date d'expiration	08 JAN 2029
Holder's signature / Signature du titulaire	

PAZAFCHETTY<<CALVIN<<<<<<<<<<<<<<<<<<<<<<<<<<<<

A069085530ZAF8503024M2901086850302505908 5<00

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

26/5/2021

P.O. BOX 669 ISANDO 1600

Standard Bank

STANDARD BANK
PRETORIA CORPORATE
SERVC CENTR
2021-04-29
01-43-42

Date 29 April 2021

To Whom It May Concern

Re: Confirmation of Bank account

This letter serves to confirm that the below mentioned customer holds the below Standard Bank account

Legal entity name	Waco Africa (Pty) Ltd.
Name of accountholder	SANI-TECH H/S CT DIV WACO AFRI
Registration/Identity/Passport number	2012/000665/07
Account number	072873221
Account type	BUSINESS CURRENT ACCOUNT
Branch	KENILWORTH CENTRE
Branch code	026209
Branch code (electronic payments)	051001
SWIFT address	SBZA ZA JJ
Date account opened	10 July 1997

This letter or your reliance on same does not give rise to any obligations or liability on the part of the Bank and/or its officials

We trust the above meets with your requirements.

Yours sincerely
JANCAREL NIEMAN
CORPORATE SERVICE CONSULTANT
PTA CORPORATE SERVICE UNIT
+27 11 636 3454

STANDARD BANK
CORPORATE SERVICE UNIT
2021 -04- 29
SERVICE CONSULTANT
43-42-01

ATTACHMENTS

SARS

TAX COMPLIANCE STATUS

PIN Issued

ABACUS,FORMSCAFF,SGB-
SKYJACKS,WACO AFRICA PTY LTD H/O
POSTNET SUITE #108
PRIVATE BAG X23
GALLO MANOR
2052

Enquiries should be addressed to SARS:

Contact Detail

SARS
Alberton
1528

Contact Centre Tel: 0800 00 SARS (7277)
SARS online: www.sars.gov.za

Details

Taxpayer Reference Number: 9257083197

Always quote this reference number when contacting SARS

Issue Date: 2021/04/01

Dear Taxpayer

TAX COMPLIANCE STATUS PIN ISSUED

The South African Revenue Service (SARS) has issued your tax compliance status (TCS) PIN as indicated below:

TCS Details:	
Taxpayer Name	Waco Africa Pty Ltd
Trading Name	SANITECH
Tax Reference Number(s)	IT - 9257083197 Vat - 4440260539 PAYE - 7720780321
Purpose of Request	Good Standing
Request Reference Number	0028955582GS0104211024506
PIN	F7358172DA
PIN Expiry Date	01/04/2022

You may authorise a third party to view your TCS by providing them the PIN. The PIN only allows the third party access to your TCS. All other tax information remains secure.

Your TCS displayed is based on your compliance as at the date and time the PIN is used.

You may cancel this PIN at any time before the expiry date reflected above. Once cancelled, a third party will not be able to verify your TCS.

SARS reserves the right to cancel this PIN in the event that it was fraudulently issued or obtained.

Should you have any other queries please call the SARS Contact Centre on 0800 00 SARS (7277). Remember to have your taxpayer reference number at hand when you call to enable us to assist you promptly.

Sincerely
ISSUED ON BEHALF OF THE SOUTH AFRICAN REVENUE SERVICE

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P.O. BOX 669 ISANDO 1600

TAX COMPLIANCE STATUS

PIN Issued

ABACUS,FORMSCAFF,SGB-
SKYJACKS,WACO AFRICA PTY LTD H/O
POSTNET SUITE #108
PRIVATE BAG X23
GALLO MANOR
2052

Enquiries should be addressed to SARS:

Contact Detail

SARS
Alberton
1528

Contact Centre Tel: 0800 00 SARS (7277)
SARS online: www.sars.gov.za

Details

Taxpayer Reference Number: 9257083197

Always quote this reference number when contacting SARS

Issue Date: 2021/04/01

Dear Taxpayer

TAX COMPLIANCE STATUS PIN ISSUED

The South African Revenue Service (SARS) has issued your tax compliance status (TCS) PIN as indicated below:

TCS Details:	
Taxpayer Name	Waco Africa Pty Ltd
Trading Name	SANITECH
Tax Reference Number(s)	IT - 9257083197 Vat - 4440260539 PAYE - 7720780321
Purpose of Request	Tender
Request Reference Number	0028955582TS0104211028088
PIN	18444F42D2
PIN Expiry Date	01/04/2022

You may authorise a third party to view your TCS by providing them the PIN. The PIN only allows the third party access to your TCS. All other tax information remains secure.

Your TCS displayed is based on your compliance as at the date and time the PIN is used.

You may cancel this PIN at any time before the expiry date reflected above. Once cancelled, a third party will not be able to verify your TCS.

SARS reserves the right to cancel this PIN in the event that it was fraudulently issued or obtained.

Should you have any other queries please call the SARS Contact Centre on 0800 00 SARS (7277). Remember to have your taxpayer reference number at hand when you call to enable us to assist you promptly.

Sincerely
ISSUED ON BEHALF OF THE SOUTH AFRICAN REVENUE SERVICE

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P.O. BOX 669 ISANDO 1600

TRANSFORMEX
constant change

WACO AFRICA (PTY) LTD

Please see annexure A attached for other trading names

BBBEE Contribution Level:

2

BEE Supplier Recognition:

125%

A Transformex Generic Verification Scorecard

Products and Services	**Support Services to the Construction and Engineering Industries**
Physical Address	181 Barbara Road, Cnr Barbara and Tunney Road, Elandsfontein, Gauteng
Registration Number	2012/000665/07
Vat Number	4390260539

Scorecard Elements	Maximum Score	Company Score	Principle Used	Yes/No
BEE Ownership	25.00	**25.00**	Modified Flow through	No
BEE Management Control	19.00	**10.96**	Exclusion Principle	No
Skills Development	25.00	**12.51**	Discounting Principle	No
Enterprise & Supplier Development	46.00	**41.70**	Participated in Y.E.S Initiative	No
Socio-Economic Development	5.00	**5.00**	Achieve Y.E.S Target and 2.5% Absorption	No
Youth Empowerment Service	N/A	**N/A**	Achieve 1.5 x Y.E.S Target and 5% Absorption	No
Total Score	120.00	**95.18**	Achieve Double Y.E.S Target and 5% Absorption	No
Empowering Supplier	YES		**Issue Date**	**26 November 2020**
Certificate Number	**WAC001G5751120**		**Re-issue Date**	**N/A**
Issue Number	**1**		**Expiry Date**	**25 November 2021**

Analysis	Result	Analysis	Result
Black Economic Ownership:	51.56%	Black Disabled Ownership:	00.00%
Black Voting Rights:	54.00%	Black Unemployed Ownership:	00.00%
Black Women Economic Ownership:	20.32%	Black People living in Rural Areas:	00.00%
Black Women Voting Rights:	21.23%	Black Military Veterans:	00.00%
Black Designated Ownership:	16.67%	Black New Entrant:	26.99%
Black youth Ownership:	00.00%		

Financial Year End:	**30 June 2020**
Measurement Period:	**01 July 2019 – 30 June 2020**
Standard Used:	Amended Codes of Good Practice on BEE: Gazette No. 36928 and Gazette No. 42496
Act	Broad-Based Black Economic Empowerment Amendment Act, 2013: Gazette No. 37271

Naidoo

Carmanthra Naidoo
For Transformex CC
TRANSFORMEX CC. Reg 2007/043419/23
Contact 011 477-5622 or visit www.transformex.co.za

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
7/4/2021
P.O. BOX 669 ISANDO 1600

sanas
BBBEE Verification Agency
BVA 151

GENERIC VERIFICATION CERTIFICATE V01R101020

TRANSFORMEX
constant change

Annexure: A

Other Trading Names	Registration Number	VAT Number
SANITECH	2012/000665/07	4440260539
SKYJACKS	2012/000665/07	4370268015
ABACUS SPACE SOLUTION	2012/000665/07	4390260539
FORM-SCAFF	2012/000665/07	4390260539
SGB-CAPE	2012/000665/07	4390260539
WACO ENGINEERING SERVICES	2018/612815/07	4160285864
SGB-CAPE ROPE ACCESS	2012/000665/07	4390260539

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
7/4/2021
P.O. BOX 669 ISANDO 1600

Naidoo

Carmanthra Naidoo
For Transformex CC
TRANSFORMEX CC. Reg 2007/043419/23
Contact 011 477-5622 or visit www.transformex.co.za

sanas
BBBEE Verification Agency
BVA 151
COR07-C1: GENERIC VERIFICATION CERTIFICATE V01R101020

Companies and Intellectual Property Commission
a member of the dti group

COMPANIES AND INTELLECTUAL PROPERTY COMMISSION
REPUBLIC OF SOUTH AFRICA

Form CoR14.3 - Registration Certificate

Issue date:	04/01/2012
Print date:	05/01/2012
Customer code:	GILVDM
Tracking number:	19933388

Concerning:

BUSINESS VENTURE INVESTMENTS NO 1624 (Pty) Ltd 2012/000665/07

The above company has been registered in terms of section 14 of the Companies Act, 2008.

In accordance with the Notice of Incorporation, the registration of the company takes effect on 04/01/2012.

In conjunction with this certificate, the Commission has not issued another notice contemplated in section 12 (3).

Astrid Ludin
Commissioner: CIPC

TMO TMO

About this Notice

This Notice is issued in terms of section 14 of the Companies Act, 2008, and Regulation 14 of the Companies Regulations, 2011. If the Commission has altered the name of the company, in terms of section 14 (2) (b), the company may file an amended Notice of Incorporation to change the name.
If the Commission has issued a Notice of a Potentially Contested Name in conjunction with the Certificate, the company must serve that Notice on each person identified in the Notice, and any such person has the right to challenge the use of the name, by the company.

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
PO BOX 669 ISANDO 1600

Certificate issued by the Companies and Intellectual Property Commission on Thursday, January 05, 2012 08:54
Certificate of Confirmation of Incorporation

Companies and Intellectual Property Commission
a member of the dti group

Registration number	2012 / 000665 / 07
Enterprise name	BUSINESS VENTURE INVESTMENTS NO 1624
Enterprise shortened name	NOT APPLICABLE
Enterprise translated name	NOT APPLICABLE
Registration date	04/01/2012
Business start date	04/01/2012
Enterprise type	PRIVATE COMPANY
Enterprise status	IN BUSINESS
Financial year end	FEBRUARY
Main business/main object	NO RESTRICTION ON BUSINESS ACTIVITIES
Postal address	GLMI HOUSE HARELQUINS OFFICE PARK GROENKLOOF 164 TOTIUS STREET 0027
Address of registered office	GLMI HOUSE HARELQUINS OFFICE PARK 164 TOTIUS STREET GROENKLOOF 0027

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P.O. BOX 669 ISANDO 1600

The Companies and Intellectual Property Commission of South Africa
P.O. Box 429, Pretoria, 0001, Republic of South Africa
Docex 256, Pretoria
Contact centre 086 100 2472
www.cipc.co.za

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Certificate issued by the Companies and Intellectual Property Commission on Thursday, January 05, 2012
Confirmation of Incorporation

Companies and Intellectual Property Commission
a member of the dti group

Registration number	2012 / 000665 / 07
Enterprise name	BUSINESS VENTURE INVESTMENTS NO 1624

Auditors

Directors

Surname and first names	Status	ID number or date of birth	Director type	Appointment date	Addresses
VAN STADEN, WILHELMINA LOUISA	ACTIVE	6012050097087	DIRECTOR	04/01/2012	Postal P O BOX 619, PRETORIA, 0001 Residential PLOT 334, DERDEPOORT, 2876

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P O BOX 669 ISANDO 1600

The Companies and Intellectual Property Commission of South Africa
P.O. Box 429, Pretoria, 0001, Republic of South Africa
Docex 256, Pretoria
Contact centre 086 100 2472
www.cipc.co.za

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COMPANIES AND INTELLECTUAL PROPERTY COMMISSION
REPUBLIC OF SOUTH AFRICA

Form CoR 14.1

- This form is issued in terms of Section 13 of the Companies Act, 2008 and Regulation 14 of the Companies Regulations, 2011.
- A profit company may be incorporated by an organ of state, or by one or more persons. A non-profit company may be incorporated by an organ of state, a juristic person, or by three or more persons.
- At each of Paragraphs 1,2,36, and 7, you must select one option, by checking the appropriate box.
- Annexure A must be completed and attached.
- Annexure B is required only if you check the 3rd option at paragraph 6.
- Annexure C is required only if you check the 2nd option at paragraph 7.
- The basic filing fee is R175 if the company's Memorandum of Incorporation is in Form 15.1A or 15.1C, or R 475 in any other case.
- An MOI in Form CoR 15.1A, 15.1B, 15.1C, 15.1D or 15.1E or unique to the company must be attached.
- A company is not registered until the Commission has issued a Registration Certificate in Form CoR 14.3

CONTACTING THE COMMISSION

The Companies and Intellectual Property Commission of South Africa

Postal Address: P O Box 429
Pretoria 0001
Republic of South Africa
Tel: 0861 843 384
www.cipc.co.za

Notice of Incorporation

Customer Code: GILVDM
From:
(Name, Identity or registration number, and address of Incorporator)
(If there are multiple incorporators, each must be listed. Use a separate sheet is necessary)
Name: WILHELMINA LOUISA VAN STADEN
Address: PLOT 334 DERDEPOORT, PRETORIA
Identity/Reg No: 6012050097087

1. The incorporators have incorporated a juristic person to be registered as a:

☐ State owned company ☐ Public company
☐ Personal liability company ☒ Private company
☐ Non profit company

2. The incorporation of the company is to take effect on:

☐ The date the Registration is issued
☐ If, later that the registration date

3. The company's first financial year will end on FEBRUARY
4. The company's registered office address is: GLMI HOUSE HARELQUINS OFFICE PARK, 164 TOTIUS STREET, GROENKLOOF, 0027
5. There are initial 1 directors of the company, as listed in Annexure A
6. The company name is to be BUSINESS VENTURE INVESTMENTS NO 1624 PROPRIETARY LIMITED

The company's registration number, followed by the elements required by section 11 (3)

The name currently reserved or registered under # 714257435 for use by

The first of the names set out on Annexure B that proves to be eligible, in terms of Regulation 14 (1) (b) (iii)

7. The company's Memorandum of Incorporation, attached in Form: CoR (indicate form number) or unique X (tick if appropriate)

☐ Has no provisions of the type contemplated in section 15 (2) (b) or (c)
☐ Has provisions of the type contemplated in section 15 (2) (b) or (c), as listed in Annexure C

I declare that the information in this application is true. If I am not the applicant, I declare that the Applicant has authorised me to make this application

Signature WvStade *Date* 1/11/2011

For Commission Use Only:

Commission file number ____ Date filed: ____

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P.O BOX 669 ISANDO 1600

REPUBLIC OF SOUTH AFRICA

Form CoR 14.1
Annexure A

Notice of Incorporation
Initial Directors of the Company

- This form is issued in terms of Section 13 of the Companies Act, 2008 and Regulation 14 of the Companies Regulations, 2011.
- Annexure A must be completed and attached to the Notice of Incorporation when it is filed.
- A public company, or a state owned company, must have at least 3 initial directors.
- A Non profit company must have at least 3 initial directors.
- A private company, or a personal liability company, must have at least 1 initial director
- A company is not registered until the Commission has issued a Registration Certificate in Form CoR 14.3

The incorporators confirm that each person named below has consented to being appointed in terms of section 66 (7) (b) as a director of the company, whose Memorandum of Incorporation is attached.

Full name / former name, if any: WILHELMINA LOUISA VAN STADEN

Identity number: 6012050097087

Nationality: SA

Passport number, if not South African:

Date of appointment: DATE OF INCORPORATION

Designation in the company: DIRECTOR

Residential address: PLOT 334, DERDEPOORT
2876

Business address: GLMI HOUSE
HARLEQUINS OFFICE PARK
GROENKLOOF
0027

Postal address: P O BOX 619
PRETORIA
0001

Occupation: PARALEGAL

South African resident: yes

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

26/5/2021

P.O. BOX 669 ISANDO 1600

Commission file number

Date filed:

For Commission Use Only:

CONTACTING THE COMMISSION

The Companies and Intellectual Property Commission of South Africa

Postal Address: P O Box 429
Pretoria 0001
Republic of South Africa
Tel: 0861 843 384
www.cipc.co.za

COR39

Companies and Intellectual Property Commission

a member of the dti group

Date: 03/06/2021 Our Reference: 9347212979

CHRISTINE RANDELL
E-mail: CHRISTINER@WACOINT.CO.ZA
POSTNET SUITE 103
PRIVATE BAG X23
GALLO MANOR
2052

RE: Amendment to Company Information
Company Number: 2012/000665/07
Company Name: WACO AFRICA (PTY) LTD

We have received a COR39 (Notice of change of company directors) from you dated 02/06/2021.

The COR39 was accepted and placed on file.

The following change was effected to Director/Secretary/Officer:
Director STEPHEN JOHN MICHAEL GOODBURN - Change was made.

The following change was effected to Director/Secretary/Officer:
Director MICHAEL GRAHAM ELS - Change was made.
- Director / member status changed from Active to Resigned.

The following change was effected to Director/Secretary/Officer:
Director PHILISANI DAVID NGCOBO - Change was made.

The following change was effected to Director/Secretary/Officer:
Director GREGORY MICHAEL SLABBERT - Change was made.
- Director / member status changed from Active to Resigned.

The following change was effected to Director/Secretary/Officer:
Director NTHIME DWIGHT KHOELE - Change was made.

The following change was effected to Director/Secretary/Officer:
Director BOITUMELO TLHABANELO - Change was made.

The following change was effected to Director/Secretary/Officer:
Director DHARISHAN PADIACHY - Change was made.

The following change was effected to Director/Secretary/Officer:
Director VELLI BALOYI - Change was made.

The following change was effected to Director/Secretary/Officer:
Director ANDISWA MJULEKA - Change was made.

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 05006788
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
P O BOX 869 ISANDO 1600

COR39

Yours truly

Commissioner: CIPC

Companies and Intellectual Property Commission
a member of the dti group

Please Note:

The attached certificate can be validated on the CIPC web site at www.cipc.co.za.
The contents of the attached certificate was electronically transmitted to the South African Revenue Services.

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
P O BOX 669 ISANDO 1600

COR39

Certificate issued by the Companies and Intellectual Property Commission on Thursday, June 03, 2021 11:28
Certificate of Confirmation

Companies and Intellectual Property Commission
a member of the dti group

Registration number	**2012 / 000665 / 07**
Enterprise Name	**WACO AFRICA (PTY) LTD**
Enterprise Shortened Name	**None provided.**
Enterprise Translated Name	**None provided.**
Registration Date	**04/01/2012**
Business Start Date	**04/01/2012**
Enterprise Type	**Private Company**
Enterprise Status	**In Business**
Financial year end	**June**
Main Business/Main Object	
Postal address	**POSTNET SUITE 108 PRIVATE BAG X23 GALLO MANOR GAUTENG 2052**
Address of registered office	**WOODMEAD OFFICE PARK 14 STIRRUP LANE OFF VAN REENENS AVE WOODMEAD GAUTENG 2191**

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 00003798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
P O BOX 669 ISANDO 1600

The Companies and Intellectual Property Commission
of South Africa
P.O. BOX 429, PRETORIA, 0001, Republic of South Africa. Docex 256, PRETORIA.
Call Centre Tel 086 100 2472, Website www.cipc.co.za

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COR39

Certificate issued by the Companies and Intellectual Property Commission on Thursday, June 03, 2021 11:28
Certificate of Confirmation

Companies and Intellectual Property Commission
a member of the dti group

Registration number	**2012/000665/07**
Enterprise Name	**WACO AFRICA (PTY) LTD**

Auditor

Name	**PRICEWATERHOUSECOOPERS INC**
Postal Address	**PRIVATE BAG X36 SUNNINGHILL 2157**

Designated Auditor

Name	**PIETER DU PREEZ VERMEULEN**
Postal Address	**PRIVATE BAG X36 SUNNINGHILL 2157**

Active Directors / Officers

Surname and first names	ID number or date of birth	Director type	Appoint-ment date	Addresses
MJULEKA, ANDISWA	8806220516084	Director	17/11/2020	Postal: 1ST FL DEUTSCHE BANK BLD 3 EXCHANGE, SQUARE - 87 MAUDE STREET, SANDTON, GAUTENG, 2196 Residential: 62 KYALAMI HILLS, 47 MAPLE AVENUE, KYALAMI HILLS - MIDRAND, GAUTENG, 1684
BALOYI, VELLI	9006115623082	Director	17/11/2020	Postal: 35 FRICKER ROAD, SANDTON, JOHANNESBURG, GAUTENG, 2196 Residential: UNIT 279 KYALAMI HILLS COMPLEX, MAPLE DRIVE, MIDRAND, GAUTENG, 1682
PADIACHY, DHARISHAN	8608095010080	Director	01/07/2020	Postal: POSTNET SUITE 108, PRIVATE BAG X23, GALLO MANOR, GAUTENG, 2052 Residential: 3687 NILE DRIVE, WATERFALL COUNTRY VILLAGE EST, JUKSKEI VIEW EXT 57, GAUTENG, 2195
TLHABANELO, BOITUMELO	7702285362087	Alternate Director	06/05/2014	Postal: P O BOX 74, KELVIN, SANDTON, GAUTENG, 2054 Residential: 2 ROSEWAY, KELVIN, SANDTON, GAUTENG, 2054

ELMARIE ... HUIZEN
COMMISSIONER OF OATHS
CA (SA) 00008738
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
P.O BOX 669 ISANDO 1600

Certificate issued by the Companies and Intellectual Property Commission on Thursday, June 03, 2021 11:28

Certificate of Confirmation

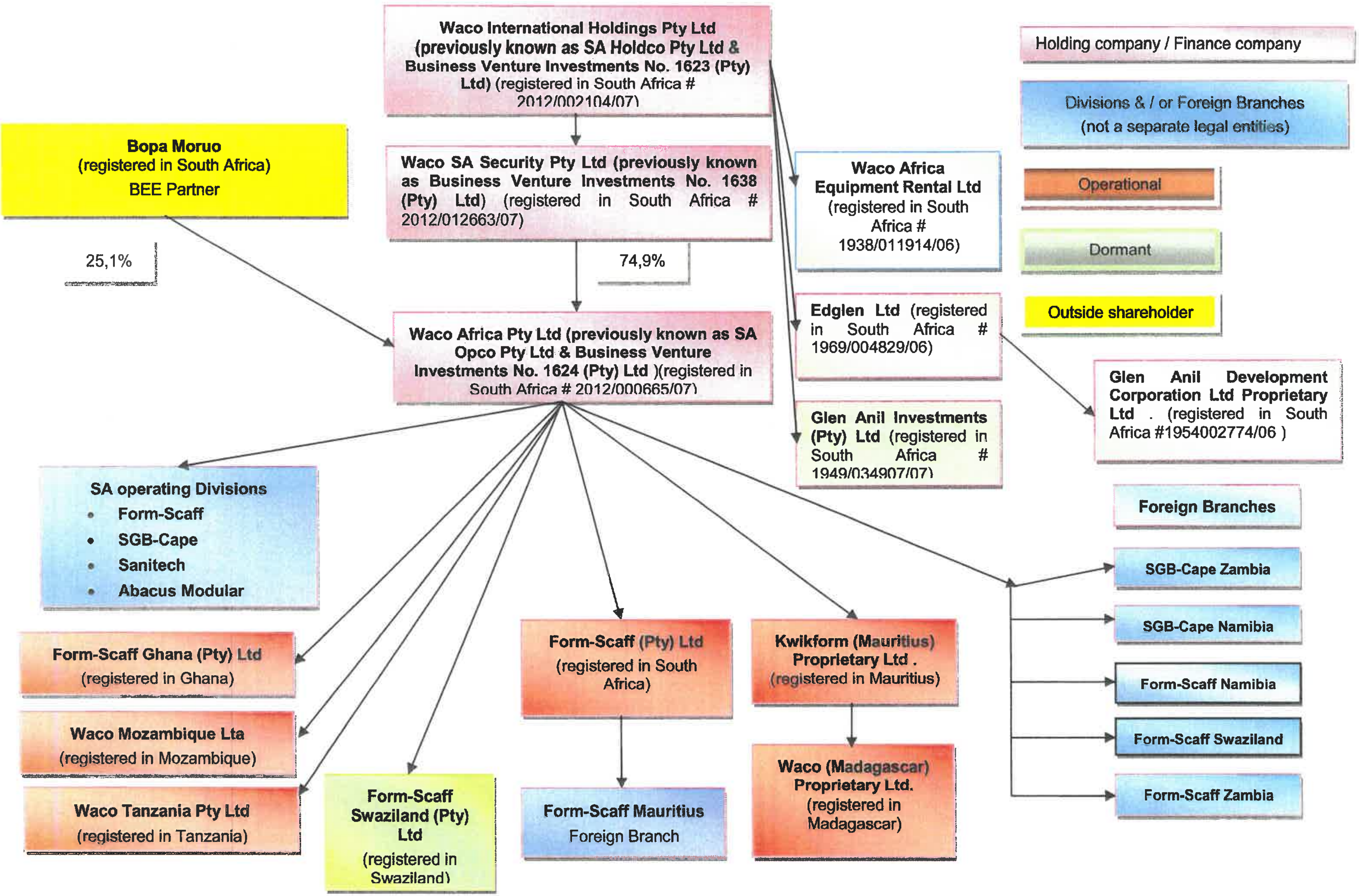
Companies and Intellectual Property Commission

a member of the dti group

Active Directors / Officers

Surname and first names	ID number or date of birth	Director type	Appoint-ment date	Addresses
KHOELE, NTHIME DWIGHT	7207025328083	Director	06/05/2014	Postal: P O BOX 937, NORTHLANDS, JOHANNESBURG, GAUTENG, 2116 Residential: 124A RIVERSIDE ROAD, ATHOL EXT 5, JOHANNESBURG, GAUTENG, 2116
NGCOBO, PHILISANI DAVID	6512245560089	Director	12/07/2012	Postal: P O BOX 67107, BRYANSTON, JOHANNESBURG, GAUTENG, 2021 Residential: NO 6 SUMMERSER ESTATE, 7TH ROAD, BLUE HILLS, GAUTENG, 1685
TOWLER, MARK ROBERT	6002075146084	Company Secretary	22/06/2012	Postal: POSTNET SUITE # 108, PRIVATE BAG X 23, GALLOW MANOR, 2052 Residential: 2 BIOKSIET ROAD, JUKSKEI PARK, RANDBURG, 2153
GOODBURN, STEPHEN JOHN MICHAEL	6307095021088	Director	22/06/2012	Postal: POSTNET SUITE 108, PRIVATE BAG X23, GALLO MANOR, GAUTENG, 2052 Residential: 45 MONTE CHRISTO, ANCHOR ROAD, BEYERSPARK, GAUTENG, 1459

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
8/6/2021
P.O. BOX 669 ISANDO 1600



All companies 100% owned unless otherwise stated.
Not all dormant companies have been reflected as such companies are in the process of being deregistered.

SHARE CERTIFICATE

WACO AFRICA PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa)

REG NO. 2012/000665/07

Registered Office:
Building No. 2
Harrowdene Office Park
128 Western Services Road
Woodmead, 2148

Postal address:
PostNet Suite #108
Private Bag X23
Gallo Manor, 2052

This is to certify that the undermentioned is the registered proprietor of fully paid up shares as shown below in the capital of the above Company, subject to the Memorandum of Incorporation.

WACO SA SECURITY PROPRIETARY LIMITED 2012/012663/07 BLD NO. 2 HARROWDENE OFFICE PARK 128 WESTERN SERVICE ROAD, WOODMEAD 2148	ORDINARY	R 0.000000	D1	22/09/2015	1	7 490 000

Given on behalf of the company at WOODMEAD on 22 SEPTEMBER 2015

Bona Fide replacement

Secretary

Directors

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P O BOX 669 ISANDO 1600

SHARE CERTIFICATE

WACO AFRICA PROPRIETARY LIMITED 2012/000665/07

(Incorporated in the Republic of South Africa)

REG NO. 2012/000665/07

Registered Office:
Building No. 2
Harrowdene Office Park
128 Western Services Road
Woodmead, 2148

Postal address:
PostNet Suite #108
Private Bag X23
Gallo Manor, 2052

This is to certify that the undermentioned is the registered proprietor of fully paid up shares as shown below in the capital of the above Company, subject to the Memorandum of Incorporation.

NAME AND ADDRESS	CLASS OF SHARE	ISSUE PRICE	REF. NO.	DATE	CERT. NO.	NO OF SHARES
WACO EMPLOYEE SHARE BENEFIT TRUST IT003020/2015(T) BLD #2 HARROWDENE OFFICE PARK, 128 WESTERN SERVICE ROAD WOODMEAD, 2148	A ORDINARY	R 0.001000	A 1	08/11/2017	1	535 765

Given on behalf of the company at WOODMEAD on 8 NOVEMBER 2017

Secretary

Directors

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P O BOX 669 ISANDO 1600

SHARE CERTIFICATE

WACO AFRICA PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa)

REG NO. 2012/000665/07

Registered Office:
Building No. 2
Harrowdene Office Park
128 Western Services Road
Woodmead, 2148

Postal address:
PostNet Suite #108
Private Bag X23
Gallo Manor, 2052

This is to certify that the undermentioned is the registered proprietor of fully paid up shares as shown below in the capital of the above Company, subject to the Memorandum of Incorporation.

[redacted]						
BOPA MORUO PRIVATE EQUITY FUND I **2012/030645/07** SUITE 1, FIRST FLOOR 3 EXCHANGE SQUARE 87 MAUDE STREET SANDTON 2196	ORDINARY	R 0.000000	D 2	22/09/2015	2	2 510 000

Given on behalf of the company at WOODMEAD on 22 SEPTEMBER 2015

Bona Fide replacement

Secretary

Directors

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P.O. BOX 669 ISANDO 1600

GEREGISTREERDE WOON- EN POSADRES

1. Bewaar die bewys van u GEREGISTREERDE WOON- EN POSADRES in hierdie sakkie.

2. Indien u van adres verander het, of indien besonderhede van u huidige adres bv. straatnaam en/of -nommer, ens. verander het, moet die vorm KENNISGEWING VAN ADRESVERANDERING, wat in die sakkie agter in die identiteitsdokument is, gebruik word om die verandering aan te meld en moet dit ingedien word by of gepos word aan die naaste streek-/distrikkantoor van die DEPARTEMENT VAN BINNELANDSE SAKE.

REGISTERED RESIDENTIAL AND POSTAL ADDRESS

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1

I.D.No. 630709 5021 08 8

S.A.BURGER/S.A.CITIZEN

VAN/SURNAME

GOODBURN

VOORNAME/FORENAMES

STEPHEN JOHN MICHAEL

GEBOORTEDISTRIK OF-LAND/
DISTRICT OR COUNTRY OF BIRTH

SOUTH AFRICA

GEBOORTEDATUM/
DATE OF BIRTH

1963-07-09

DATUM UITGEREIK
DATE ISSUED

1999-01-04

3

UITGEREIK OP GESAG VAN DIE
DIREKTEUR-GENERAAL
BINNELANDSE SAKE

ISSUED BY AUTHORITY OF THE
DIRECTOR GENERAL
HOME AFFAIRS

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 05008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

26/5/2021

P.O. BOX 669 ISANDO 1600

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1

I.D.No. 651224 5560 08 9

S.A.BURGER/S.A.CITIZEN

VAN/SURNAME
NGCOBO

VOORNAME/FORENAMES
PHILISANI DAVID

GEBOORTEDISTRIK OF-LAND/
DISTRICT OR COUNTRY OF BIRTH
SOUTH AFRICA

GEBOORTEDATUM/
DATE OF BIRTH
1965-12-24

DATUM UITGEREIK
DATE ISSUED
2000-02-16

UITGEREIK OP GESAG VAN DIE DIREKTEUR-GENERAAL: BINNELANDSE SAKE

ISSUED BY AUTHORITY OF THE DIRECTOR-GENERAL: HOME AFFAIRS

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

26/5/2021

P O BOX 669 ISANDO 1600

REPUBLIC OF SOUTH AFRICA
NATIONAL IDENTITY CARD

Surname:
PADIACHY
Names:
DHARISHAN
Sex:
M
Nationality:
RSA
Identity Number:
[illegible]
Date of Birth:
[illegible]
Country of Birth:
RSA
Status:
CITIZEN

Signature

HERMAN KILIAN
CA(SA) 20034147
COMMISSIONER OF OATHS (RSA)
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

Woodmead Office Park, 14 Stirrup Lane, Woodmead, Gauteng. RSA 2191
Telephone: +27(11) 461 1400 Facsimile: +27(11) 461 1450

Conditions:

This card has been issued by the Department of Home Affairs in terms of the Identification Act, Act 68 of 1997

If found please return to the Department of Home Affairs
For enquiry or verification purposes contact 0800 60 11 90

Date of Issue
10 OCT 2017

RSA

107049477

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

26/5/2021

P O BOX 669 ISANDO 1600

GEREGISTREERDE WOON- EN POSADRES

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REGISTERED RESIDENTIAL AND POSTAL ADDRESS

1. Keep the proof of your REGISTERED RESIDENTIAL AND POSTAL ADDRESS in this pocket.

2. If you have changed your [illegible] particulars of your present address, e.g. name of a [illegible] street number, etc. have [illegible] the NOTICE OF CHANGE OF ADDRESS form in the [illegible] back of the identity document must be used to report the change and it must be handed in at or posted to the nearest regional district office of the DEPARTMENT OF HOME AFFAIRS

CERTIFIED TRUE COPY OF ORIGINAL

1

I.D.No. 880622 0516 08 4

S.A.BURGER/S.A.CITIZEN

VAN/SURNAME

MJULEKA

VOORNAME/FORENAMES

ANDISWA

GEBOORTEDISTRIK OF LAND/
DISTRICT OR COUNTRY OF BIRTH

SOUTH AFRICA

GEBOORTEDATUM/
DATE OF BIRTH

1988-06-22

DATUM UITGEREIK
DATE ISSUED

2004-04-30

ISSUED BY AUTHORITY OF THE
DIRECTOR-GENERAL:
HOME AFFAIRS

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

26/5/2021

P O BOX 669 ISANDO 1600

GEREGISTREERDE WOON- EN POSADRES

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1

I.D.No. 900611 5623 08 2

S.A.BURGER/S.A.CITIZEN

VANSURNAME
BALOYI

VOORNAME/FORENAMES
VELLI

GEBOORTEDISTRIK OF-LAND/
DISTRICT OR COUNTRY OF BIRTH
SOUTH AFRICA

GEBOORTEDATUM/
DATE OF BIRTH
1990-06-11

DATUM UITGEREIK
DATE ISSUED
2005-12-05

UITGEREIK OP GESAG VAN DIE
DIREKTEUR-GENERAAL:
BINNELANDSE SAKE

ISSUED BY AUTHORITY OF THE
DIRECTOR-GENERAL:
HOME AFFAIRS

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

26/5/2021

P.O. BOX 669 ISANDO 1600

NOTICE OF PERSONAL PARTICULARS

1. Any changes to the personal particulars in your ID Book must be communicated to all relevant parties.

NOTICE OF CHANGE OF ADDRESS

1. Keep the NOTICE OF CHANGE OF ADDRESS form in this pocket to report a change of address or a change in particular of your present address e.g. name of street and/or street number etc.

2. Hand in at or post to the nearest regional/district office of the DEPARTMENT OF HOME AFFAIRS

1

I.D. No. 720702 5328 083

S.A.CITIZEN

SURNAME
KHOELE

FORE NAMES
NTHIME DWIGHT

COUNTRY OF BIRTH
SOUTH AFRICA

DATE OF BIRTH
1972-07-02

DATE ISSUED
2013-04-16

ISSUED BY AUTHORITY OF THE DIRECTOR-GENERAL HOME AFFAIRS

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09006798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL

26/5/2021

P.O. BOX 669 ISANDO 1600

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1

I.D.No. 600207 5146 08 4

S.A.BURGER/S.A.CITIZEN

VAN/SURNAME
TOWLER

VOORNAME/FORENAMES
MARK ROBERT

GEBOORTEDISTRIK OF-LAND/
DISTRICT OR COUNTRY OF BIRTH
ENGLAND

GEBOORTEDATUM/
DATE OF BIRTH
1960-02-07

DATUM UITGEREIK
DATE ISSUED
2006-06-27

UITGEREIK OP GESAG VAN DIE
DIREKTEUR-GENERAAL:
BINNELANDSE SAKE

ISSUED BY AUTHORITY OF THE
DIRECTOR-GENERAL:
HOME AFFAIRS

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P.O. BOX 669 ISANDO 1600

SANITECH, A DIV. OF WACO AFRICA (PTY) LTD

Waco Africa is jointly owned by two juristic persons namely WacoSA Security, with 69.9% ownership, and Bopa Moruo Private Equity Fund1 (Black Owned Company), with 25.1% ownership. Waco Employee Share Benefit Trust with 5% ownership.

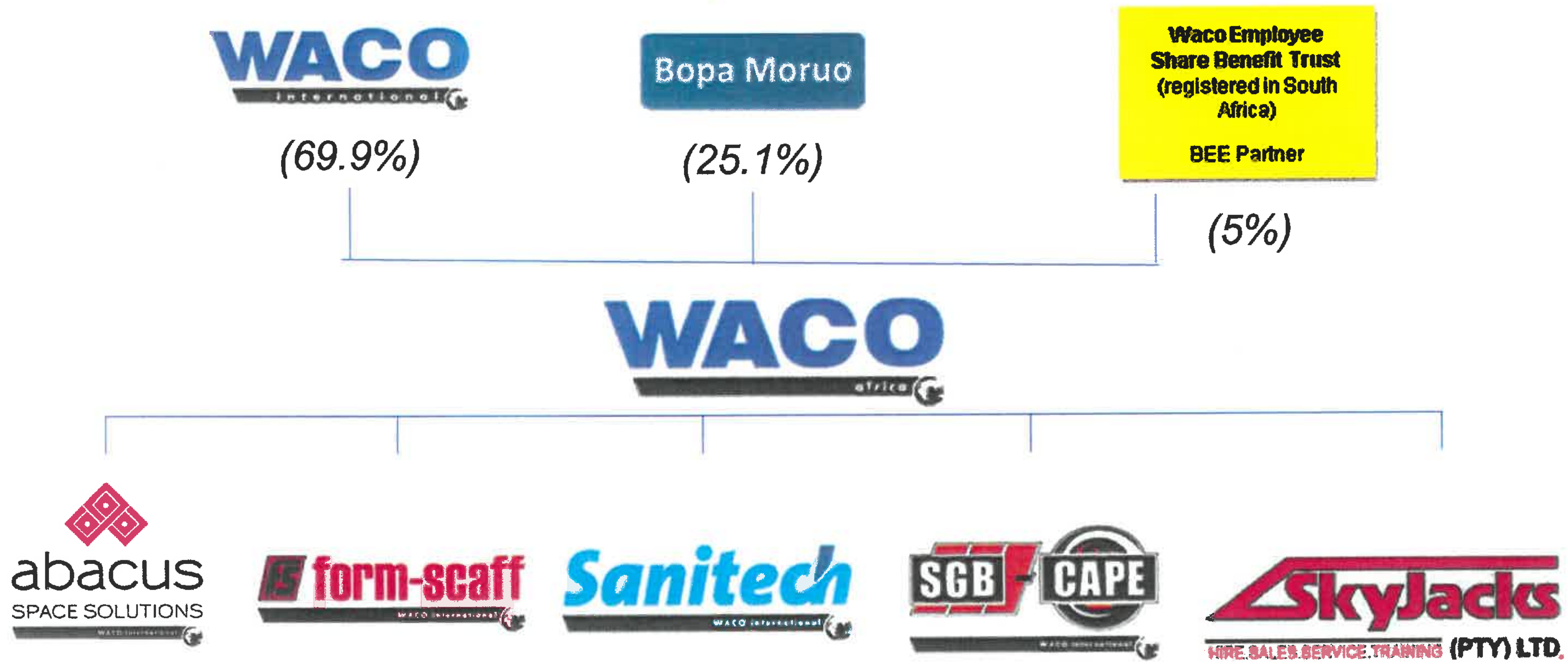
Juristic Shareholders

Name	Address	Percentage of Shares
Bopa Moruo Private Equity Fund1 Company Reg No : 2012/030645/07 Tel : 011 784 1740	1st Floor, Deutsche Bank Building 3 Exchange Square 87 Maude Street Sandton, 2196	25,10%
Waco SA Security Company Reg No : 2012/012663/07 Tel : 011 461 1403	Woodmead Office Park 14 Stirrup Lane off van Reenen Ave Woodmead 2191	69,90%
Waco Employee Share Benefit Trust IT003020/2015	Woodmead Office Park 14 Stirrup Lane off van Reenen Ave Woodmead 2191	5,00%

Registered Director Details

Name	Identity No	Position	Tax Reference Nr.	Cellphone Nr.	HDI Status	Gender	% devoted to firm
Waco Africa (Pty) Ltd Appointed Directors : Tel : 011 842 4000							
Mark Robert Towler	600207 5146 08 4	Company Secretary		083 300 9408	W	Male	69,90%
Stephen John Michael Goodburn	630709 5021 08 8	Director	0106039811	083 419 7408	W	Male	69,90%
Philisani David Ngcobo	651224 5560 08 9	Director	0323716142	083 273 9315	B	Male	69,90%
Dharishan Padiachy	860809 5010 08 0	Director	3963209147	079 517 2883	I	Male	69,90%
Andiswa Mjuleka	880622 0516 08 4	Director	432 459 188	011 328 7451	B	Female	25,10%
Velli Baloyi	900611 5623 08 2	Director	452 033 244	061 486 0870	B	Male	25,10%
Boitumelo Tlhabanelo	7702285362087	Director	0953054145	082 389 3609	B	Male	25,10%
Nthime Dwight Khoele	7207025328083	Director	1838075842	084 909 9999	B	Male	25,10%
Sanitech's Divisional Directors Tel : 031-482 2100 (Head Office)							
Robert Erasmus	750831 5071 08 9	Managing Director	0293038642	083 444 9605	W	Male	100%
Faizal Dockrat	840625 5039 08 4	Financial Director	0724342159	082 5111 281	I	Male	100%
Gary Arthur Brown	610121 5166 08 3	Regional Director KZN	0341025203	083 449 8377	W	Male	100%
Riaan Swartz	700831 5211 08 2	Regional Director Cape	0169125143	073 114 8314	W	Male	100%
Calvin Chetty	850302 5059 08 5	Africa Director	0941353153	083 461 5912	I	Male	100%
Gerhard Britz	690618 5146 08 3	Director | Environmental Systems	0001296680	073 001 3705	W	Male	100%

Ownership Organogram



SARS

VALUE-ADDED TAX
BELASTING OP TOEGEVOEGDE WAARDE

VAT 103i

Notice of registration - OFFICE ISSUE
Kennisgewing van registrasie - KANTOOR UITREIKING

Enquiries should be addressed to SARS: / Navrae moet gerig word aan SARS: Megawatt Park

Branch office / Takkantoor: MAXWELL DRIVE
MEGAWATT PARK
SUNNINGHILL
2157

Tel / Tel: 011 602 3244 Fax / Faks: 086 610 3973

E-mail / E-pos: SSAUDE@SARS.GOV.ZA

Date / Datum:

WACO AFRICA PTY LTD
SANITECH
P.O BOX 650081
BENMORE

2010

Trading or other name
Handels- of ander naam

WACO AFRICA PTY LTD - SANITECH

This number must be indicated on all tax invoices issued by you and quote this registration number in correspondence with this office or during interviews.
Hierdie belastingnommer moet op alle belastingfakture wat u uitreik, verstrek word en gebruik altyd hierdie registrasienommer in u korrespondensie of tydens besoek aan hierdie kantoor.

Your reference number is: / U verwysingsnommer is: 4440260539

Date of registration: / Datum van registrasie: 20120601

The VAT103 Notification of Registration will be issued in due course.
Die VAT103 Kennisgewing van Registasie sal binnekort uitgereik word.

I confirm that the above-mentioned enterprise has been registered as a vendor for VAT purposes.
Ek bevestig dat die bogenoemde onderneming as 'n ondernemer vir BTW-doeleindes geregistreer is.

R. SAUDE	RSaude
Name & Surname (Team Member) / Naam & Van (Spanlid)	Signature (Team Member) / Handtekening (Spanlid)
X. JELE	
Name & Surname (Team Leader) / Naam & Van (Spanleier)	Signature (Team Leader) / Handtekening (Spanleier)

for SARS branch office
n. SARS takkantoor

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P O BOX 669 ISANDO 1600

Office Stamp (with date)

Kantoorstempel (met datum)

007/08/22 SP F V2.03

SARS

EMPLOYEES TAX
WERKNEMERSBELASTING
EMP 103

Notice of registration - Office issue
Kennisgewing van registrasie - Kantooruitreiking

WACO AFRICA PTY LTD
PO BOX 12706
JACOBS

4026

Tax type: / Belastingtipe:	PAYE/SDL/UIF
SARS branch office: / SARS takkantoor:	Megawatt Park
Enquiries: / Navrae:	0116022010
Telephone number: / Telefoonnommer:	0116022010
Fax number: / Faksnommer:	0866103973
Date: / Datum:	2012-09-06

Trading or other name / Handels- of ander naam

WACO AFRICA PTY LTD - SANITECH

SOUTH AFRICAN REVENUE SERVICE
PRIVATE BAG X170
SARS
2012 -09- 0 6
RIVONIA 2128
LARGE BUSINESS CENTRE

1. Your reference number is:
U verwysingsnommer is:

PAYE/LBS	7720780321
SDL	L720780321
UIF	U720780321

This number must be indicated on all correspondence with the South African Revenue Service. Retain this notice for future reference.

Hierdie nommer moet op alle korrespondensie aan die Suid-Afrikaanse Inkomstediens aangehaal word. Behou hierdie kennisgewing vir toekomstige verwysings.

2. Payment in respect of PAYE, SDL or UIF must be made under cover of an EMP 201 (Return) to the SARS branch office within 7 days after the end of the month during which it was deducted or withheld. Where the 7th day is not a **"Business day" such payment must be made on or before** the last **"Business day"** prior to the 7th day. **"Business day" means any day which is not a Saturday, Sunday or public holiday.**

3. If payment is not paid in full within 7 days, a penalty equal to 10% as well as interest at the prescribed rate are payable on the amount in respect of the period during which such short payment remains unpaid.

4. Please notify above-mentioned SARS branch office in writing within 21 days of any change in your registered particulars or if a person ceased to be an employer.

5. Please refer to EMP 10 guidelines to employers, for further information regarding Employees Tax, Skills Development Levy or Unemployment Insurance Contributions.

2. Betalings ten opsigte van LBS, SDL of UIF moet binne 7 dae na die einde van die maand waartydens dit afgetrek of teruggehou is, per EMP 201 - (Opgawe) aan die SARS takkantoor oorbetaal word. Waar die 7de dag nie 'n **"Besigheidsdag"** is nie moet die bedoelde betaling voor of op die laaste **"Besigheidsdag"** wat die 7de dag voorafgaan, betaal word. **"Besigheidsdag" beteken enige dag wat nie 'n Saterdag, Sondag of openbare vakansiedag is nie.**

3. Indien die betaling nie binne die tydperk van 7 dae ten volle betaal is nie, is 'n boete gelyk aan 10% asook rente teen die voorgeskrewe koers betaalbaar op die bedrag ten opsigte van die tydperk waartydens die bedrag uitstaande bly.

4. Stel asseblief bovermelde SARS takkantoor binne 21 dae skriftelik in kennis van enige verandering in geregistreerde besonderhede of indien 'n persoon opgehou het om 'n werkgewer te wees.

5. Verwys asseblief na EMP 10 riglyne aan werkgewers, vir verdere inligting aangaande Werknemersbelasting, "Skills Development Levy" of die "Unemployment Insurance Contributions".

Issued by the South African Revenue Service

Uitgereik deur die Suid-Afrikaans Inkomstediens

SETA code: / SETA kode: 23
Chamber code: / Handelskamer kode: 99000

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P O BOX 659 ISANDO 1600

2020016300

labour

Department:
Labour
REPUBLIC OF SOUTH AFRICA

CALL CENTER NO: 0860 105 350

REG NO : 990000488038
FAX NO : 0123456789
ISSUE DATE : 2021-04-26
CERTIFICATE NO : 2020016300

SANI TECH
PO BOX 12706
DURBAN

LETTER OF GOOD STANDING

COMPENSATION FOR OCCUPATIONAL INJURIES AND DISEASES ACT 130 of 1993 (AS AMENDED).

With reference to sections 80, 82, 86 and 89 of Compensation for Occupational Injuries and Diseases Act 130 of 1993 (As amended), I hereby certify that:
SANI TECH
has complied with the requirement of the above Act and is at present in good standing with the Compensation Fund.

Nature of business :SANITATION MATRIAL DLR .

Expiry date :2022-04-30

IMPORTANT NOTICE:

Any fraudulently obtained Letter of Good Standing shall constitute a criminal offence.

The Compensation Commissioner shall institute criminal proceedings against any perpetrators who unlawfully alter or deface this letter with intend to defraud or misrepresent facts contained therein.

PLEASE, use the Below link (Website Address) to check if the Letter of Good Standing is valid:
https://cfonline.labour.gov.za/VerifyLOGS

Yours faithfully

COMPENSATION COMMISSIONER

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P.O BOX 669 ISANDO 1600

Compensation Fund

W.As. 48
Compensation House, Cnr Hamilton and Soutpansberg Road, PO Box 955, Pretoria, 0001 Fax:(012)357-1817 Website:http://www.labour.gov.za

Integrated Hygiene & Sanitation Solutions

Sanitech

HEAD OFFICE:
171 Bluff Road, Jacobs, Durban, 4052
P O Box 12706, Jacobs, 4026
Telephone: 031 482 2100
Fax: 031 467 3002 / 3054

To whom it may Concern,

RE: UIF CERTIFICATE OF COMPLIANCE

This letter serves to confirm that Sanitech is in the process of obtaining our new certificate which has been delayed because of a new system implementation at the UIF offices.

Should you require any further information kindly contact the Payroll Department on 031 482 2100.

Thank you

Kind Regards

Roslyn Govenden
PAYROLL MANAGER

Belinda Dauth

From:	Compliance <Compliance@uif.gov.za>
Sent:	Wednesday, 10 February 2021 10:42
To:	Lucky Mngadi (UIF)
Subject:	Please do not reply Compliance@uif.gov.za

Good day applicant

Thank you for the application.

Please note that the UIF has implemented an online system for applications for Compliance Certificates and Tender Letters from 25 January 2021.

Please log onto https://uifcompliance.labour.gov.za to submit your application online.

Alternatively visit https://www.labour.gov.za and click on Online Services to access the system.

This is an automated email response and please do not respond to it.

Kind regards

UIF Compliance
T: 0800 030 007

employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

UIF
WORKING FOR YOU

UNEMPLOYMENT INSURANCE FUND
230 LILIAN NGOYI
2020-02-11
PRETORIA

CERTIFICATE OF COMPLIANCE / SERTIFIKAAT VAN VOLDOENING

Enquiries/Navrae	:	**012 337 1448**
Date of Issue/Datum van Uitreiking	:	**11/02/2020**
Expiry Date/Vervaldatum	:	**10/02/2021**
Trading Name/Handelsnaam	:	**SANITECH**
UIF Reference/WVF Verwysing	:	**2114369/8**

ELMARIE ESTERHUIZEN
COMMISSIONER OF OATHS
CA (SA) 09008798
CERTIFIED AS A TRUE COPY OF THE ORIGINAL
26/5/2021
P.O. BOX 669 ISANDO 1600

It is hereby confirmed that, on the basis of the information at my disposal, the above-mentioned employer has not contravened the provisions of the Unemployment Insurance Contributions Act, 2002 or the Unemployment Insurance Act, 2001, as at the date of this certificate.

Hiermee word bevestig dat volgens die inligting tot my beskikking, en soos op die datum van hierdie sertifikaat, die bogenoemde werkgewer nie die bepalings van die *Unemployment Insurance Contributions Act*, 2002 of die Werloosheidversekeringswet, 2001, oortree het nie.

This certificate is valid for a period of 1 (one) year from the date of issue.

Hierdie sertifikaat is geldig vir 'n tydperk van 1 (een) jaar vanaf datum van uitreiking.

The following will automatically render it invalid:

- **If any changes have been made to the contents;**
- **If it does not bear an official stamp of the Department of Labour and/or the UIF; and**
- **If the period for which the certificate is valid has expired.**

Die volgende sal dit ook outomaties ongeldig maak:

- **Indien enige veranderinge aan die inhoud aangebring is;**
- **Indien dit nie 'n amptelike stempel van die Departement van Arbeid en/of die WVF bevat nie; en**
- **Indien die tydperk waarvoor die sertifikaat geldig is verval het.**

The UIF reserves the right to withdraw this certificate at any time should the employer be in contravention of any provision of the above-mentioned Acts during the one year period for which the certificate is valid.

Die WVF behou die reg om hierdie sertifikaat te enige tyd te onttrek indien die werkgewer gedurende die een jaar waartydens dit geldig is, enige bepaling van die bogenoemde wette nie nakom nie.

Disclaimer: This certificate contains confidential and privileged information and is intended solely for the use of the individual or entity to which it is addressed. Any unauthorized use or duplication is thus expressly and strictly prohibited. Under no circumstances will the Department of Labour or the UIF be liable for any damages, whether direct or indirect, relating to the fraudulent use of this certificate.

Vrywaring: Hierdie sertifikaat bevat vertroulike and beskermde inligting en is uitsluitlik bedoel vir gebruik deur die individu of entiteit aan wie dit geadresseer is. Enige ongemagtigde gebruik of duplisering is dus uitdruklik en streng verbode. Die Departement van Arbeid of die WVF sal onder geen omstandighede aanspreeklik wees vir enige skade, hetsy direk of indirek, wat verband hou met die ongemagtigde gebruik van hierdie sertifikaat nie.

(Official Signature to confirm authenticity)

Issued by the Unemployment Insurance Commissioner

Uitgereik deur die Werkloosheidversekeringskommissaris

UI-56

GEOGRAPHICAL FOCUS AREAS

Sanitech Offices

1. Ballito
2. Bloemfontein
3. Cape Town
4. Durban
5. Gauteng
6. George
7. Glencoe
8. Kathu, Kimberley, De Aar
9. Lephalale
10. Margate
11. Namibia
12. Mozambique
13. Nelspruit
14. Newcastle
15. Pietermaritzburg
16. Polokwane
17. Port Elizabeth
18. Potchefstroom
19. Richards Bay
20. Rustenburg
21. Secunda
22. Steelpoort
23. Witbank (Kendal)
24. Zambia

Sanitech

National Footprint

Gauteng

Gauteng

Tel: 011 823 6060

Physical Address: 17 Wrench Road, Isando, Gauteng, 1600

Postal Address
PO Box 130702
Witfield
1467

Toilet Hire Branch Manager

Fallon Somasundram
Cell: 083 795 6628
Email: fallons@sanitech.co.za

General Manager - Hygiene Division

Wesley Smith
Cell: 084 689 2312
Email: wesleys@sanitech.co.za

Regional Manager - Hygiene Division

Dino Chetty
Cell: 060 533 6752
Email: dinoc@sanitech.co.za

Managing Director

Robert Erasmus
Cell: 083 444 9605
Email: roberte@sanitech.co.za

Head Office

Telephone: 031 482 2100
Fax: 031 467 7071
Physical Address:
171 Bluff Road
Jacobs
Durban
4052
Postal Address:
PO Box 12706
Jacobs
Durban
4026

Mpumalanga

Kendal

Tel: 074 170 8014
Fax: 086 662 6490

Physical Address: Plot 7,Heuwelsfontein, Balmoral Road, Kendal, Mpumalanga, 2225

Postal Address: PO Box 13072, Witfield, 1467

Witbank

Tel: 013 110 0090
Fax: 086 662 6490

Physical Address: Plot 62, Kromdraai, Witbank

Postal Address: PO Box 13072, Witfield, 1467

Hygiene & Sanitation Branch Manager

Christina De Beer
Cell: 083 274 2988
Email: ChristinaDB@Sanitech.co.za

Secunda

Tel: 017 631 4999
Fax: 017 631 5002

GPS Co-Ordinates: -26.497682, 29.216532

Physical Address: 10 Erasmus Street, Secunda, Mpumalanga, 2302

Postal Address: PO Box 640, Trichardt, 2300

Hygiene & Sanitation Branch Manager

Sonja Grieb
Cell: 083 299 9155
Email: sonjag@sanitech.co.za

Hygiene & Sanitation Mpumalanga Regional Director
Gerhard Britz
Cell: 073 001 3705
Email: gerhardb@sanitech.co.za

Nelspruit

Branch Details
Telephone: 013 758 2381
Fax: 086 598 6505
Physical Address:
Unit 3, Commercial Corner, 14 Old Pretoria Road,
West Acres Ext 1, Nelspruit, 1201

Postal Address:
Postnet Suite 392
Private Bag X 9910
White River
1240

Hygiene & Sanitation Branch Manager

Zharn-Pierre Nel
Cell: 063 505 4344
Email: zpnel@sanitech.co.za

Hygiene & Sanitation Regional Director

Gerhard Britz

Cell: 073 001 3705

Email: gerhardb@sanitech.co.za

Limpopo

Polokwane

Branch Details
Telephone: 015 293 1040
Fax: 086 256 6448

Physical Address: 70 Koper Street, Laboria, Polokwane 1700
Postal Address: PO Box 13072, Witfield, 1467

Hygiene & Sanitation Depot Manager
Michael Fourie
Cell: 083 274 2989
Email: michaelf@sanitech.co.za

Managing Director

Robert Erasmus
Cell: 083 444 9605
Email: roberte@sanitech.co.za

Lephalale

Branch Details
Telephone: 014 940 0904
Fax: 086 770 8984
Physical Address:
12 Hendrik Pistorius Street
Ellisras Ext 10
Onverwacht, 0557

Postal Address:
12 Hendrik Pistorius Street
Ellisras Ext 10, Onverwacht, 0557

Hygiene & Sanitation Branch Manager

Michael Fourie
Cell: 083 274 2989
Email: michaelf@sanitech.co.za

Managing Director

Robert Erasmus
Cell: 083 444 9605
Email: roberte@sanitech.co.za

Steelpoort

Branch Details
Telephone: 013 230 3842
Fax: 013 230 3814
Physical Address:
Stand No 1198
Tweefontein Industrial Township
Steelpoort
Ext 10
Postal Address:
P.O. Box 396
Lydenburg
1120

Hygiene & Sanitation Branch Manager
Zharn-Pierre Nel
Cell: 063 505 4344
Email: zpnel@sanitech.co.za

Hygiene & Sanitation Regional Director
Gerhard Britz
Email: gerhardb@sanitech.co.za

North West

Rustenburg

Branch Details
Telephone: 014 596 7414
Fax: 014 596 6909
Physical Address:
Unit 8, 98 Dawes Street
East End
Rustenburg
0299
Postal Address:
Postnet Suite 2061
Private Bag X82245
Rustenburg
0300

Hygiene & Sanitation Branch Manager

Christo Janse Van Vuuren
Cell: 063 251 8717
Email: chistojvv@sanitech.co.za

Potchefstroom

Branch Details
Telephone: 018 011 8889

Physical Address:
13 Industria Street, Potchindustria, Potchefstroom, 2531

Postal Address:
13 Industria Street, Potchindustria, Potchefstroom, 2531

Hygiene & Sanitation Branch Manager

Jonathan Hamilton
Cell: 083 381 6585
Email: jonathanh2@sanitech.co.za

Hygiene & Sanitation North West Regional Director
Gerhard Britz
Cell: 073 001 3705
Email: gerhardb@sanitech.co.za

KwaZulu Natal

Ballito

Branch Details
Telephone: 032 004 0041
Fax: 031 467 2892
Physical Address:
Shaka's Rock Road
Shaka's Head
Ballito

Sanitation Depot Manager
Brett Gouws
Cell: 083 306 4673
Email: brettg@sanitech.co.za

Durban

Branch Details
Telephone: 031 482 2100
Hygiene Fax: 031 467 7071
Sanitation Fax: 031 467 3002
Physical Address:
171 Bluff Road
Jacobs
Durban
4052

Postal Address:
PO Box 12706
Jacobs
Durban
4026

Hygiene Regional Manager

Yvonne Smith
Cell: 084 491 3633
Email: yvonnes@sanitech.co.za

Sanitation Branch Manager

Dylan Worman
Cell: 083 458 6479
Email: dylanw@sanitech.co.za

KwaZulu Natal

Glencoe

Branch Details

Telephone: 034 393 2258
Fax: 034 393 2074
Physical Address:
20 Boundary Road
Glencoe
2930
Postal Address:
PO Box 452
Glencoe
2930

Sanitation Branch Manager

Derick Basson
Cell: 083 448 7695
Email: derickb@sanitech.co.za

Margate

Branch Details

Telephone: 039 312 2304
Fax: 039 312 2972
Physical Address:
7 Industrial Road
Margate
4275
Postal Address:
PO Box 1171
Margate
4275

Hygiene & Sanitation Branch Manager

Rookeya Saib
Cell: 081 037 9231
Email: rookeyas@sanitech.co.za

Newcastle

Branch Details

Telephone: 034 375 6033
Fax: 034 375 6935
Physical Address:
6 Schonland Street
Newcastle
Postal Address:
PO Box 906
Newcastle
2940

Hygiene Regional Manager

Yvonne Smith
Cell: 084 491 3633
Email: yvonnes@sanitech.co.za

Pietermaritzburg

Toilet Hire Branch Details

Telephone: 033 386 1023
Fax: 033 386 1026
Alternate Fax: 086 622 1103
Physical Address:
19 Halstead Road
Factory No 6
Mkondeni
3204
Postal Address:
PO Box 101
Mkondeni
3212

Regional Director

Gary Brown
Cell: 083 449 8377
Email: garyb@sanitech.co.za

Hygiene Branch Details

Telephone: 033 346 0440/2 **Fax:** 033 346 0447
Physical Address:
Unit 10, Oldfield Business Park, Oldfield Rd, Mkondeni
3204
Postal Address:
PO Box 12706, Jacobs, Durban, 4026

Hygiene Regional Manager

Yvonne Smith
Cell: 084 491 3633
Email: yvonnes@sanitech.co.za

Sanitech

KwaZulu Natal

Richards Bay TH

Branch Details
Telephone: 035 751 1963/4
Fax: 035 751 1998
Physical Address:
106 Alumina Allee
Alton
Richards Bay
3900
Postal Address:
PO Box 52
Richards Bay
3900

Sanitation Branch Manager

Demian van Loggerenberg
Cell: 083 797 1892
Email: demianvl@sanitech.co.za

Regional Manager - Hygiene Division
Yvonne Smith
Email: yvonnes@sanitech.co.za

Regional Director - Sanitation Division
Gary Brown
Email: garyb@sanitech.co.za

Richards Bay HS

Branch Details
Telephone: 035 751 2703
Fax: 035 751 2704
Physical Address:
Unit 14, Ngoya Park
109 Alumina Allee
Alton
Richards Bay
3900
Postal Address:
PO Box 52
Richards Bay
3900

Regional Manager - Hygiene Division
Yvonne Smith
Email: yvonnes@sanitech.co.za

Regional Director - Sanitation Division

Western Cape

Cape Town

Branch Details
Telephone: 021 386 4634
Fax: 021 386 3954
Physical Address:
C/O Milan Road & Montreal Drive
Airport Industria
Cape Town
7490
Postal Address:
PO Box 411
Parow
7499

Hygiene Branch Manager

Carolyn Ryan
Cell: 083 461 5740
Email: carolynr@sanitech.co.za

Sanitation Branch Manager

Tracey Roos
Cell: 083 447 0531
Email: traceyr@sanitech.co.za

George / Southern Cape

Branch Details
Telephone: 044 874 6448
Fax: 044 873 5402

Physical Address:
14 Meul street
George Industrial
6530
Postal Address:
PO Box 2411
George
6530

Hygiene & Sanitation Branch Manager
Marius van Rensburg
Cell: 083 458 6480
Email: mariusv@sanitech.co.za

Regional Director - Sanitation Division
Riaan Swartz
Email: riaans@sanitech.co.za

Gary Brown **Email:** garyb@sanitech.co.za	

Eastern Cape

Port Elizabeth

Branch Details
Telephone: 041 453 8996
Fax: 041 394 9291

Physical Address:
318 Alumina Road
Zone 5
Coega IDZ
Port Elizabeth
6025

Postal Address:
PO Box 10448
Linton Grange
Port Elizabeth
6015

Hygiene & Sanitation Acting Branch Manager
Stephan Kleingeld

Cell: 060 546 8902
Email: stephank@sanitech.co.za

Regional Director - Hygiene & Sanitation Divisions
Riaan Swartz

Cell: 073 114 8314
Email: riaans@sanitech.co.za

Northern Cape

Kathu / Kimberley / De Aar

Branch Details
Telephone: 087 230 7200
Fax: 086 511 8496
Physical Address:
22 Frikkie Meyer Street
Kathu
8460
Postal Address:
PO Box 807
Kathu
8446

Hygiene & Sanitation Branch Manager

Carlo Viljoen
Cell: 083 461 5981
Email: carlov@sanitech.co.za

Regional Director - Hygiene & Sanitation Divisions
Riaan Swartz
Email: riaans@sanitech.co.za

Free State

Bloemfontein, North & North West Cape

Branch Details

Telephone: 051 432 4360
Fax: 051 432 7211
Physical Address:
9 Naude du Toit Street
Ooseinde
Bloemfontein
9301
Postal Address:
PO Box 31225
Fichardtpark
Bloemfontein
9317

Hygiene & Sanitation Branch Manager

Jaco Coetzee
Cell: 083 303 3095
Email: jacoc@sanitech.co.za

Regional Director - Hygiene & Sanitation Divisions

Riaan Swartz
Email: riaans@sanitech.co.za

Contact Africa

Zambia

Kitwe

Branch Details

Telephone: +26 096 158 9018
Physical Address:
12867 Chingola Road
Chimwemwe
Kitwe

Lusaka

Plot 397 A/3/B
Kafue Road
Lusaka
T: +260 96 8491061

Mozambique

Palma

Branch Details

Telephone:
Fax:
Physical Address:
Palma

Hygiene & Sanitation Branch Manager

Americo Guimaraes
Cell: +27 (0)74 554 1362
Email: americog@sanitech.co.za

Africa Regional Director

Calvin Chetty
Cell: +26 (0)83 461 5912

Email: calvinc@sanitech.co.za

Namibia

Branch Details

Windhoek

Physical Address: Kwikform Formwork and Scaffolding (Pty) Ltd, Plot 11, Brakwater Business Park, Brakwater, Windhoek, Namibia

Postal Address: 81577, Olympia, Windhoek, 9000

Hygiene & Sanitation Branch Manager

De Wet Jacobs
Email:dewetj@sanitech.co.za
Tel: +264 (0) 61 255 959

Swakopmund

Branch Details
Telephone: +264 (0)64 202 128
Physical Address:
234 Theo Ben Gurirab Street
Walvis Bay

Postal Address:
P.O. Box 246
Walvis Bay

Willem Alberts
Email: willema@sanitech.co.za
Tel: +264 (0) 81 129 7482

Walvis Bay

Branch Details
Telephone: +264 (0)64 202 128
Physical Address:
234 Theo Ben Gurirab Street
Walvis Bay

Postal Address:
P.O. Box 246
Walvis Bay

De Wet Jacobs
Email:dewetj@sanitech.co.za
Tel: +264 (0) 61 255 959

Tsumeb

Branch Details
Telephone: +264 (0)64 672 422 2246
Physical Address:
Erf 29, Ndlimani
Cutural Troupe Street
Tsumeb

Postal Address:
P.O. Box 246
Walvis Bay

De Wet Jacobs
Email:dewetj@sanitech.co.za
Tel: +264 (0) 61 255 959

Africa Regional Director
Calvin Chetty
Cell: +26 (0)83 461 5912

Email: calvinc@sanitech.co.za

Empower Results®

1 December 2020

TO WHOM IT MAY CONCERN

CONFIRMATION OF INSURANCE COVER – WACO INTERNATIONAL HOLDINGS LIMITED

We confirm Waco International Holdings Limited and all their subsidiary and/or associated companies, including Waco Africa (Pty) Ltd and Waco Africa Human Resources Development Pty Ltd its divisions (Formscaff, SGB Cape, Abacus Space Solutions, Sanitech, NC Sanitation Services Pty Ltd, SkyJacks, TEDOC / SGB-Cape Kusile Joint Venture and Octorex Pty Ltd, SGB Uthungulu Pty Ltd, SGB-Cape Offshore Pty Ltd) and all its subsidiaries, have cover under the Waco International Holdings Limited Insurance Programme from 01 December 2020 to 30 September 2021.

General Information

Insured

Waco International Holdings Limited, and all its subsidiaries, controlled, managed, administered, member and associated companies, joint ventures, companies for whom they act as consultants, medical aid, pension, provident and employee funds, sports, social and recreational clubs and societies and companies, persons or entities for whom they have authority to insure, trustees or administrators or employer companies or employees of the trust of any pension and/or medical benefit schemes and/or group life schemes or any other trust of Waco International Limited, all for their respective rights and interests.

Public/Employers Liability

Insurer
Hollard Insurance Company Limited

Policy Number
SPL/SLFG/000012977

Limits of Indemnity

ZAR 250 000,000	General Public Liability each and every occurrence
ZAR 250 000,000	Products Liability/Defective Workmanship, Pure Financial Loss, Sudden and Accidental Pollution and Employers Liability (RSA only), each and every occurrence and in the annual aggregate
ZAR 5,000,000	Wrongful Arrest, Wrongful Dismissal and Defamation and Statutory Defence Costs each and every occurrence and in the annual aggregate.
ZAR 2,500,000	Products Inefficacy, Mitagation Expenses & Contingent Plant Hire

Deductible

R 25,000	but increased to R 50,000 iro Products Liability, Inefficacy & Contingent Plant Hire Liability

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This letter is provided for information purposes only and confers no rights upon the letter holder and is not intended as a substitute for the actual insurance policy. For any clarifications on the covers as noted herein, please contact the writer.

Regards

DNaven

Dawn Naven/Strategic Account Manager
Aon South Africa (Pty) Ltd | Corporate
The Place | 1 Sandton Drive | Sandhurst, Sandton | 2196
P O Box 1874 | Parklands | 2121
t +27 11 944 7576 | f +27 11 944 8085 | c +27 73 790 3739
dawn.naven@aon.co.za

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30 September 2020

TO WHOM IT MAY CONCERN

CONFIRMATION OF INSURANCE COVER – WACO INTERNATIONAL HOLDINGS LIMITED

We confirm Waco International Holdings Limited and all their subsidiary and/or associated companies, including Waco Africa (Pty) Ltd and **Waco Africa Human Resources Development Pty Ltd** its divisions (Formscaff, SGB Cape, Abacus Space Solutions, **Sanitech**, NC Sanitation Services Pty Ltd, TEDOC / SGB-Cape Kusile Joint Venture and Octorex Pty Ltd, SGB Uthungulu Pty Ltd, Waco Africa Human Resources Development Pty Ltd, SGB-Cape Offshore Pty Ltd) and all its subsidiaries, have cover under the Waco International Holdings Limited Insurance Programme from 01 October 2020 to 30 September 2021.

General Information

Insured

Waco International Holdings Limited, and all its subsidiaries, controlled, managed, administered, member and associated companies, joint ventures, companies for whom they act as consultants, medical aid, pension, provident and employee funds, sports, social and recreational clubs and societies and companies, persons or entities for whom they have authority to insure, trustees or administrators or employer companies or employees of the trust of any pension and/or medical benefit schemes and/or group life schemes or any other trust of Waco International Limited, all for their respective rights and interests.

Description of Business

All activities of the Insured including but not limited to:

- design, manufacture, transport, rental and sales of temporary seating, platforms, stage roofs for shows, formwork systems, shoring, aluminium towers, access equipment, rope access and training of the skills, scaffolding and accessories, engineering, logistical and on-site technical assistance including erection, dismantling, cleaning and refurbishment;
- hot and cold insulation, asbestos removal, turbine spray insulation, acoustic insulation, industrial painting, specialised coatings including acid proofing, cladding, grit / ultra-high water and vacuum blasting;
- design, manufacture, transport, rental and sales of temporary fencing, new and second hand re-locatable and modular buildings including erection, internal and external finish/cladding, fitting, equipment supply and maintenance;
- export, sales and franchising of portable chemical toilets;
- sale, hire, supply and service of portable chemical toilets and washroom equipment including the servicing of conservancy tanks, septic tanks and pit latrines and ancillary waste removal services;
- industrial cleaning, intensive deep cleaning and pest control services. Tenants, property owners / managers, facility management and corporate activities.

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Period of Insurance
From 12:00am on 01 October 2020 to 12pm on 30 September 2021 local standard time at the location where the Insured Property is situated, both dates inclusive.

Renewal Date
1 October 2020

Material Damage / Business Interruption / Contract Works (Erection & Dismantling)

Insurer
Chubb

Policy Number
TBA

Property Insured

All real and personal tangible property of every kind and description owned by or leased to the Insured or held by the Insured in trust, or on commission or for which they are responsible or for which they have agreed to arrange insurance.

Limits of Indemnity:	Loss limit R900m

Deductible (Applicable for each and every loss) MD & BI Combined

Any Other Loss	R850,000

This letter is provided for information purposes only and confers no rights upon the letter holder and is not intended as a substitute for the actual insurance policy. For any clarifications on the covers as noted herein, please contact the writer.

Sincerely,

DNaven

Dawn Naven | Strategic Account Manager - Corporate
Commercial Risk Solutions
Aon South Africa (Pty) Ltd
The Place | 1 Sandton Drive | Sandhurst
Sandton | 2196
PO Box 78367 | Sandton | 2146
t +27 11 944 7576 | c +27 0737903739
dawn.naven@aon.co.za

AON
Empower Results®

30 September 2020

TO WHOM IT MAY CONCERN

CONFIRMATION OF INSURANCE COVER – WACO INTERNATIONAL HOLDINGS LIMITED

We confirm Waco International Holdings Limited and all their subsidiary and/or associated companies, including Waco Africa (Pty) Ltd and Waco Africa Human Resources Development Pty Ltd its divisions (Formscaff, SGB Cape, Abacus Space Solutions, Sanitech, NC Sanitation Services Pty Ltd, SkyJacks, TEDOC / SGB-Cape Kusile Joint Venture and Octorex Pty Ltd, SGB Uthungulu Pty Ltd, SGB-Cape Offshore Pty Ltd) and all its subsidiaries, have cover under the Waco International Holdings Limited Insurance Programme from 01 October 2020 to 30 September 2021.

Directors & Officers Indemnity

Insurer: AIG
Policy Number: 13AIG794
Primary Limit of Indemnity: R5 000 000 in the annual aggregate

Insurer: Chubb
Policy Number: TBC
Excess Layer Limit of Indemnity: R5 000 000 in the annual aggregate

Insurer: Allianz
Policy Number: TBC
Excess Layer Limit of Indemnity: R5 000 000 in the annual aggregate

Insurer: Sintelum
Policy Number: TBC
Excess Layer Limit of Indemnity: R5 000 000 in the annual aggregate

This letter is provided for information purposes only and confers no rights upon the letter holder and is not intended as a substitute for the actual insurance policy. For any clarifications on the covers as noted herein, please contact the writer.

Regards

DNaven

Dawn Naven/Strategic Account Manager
Aon South Africa (Pty) Ltd | Corporate
The Place | 1 Sandton Drive | Sandhurst, Sandton | 2196
P O Box 1874 | Parklands | 2121
t +27 11 944 7576 | f +27 11 944 8085 | c +27 73 790 3739
dawn.naven@aon.co.za

Empower Results®

28 September 2020

TO WHOM IT MAY CONCERN

CONFIRMATION OF INSURANCE COVER – WACO INTERNATIONAL HOLDINGS LIMITED

We confirm Waco International Holdings Limited and all their subsidiary and/or associated companies, including Waco Africa (Pty) Ltd and Waco Africa Human Resources Development Pty Ltd its divisions (Formscaff, SGB Cape, Abacus Space Solutions, Sanitech, NC Sanitation Services Pty Ltd, SkyJacks, TEDOC / SGB-Cape Kusile Joint Venture and Octorex Pty Ltd, SGB Uthungulu Pty Ltd, SGB-Cape Offshore Pty Ltd) and all its subsidiaries, have cover under the Waco International Holdings Limited Insurance Programme from 01 October 2020 to 30 September 2021.

Professional Indemnity

Insurer: Hollard Insurance Company Limited
Policy Number: SPL/SLFG/000012896
Primary Limit of Indemnity: R50 000 000 in the annual aggregate
Deductible: R2 500 000 Each and every claim in respect of the South African Operations

Insurer: Leppard & Associates
Policy Number: TBC
Excess Layer Limit of Indemnity: R50 000 000 in the annual aggregate

This letter is provided for information purposes only and confers no rights upon the letter holder and is not intended as a substitute for the actual insurance policy. For any clarifications on the covers as noted herein, please contact the writer.

Regards

DNaven

Dawn Naven/Strategic Account Manager
Aon South Africa (Pty) Ltd | Corporate
The Place | 1 Sandton Drive | Sandhurst, Sandton | 2196
P O Box 1874 | Parklands | 2121
t +27 11 944 7576 | f +27 11 944 8085 | c +27 73 790 3739
dawn.naven@aon.co.za

CENTRAL SUPPLIER
DATABASE
FOR GOVERNMENT

Report Date:
04 Jun 2021 08:53:51.941 AM
Report Ran By:
belindad@sanitech.co.za

CSD REGISTRATION REPORT

SUPPLIER IDENTIFICATION

Supplier number	MAAA0331005	South African company/CC registration number	2012/000665/07
Is supplier active?	Yes	Have Bank Account	Yes
Supplier type	CIPC Company	Total annual turnover	More than R50 million
Supplier sub-type	Private Company (Pty)(Ltd)	Financial year start date	01 Jul 2016 00:00:00:000
Legal name	WACO AFRICA	Registration date	04 Jan 2012 00:00:00:000
Trading name	Sanitech - Cape Town HS	Created by	belindad@sanitech.co.za
Identification type	South African Company/Close Corporation Registration Number	Created date	15 Sep 2016 13:21:23:000
Government breakdown	Private Companies (Pty) (Ltd)	Edit by	belindad@sanitech.co.za
Business status	In Business	Edit date	04 Jun 2021 02:09:03:270
Country of origin	South Africa	Restricted Supplier	No

SUPPLIER INDUSTRY CLASSIFICATION INFORMATION

INDUSTRY CLASSIFICATION 1

Main group	Construction		
		Core industry	Specialised construction activities
Division	Specialised construction activities	% share of annual turnover	100.00

SUPPLIER CONTACT INFORMATION

CONTACT 1

Contact type	Administration	Do you want this contact to also be a CSD user ?	Yes
Is this your preferred Contact?	No	Created by	belindad@sanitech.co.za
Name(s)	Belinda	Created date	15 Sep 2016 13:21:23:377
Surname	Dauth	Edit by	belindad@sanitech.co.za

CENTRAL SUPPLIER DATABASE FOR GOVERNMENT

Report Date:	04 Jun 2021 08:53:51.972 AM
Report Ran By:	belindad@sanitech.co.za

CSD REGISTRATION REPORT

Identification type	South African Identification Number	Edit date	06 Oct 2016 09:13:26:000
Prefer communication via email	Yes		
Email address	belindad@sanitech.co.za		
Cellphone number	0832715844		

CONTACT 2

Contact type	Bid Office	Telephone number	0213864634
Is this your preferred Contact?	Yes	Cellphone number	083 461 5740
Name(s)	Carolyn	Fax number	0213863954
Surname	Ryan	Toll free number	0861108642
Identification type	South African Identification Number	Website address	www.sanitech.co.za
Prefer communication via email	Yes	Do you want this contact to also be a CSD user ?	No
Email address	carolynr@sanitech.co.za	Created by	belindad@sanitech.co.za
		Created date	06 Oct 2016 09:13:26:527
		Edit by	belindad@sanitech.co.za
		Edit date	08 May 2017 11:17:47:000

SUPPLIER ADDRESS INFORMATION

ADDRESS 1

Is this a preferred address?	Yes	Postal code	7490
Address line 1	c/o Milan Rd & Montreal Dr	Country	South Africa
Address line 2	Airport Industria, Cape Town	Created by	belindad@sanitech.co.za
Suburb	Cape Town CBD	Created date	15 Sep 2016 12:54:51:000
Province	Western Cape	Edit by	belindad@sanitech.co.za
Municipality	City of Cape Town	Edit date	15 Sep 2016 13:21:23:377
City	Cape Town		

CSD REGISTRATION REPORT

ADDRESS 2

Is this a preferred address?	No	City	Parow
Address line 1	P O Box 411	Postal code	7499
Address line 2	Parow	Country	South Africa
Suburb	Parow SP	Created by	belindad@sanitech.co.za
Province	Western Cape	Created date	15 Sep 2016 13:16:06:000
Municipality	City of Cape Town	Edit by	belindad@sanitech.co.za
		Edit date	15 Sep 2016 13:21:23:377

SUPPLIER BANK ACCOUNT

BANK ACCOUNT 1

Account type	Current Accounts	Active start date	15 Sep 2016 13:17:07:000
Bank	STANDARD BANK OF SOUTH AFRICA	Created by	belindad@sanitech.co.za
Branch number	051001	Created date	15 Sep 2016 13:21:23:360
Branch name	STANDARD BANK SOUTH AFRICA	Edit by	csd.safetynetbatch@treasury.gov.za
Account number	072873221	Edit date	20 Sep 2016 09:06:23:227
Account holder	SANI-TECH H/S CT DIV WACO AFRICA (PTY) LTD	Bank Verification Status	Verification Succeeded
Is this a preferred account?	Yes	Foreign Bank Account	No
		Is the identifier linked at the bank	Yes
		Is this a Shared Funding Account	No

BANK ACCOUNT 2

Is this a preferred account?	No	Business days since last update	937
Edit date	01 Nov 2017 10:00:57:090	Is the identifier linked at the bank	Yes
Bank Verification Status	Verification Failed	Is this a Shared Funding Account	No
Foreign Bank Account	No		

CSD REGISTRATION REPORT

Bank Verification Response	Failed validation. Contact CSD- Incorrect Company Name/ Surname
Response date	01 Nov 2017 10:00:57:090

TAX INFORMATION

Income tax number	9257083197	Last validation date	04 Jun 2021 08:54:00:000
Income Tax Status	Compliant tax status Verified	Would you like to receive notifications?	Yes
VAT number	4440260539	Overall Tax Status	Tax Compliant
VAT Status	Compliant tax status Verified	Created by	belindad@sanitech.co.za
Is this supplier a VAT vendor?	Yes	Created date	15 Sep 2016 13:21:23:000
PAYE number	7720780321	Edit by	csd.reverifybatch@treasury.gov.za
PAYE Status	Compliant tax status Verified	Edit date	20 Feb 2021 12:52:05:000
Are you Registered with SARS?	Yes		

CENTRAL SUPPLIER DATABASE FOR GOVERNMENT

Report Date:
04 Jun 2021 08:53:52.019 AM
Report Ran By:
belindad@sanitech.co.za

CSD REGISTRATION REPORT

ACCREDITATION INFORMATION

ACCREDITATION 1

Accreditation body	CIDB - Construction Industry Development Board	Created by	csd.reverifybatch@treasury.gov.za
Accreditation number	137275	Created date	15 Sep 2016 13:19:27:000
Assesment Date	20 Jul 2010 00:00:00:000	Edit by	csd.reverifybatch@treasury.gov.za
Expiry date	15 Oct 2022 00:00:00:000	Edit date	04 Jun 2021 08:53:38:710
Accreditation status	Active	Verification status	Verified by CIDB
Potentially emerging	No	Last verification date	04 Jun 2021 08:53:38:710
Grading	9GB; 9ME; 9SL;	Code for class of work	GB - General Building; ME - Mechanical Engineering; SL - Structural steelwork fabrication and erection;
Grade	No Limi0;		

ACCREDITATION 2

Accreditation body	COID - Compensation for Occupational Injuries and Diseases	Created by	belindad@sanitech.co.za
Accreditation number	990000488038	Created date	15 Sep 2016 13:20:00:000
Assesment Date	26 Apr 2021 00:00:00:000	Edit by	belindad@sanitech.co.za
Expiry date	30 Apr 2022 00:00:00:000	Edit date	07 May 2021 08:36:12:860
Accreditation status	Active	Verification status	Manual verification required
Description	Letter of Good Standing		

B-BEEE INFORMATION

B-BBEE verification regulator	Verification agency accredited by SANAS	SANAS accredited agency	TRANSFORMEX CC
Sector charter	Construction	% Owned by black people	51.56
Subsector charter	NOT APPLICABLE	% Owned by black people who are women	20.32
B-BBEE certificate number	WAC001G5751120	% Owned by black people who are youth	0.00
B-BBEE certificate isue date	26 Nov 2020 00:00:00:000	% Owned by black people with disabilities	0.00

CENTRAL SUPPLIER DATABASE FOR GOVERNMENT

Report Date:
04 Jun 2021 08:53:52.191 AM
Report Ran By:
belindad@sanitech.co.za

CSD REGISTRATION REPORT

B-BBEE certificate isue expiry date	25 Nov 2021 00:00:00:000	% Owned by black who are unemployed	0.00
B-BBEE status level of contributor	Level 2 Contributor	% Owned by black people who are military veteran	0.00
B-BBEE procurement recognition	125%	% Owned by black people living in rural or underdeveloped areas	0.00
Value adding supplier or empowering supplier	Yes	Verification Status	Manual Verification Required
Skills Development Score	12.51	Created by	belindad@sanitech.co.za
Socio-Economic Development Score	5.00	Created date	15 Sep 2016 13:21:23:923
Management Control Score	10.96	Edit by	belindad@sanitech.co.za
Ownership Score	25.00	Edit date	27 Nov 2020 11:31:13:107
Enterprise Supplier Development Score	41.70	Status	Active
Total Score	95.17		

OWNERSHIP INFORMATION

Owner s name and surname Legal name	Owner s Identification number	RSA Citizen	Ethnic group	Gender	Ownership %	Youth	Disabled	Military	Rural	Township
WACO SA SECURITY			N/A	N/A	69.90%	N/A	N/A	N/A	N/A	N/A
BOPA MORUO PRIVATE EQUITY FUND 1 (RF)			N/A	N/A	25.10%	N/A	N/A	N/A	N/A	N/A
WACO EMPLOYEE SHARE BENEFIT TRUST			N/A	N/A	5.00%	N/A	N/A	N/A	N/A	N/A
Total					100.00%					

OUTCOMES AGAINST PREFERENTIAL PROCUREMENT CRITERIA BASED ON B-BEEE CERTIFICATE

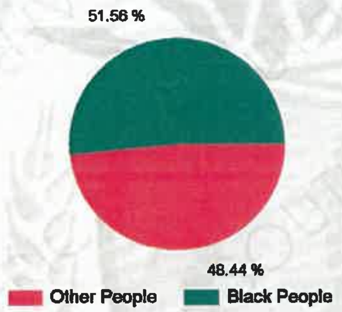
Enterprise type	GEN
B-BBEE Status level of contributor	Level 2 Contributor

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

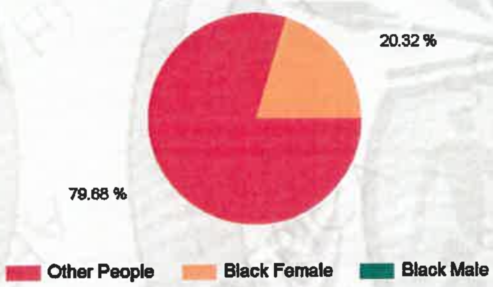
CSD REGISTRATION REPORT

Owned by black people	51.56
Owned by black people who are youth	0.00
Owned by black people who are women	20.32
Owned by black people with disabilities	0.00
Owned by black people who are military veterans	0.00
Owned by black people living in rural or undeveloped areas	0.00
Owned by black people living in townships	0.00
Owned by black people that is unemployed	0.00

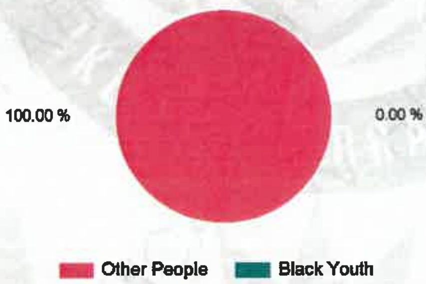
People % Ownership



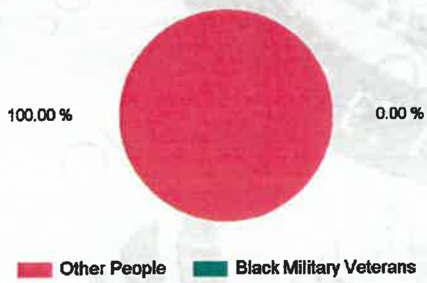
Gender % Ownership



Youth % Ownership



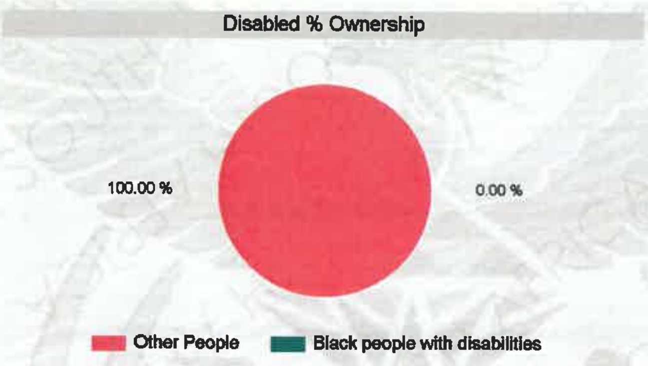
Military Veteran % Ownership

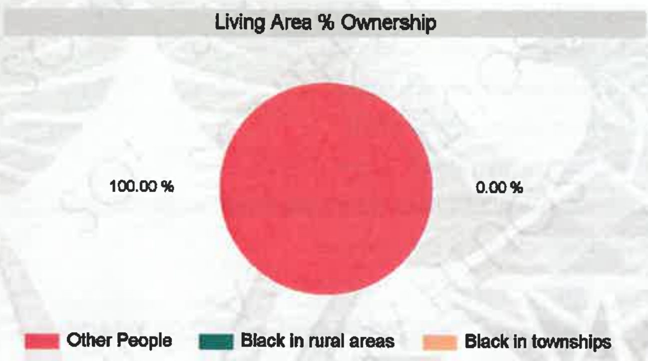


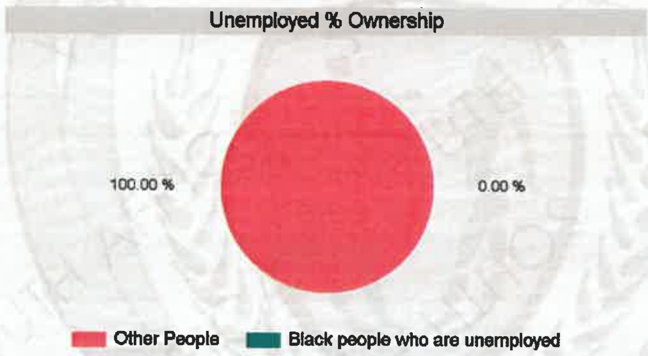
CENTRAL SUPPLIER
DATABASE
FOR GOVERNMENT

Report Date:
04 Jun 2021 08:53:53.597 AM
Report Ran By:
belindad@sanitech.co.za

CSD REGISTRATION REPORT







DIRECTORS/MEMBERS/OWNERS INFORMATION

DIRECTOR/MEMBER 1

Director type	Director	Created by	csd.reverifybatch@treasury.gov.za
Director status	Active	Created date	22 Jun 2018 02:17:28:000
Name(s)	STEPHEN JOHN MICHAEL	Edit by	csd.reverifybatch@treasury.gov.za
Surname	GOODBURN	Edit date	04 Jun 2021 02:09:03:000
Country	South Africa	Restricted Supplier	No
Identification type	South African Identification Number	Restriction Last Verification Date	04 Jun 2021 08:53:37:803
South African identification number	6307095021088	Government Employee	No

CSD REGISTRATION REPORT

Work permit	0000000	Government Employee Last Verification Date	04 Jun 2021 08:53:37:477
Appointment date	22 Jun 2012 00:00:00:000	SA identification number Verified	Yes
Email address	stepheng@wacoint.co.za	SA identification number verification date	04 Jun 2021 08:53:37:583
Owner	No	Companies involved in	MAAA0003627; MAAA0087121; MAAA0090189; MAAA0090278; MAAA0144461; MAAA0327664...

DIRECTOR/MEMBER 2

Director type	Director	Created by	csd.reverifybatch@treasury.gov.za
Director status	Active	Created date	22 Jun 2018 02:17:28:000
Name(s)	PHILISANI DAVID	Edit by	csd.reverifybatch@treasury.gov.za
Surname	NGCOBO	Edit date	04 Jun 2021 02:09:02:000
Country	South Africa	Restricted Supplier	No
Identification type	South African Identification Number	Restriction Last Verification Date	04 Jun 2021 08:53:37:820
South African identification number	6512245560089	Government Employee	No
Work permit	0000000	Government Employee Last Verification Date	04 Jun 2021 08:53:37:490
Appointment date	12 Jul 2012 00:00:00:000	SA identification number Verified	Yes
Email address	philisani.ngcobo@abacusspace.co.za	SA identification number verification date	04 Jun 2021 08:53:37:617
Owner	No	Companies involved in	MAAA0003627; MAAA0087121; MAAA0090189; MAAA0090278; MAAA0144461; MAAA0327664...

DIRECTOR/MEMBER 3

Director type	Director	Created by	csd.reverifybatch@treasury.gov.za
Director status	Active	Created date	22 Jun 2018 02:17:28:000
Name(s)	NTHIME DWIGHT	Edit by	csd.reverifybatch@treasury.gov.za
Surname	KHOELE	Edit date	04 Jun 2021 02:09:02:000
Country	South Africa	Restricted Supplier	No
Identification type	South African Identification Number	Restriction Last Verification Date	04 Jun 2021 08:53:37:833

CENTRAL SUPPLIER **DATABASE** FOR GOVERNMENT

Report Date:
04 Jun 2021 08:53:54.113 AM
Report Ran By:
belindad@sanitech.co.za

CSD REGISTRATION REPORT

South African identification number	7207025328083	Government Employee	No
Work permit	0000000	Government Employee Last Verification Date	04 Jun 2021 08:53:37:507
Appointment date	06 May 2014 00:00:00:000	SA identification number Verified	Yes
Email address	nkhoele@bopamoruo.co.za	SA identification number verification date	04 Jun 2021 08:53:37:647
Owner	No	Companies involved in	MAAA0003627; MAAA0087121; MAAA0090189; MAAA0090278; MAAA0144461; MAAA0327664...

DIRECTOR/MEMBER 4

Director type	Alternate Director	Created by	csd.reverifybatch@treasury.gov.za
Director status	Active	Created date	22 Jun 2018 02:17:28:000
Name(s)	BOITUMELO	Edit by	csd.reverifybatch@treasury.gov.za
Surname	TLHABANELO	Edit date	04 Jun 2021 02:09:03:000
Country	South Africa	Restricted Supplier	No
Identification type	South African Identification Number	Restriction Last Verification Date	04 Jun 2021 08:53:37:833
South African identification number	7702285362087	Government Employee	No
Work permit	0000000	Government Employee Last Verification Date	04 Jun 2021 08:53:37:507
Appointment date	06 May 2014 00:00:00:000	SA identification number Verified	Yes
Email address	btlhabanelo@bopamoruo.co.za	SA identification number verification date	04 Jun 2021 08:53:37:663
Owner	No	Companies involved in	MAAA0003627; MAAA0087121; MAAA0090189; MAAA0090278; MAAA0144461; MAAA0327664...

DIRECTOR/MEMBER 5

Director type	Director	Owner	No
Director status	Active	Created by	csd.reverifybatch@treasury.gov.za
Name(s)	DHARISHAN	Created date	14 Jul 2020 02:08:01:000
Surname	PADIACHY	Edit by	csd.reverifybatch@treasury.gov.za
Country	South Africa	Edit date	04 Jun 2021 02:09:02:000

CENTRAL SUPPLIER
DATABASE
FOR GOVERNMENT

Report Date:	04 Jun 2021 08:53:54.144 AM
Report Ran By:	belindad@sanitech.co.za

CSD REGISTRATION REPORT

Identification type	South African Identification Number	Restricted Supplier	No
South African identification number	8608095010080	Restriction Last Verification Date	04 Jun 2021 08:53:37:850
Work permit	0000000	Government Employee	No
Appointment date	01 Jul 2020 00:00:00:000	Government Employee Last Verification Date	04 Jun 2021 08:53:37:523
Email address	dharishanp@wacoint.co.za	SA identification number Verified	Yes
Cellphone number	011 461 1400	SA identification number verification date	04 Jun 2021 08:53:37:693
		Companies involved in	MAAA0003627; MAAA0087121; MAAA0090189; MAAA0090278; MAAA0144461; MAAA0327664...

DIRECTOR/MEMBER 6

Director type	Director	Created by	csd.reverifybatch@treasury.gov.za
Director status	Active	Created date	01 Dec 2020 15:01:35:000
Name(s)	ANDISWA	Edit by	csd.reverifybatch@treasury.gov.za
Surname	MJULEKA	Edit date	04 Jun 2021 02:09:02:000
Country	South Africa	Restricted Supplier	No
Identification type	South African Identification Number	Restriction Last Verification Date	04 Jun 2021 08:53:37:867
South African identification number	8806220516084	Government Employee	No
Work permit	0000000	Government Employee Last Verification Date	04 Jun 2021 08:53:37:537
Appointment date	17 Nov 2020 00:00:00:000	SA identification number Verified	Yes
Email address	amjuleka@ethos.co.za	SA identification number verification date	04 Jun 2021 08:53:37:727
Cellphone number	011 328 7451	Companies involved in	MAAA0003627; MAAA0087121; MAAA0090189; MAAA0090278; MAAA0144461; MAAA0204041...
Owner	No		

DIRECTOR/MEMBER 7

Director type	Director	Created by	csd.reverifybatch@treasury.gov.za
Director status	Active	Created date	01 Dec 2020 15:01:35:000

CSD REGISTRATION REPORT

Name(s)	VELLI	Edit by	csd.reverifybatch@treasury.gov.za
Surname	BALOYI	Edit date	04 Jun 2021 02:09:03:000
Country	South Africa	Restricted Supplier	No
Identification type	South African Identification Number	Restriction Last Verification Date	04 Jun 2021 08:53:37:867
South African identification number	9006115623082	Government Employee	No
Work permit	0000000	Government Employee Last Verification Date	04 Jun 2021 08:53:37:553
Appointment date	17 Nov 2020 00:00:00:000	SA identification number Verified	Yes
Email address	vbaloyi@ethos.co.za	SA identification number verification date	04 Jun 2021 08:53:37:757
Cellphone number	061 486 0870	Companies involved in	MAAA0003627; MAAA0087121; MAAA0090189; MAAA0090278; MAAA0144461; MAAA0327664...
Owner	No		

OTHER OWNERS 1

Legal name	WACO SA SECURITY	Created by	belindad@sanitech.co.za
Ownership %	69.90%	Created date	14 Mar 2017 13:45:03:587
Ownership status	Active	Edit by	belindad@sanitech.co.za
		Edit date	07 May 2021 14:48:30:610

OTHER OWNERS 2

Legal name	BOPA MORUO PRIVATE EQUITY FUND 1 (RF)	Created date	14 Mar 2017 13:45:03:587
Ownership %	25.10%	Edit by	belindad@sanitech.co.za
Ownership status	Active	Edit date	07 May 2021 14:48:30:627
Created by	belindad@sanitech.co.za		

OTHER OWNERS 3

Legal name	WACO EMPLOYEE SHARE BENEFIT TRUST	Created date	07 May 2021 14:48:30:627
Ownership %	5.00%	Edit by	belindad@sanitech.co.za

CSD REGISTRATION REPORT

Ownership status	Active	Edit date	07 May 2021 14:48:30:627
Created by	belindad@sanitech.co.za		

The CSD does not automatically verify foreign company registration number, international securities identification number, foreign identification numbers, foreign passport numbers, work permit numbers, foreign bank accounts, B-BBEE, demographic and accreditation information. Organs of State are required to manually verify this information with the applicable verification institutions as per their current policies and procedures.

Report Date:
04 Jun 2021 08:53:54.457 AM
Report Ran By:
belindad@sanitech.co.za

CSD REGISTRATION REPORT

Tips and Frequently Asked Questions (FAQ)

Identifier

CSD cannot electronically verify the identity of a supplier other than a South African Individual / Sole Proprietor (through Home Affairs) or a company registered at the Companies and Intellectual Property Commission (CIPC). For this reason, a disclaimer is displayed for supply chain practitioners to obtain supporting documentation to verify the identity and legitimacy of a supplier in these cases.

Bank

For help on how to resolve bank failures click here: *I received an email stating the bank information I captured on the CSD was sent for bank account validation and could not be validated. The response received from the bank contains an error message.*
The various possible error messages received from the bank are highSemiBolded in red. Search for the applicable message and follow the detailed steps *associated with that error message.*

Tax

Tax Compliance Status
For help on how to deal with tax status differences between CSD and the tax clearance certificate click here: *What should a supplier do if the tax status on CSD difference from the tax clearance certificate?*

Tax Compliance Expiry Date
For help on how to deal with tax status differences between CSD and the tax clearance certificate click here: *How does CSD determine the tax compliance expiry date?*

CIPC

Should the director/member information reflected on the CIPC registration report differs to that reflected on CSD for help click here: The active Directors/Members are not being populated on the CSD Directors/Members screen as they appear at CIPC, how can I rectify this?

State Employee

For more information pertaining to government employment status click here: *Will there be verification done to identify if a supplier is a government employee?*

BBBEE

CSD does not automatically verify all certificate information with the various accreditation bodies. Organs of State are required, where not automatically verified by CSD, to manually verify this information with the applicable accreditation body as per current policies and procedures. Expired certificate information do not reflect on the report.

Print Date: 6/4/2021 8:53:51 AM

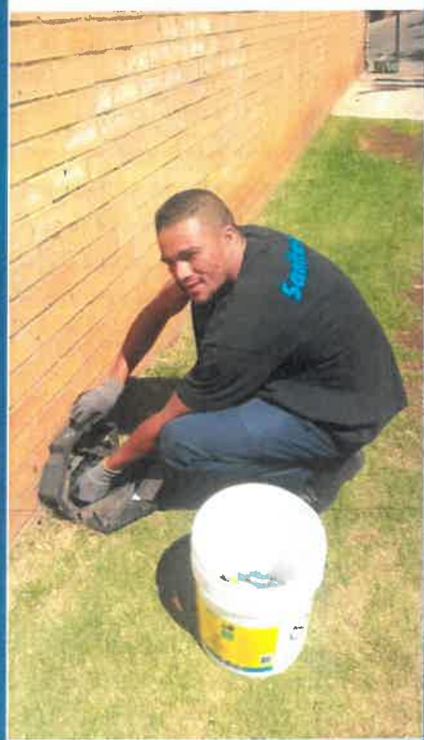
Pest Control Methodology

Pest Control

Insect Control
Minimising or removing a wide range of undesirable insects and pests on a regular basis is necessary at any work place. Sanitech offers a combination of treatments in order to effectively get rid of infestations. Treatments include fumigation, misting, gelling, dusting or spraying. Monthly servicing includes surface spray repellents, insect light traps and insecticidal aerosol dispensers.

Insect Light Traps
Sanitech provides effective and efficient flying insect control for commercial premises. Fly trap units provide faster insect elimination by means of their unique translucent technology. Discreet fly control with large catchment area. Optimum performance and hard-wearing reliability for commercial fly catch applications.

Rodent Control
Removing mice and other types of pests from areas such as offices, garbage areas and canteens will reduce structural damage to the work place. Sanitech also maintains, and regularly service, tamper proof rodent bait boxes around the perimeter of your property.



PEST PREVENTION PROTOCOL & POLICY

Our Policy is to ensure that all practical steps are taken to prevent contamination fo food products and environment by pests:

- Pack house Management is responsible for preventative pest control;
- A Member of the senior management team on each site is to be nominated, who is fully accountable for Pest Control matters.

<u>Contractor Services:</u>

- 24-hour Call out services
- Include inspections for all pests and cover the whole site, off-site storage areas and buildings;
- Rapid identification of pests and evidence thereof—i.e. faeces, webbing etc.;
- Inspection and treatment (if required) at 4-weekly intervals;
- In-depth inspection four times per year by company services or RTM.

<u>Contractor Documentation (Safety File):</u>

- Emergency Response Numbers;
- Copy of Service Agreement, Public Liability Insurance Declaration, Workmen's Compensation details, current Registration of On Site Operator with Department of Agriculture;
- Programme Specifications and Service Schedule details;
- Map or Schematic showing placement and numbering of monitoring devises (rodent stations, cockroach monitors, insect light traps etc.);
- Monitoring Logs listing Critical Control Points and monitoring devices;
- Service and Corrective Action Reports;
- Pesticide Usage Logs;
- Material Safety Data Sheets;
- Quarterly in-depth Reports.

<u>Contractor Responsibility:</u>

- Carry out inspection on routine basis (as per guidelines above);
- Identify and report any evidence of pests;
- Determine and take action to eliminate pest problem;
- Examine and date every bait box of pest control device during routine inspections, and record activity on monitoring logs;
- Advise on hygiene/housekeeping/proofing standards that could reduce the risk of pest problems;
- Renew control measure products or bait when required;
- React to site issues within 24 hours of notification;
- Where infestation is noted, there must be follow up inspections and/or treatments on alternate days, or more frequently if require. These inspections must be recorded. When two clear inspections have occurred, visits can return to normal frequency.

Notes:
All products used as well as the method of application are to be recorded on the Pesticide Usage Logs
All Products will be applied to required MSDS & Product Labels

PEST PREVENTION PROTOCOL & POLICY

<u>Liquid Treatments (Spraying):</u>

- No treatments are allowed in food processing areas during production
- No residual preparations are to be used unless permission is obtained from Management. Application to be of a "crack and crevice" nature, and sealed after application.
- All surfaces that could be contaminated are to be washed/sanitised after application.

<u>Fogging (as a last resort only):</u>

- Permission is required for use in food processing areas.
- Any food contact areas are to be washed down after any treatment, and all dead pests are to be physically removed.

SERVICE PROCEDURES

Pest Prevention Protocol & Policy—*Guide to company operations*
Monitoring Procedures

◊ Rodents
◊ Crawling Insects
◊ Flying Insects
◊ Stored Product Insects
◊ Action Report & Follow up, Procedures
◊ Trend Graph Procedures
◊ Key to Abbreviations

Treatment Procedure for Pests—How devices are labelled, inspections are tracked
Application Method of Pesticides—Specific detail to chemicals application methods

SERVICE PROCEDURES

Our Integrated Pest Management programme is customize to meet the requirement of each facility. Sanitech specialize in the prevention, control and monitoring of pest activities within the food manufacturing, food processing industry as well as healthcare and hospitality industries.

Our services always include: - Inspection, Identification, Elimination, Maintenance, Prevention and Monitoring. Each of these services are frequency based and will always include the following:

⇒ CHECK IN:

Our service specialist will report to the designated contact person in charge to discuss any concerns and to check the client sighting reports and our monitoring log sheets.

⇒ INSPECTION & IDENTIFICATION:

A thorough inspection of all harbourages and likely harbourages within the entire area to be serviced is carefully carried out with particular attention to strategically placed monitoring and trapping devices. All pests found will be accurately identified and noted on our pest identification log sheet indicating also the specific area where these pests wer located together with the source, possible reason for the infestation and elimination action plan.

⇒ ELIMINATION ACTION PLAN:

Based on our routine inspection and identification, a treatment action plan is devised to eliminate existing pest problems using mechanical, biological and physical control. We do not advocate the free use of insecticides & rodenticides unless absolutely necessary and then absolute minimum quantities are used with the permission of or service manager or your designated contact person in charge.

⇒ IMPLEMENT MAINTENANCE PROGRAMME:

Our treatment programmes are all extremely comprehensive and systematic and will be repeated until all pest activities are eliminated and controlled.

⇒ PREVENTATIVE ACTION PLAN:

Our service specialist will make regular suggestions relating to prevention of future pest infestation such as pest exclusion systems.

⇒ REPORTING & DOCUMENTATION:

After every visit a detailed service report is completed with specific attention to structural storage. Our recommendations are to be attended to as soon as possible, to ensure the overall successes of the programme.

⇒ CHECK OUT:

Our service specialist will report back to your designated contact person in charge and complete all monitoring log sheets, pesticide & rodenticide usage log sheets and service treatment report.

PEST SIGHTING LOG SHEET

Rev 0

SIGHTING DATE	SIGHTING TIME	PEST SIGHTED	LOCATION OF SIGHT-ING	SIGHTED BY NAME & SURNAME	SERVICE SPECIALIST	DATE NOTED	TIME NOTED	ACTION TAKEN	ACTION REPORT	SIGNED OFF

PEST SPECIES LEGEND: Rat - 1 / Mouse - 2 / Cockroach - 3 / Fly - 4 / Weevils & Beetles - 5 / Fleas - 6 / Ticks, Lice, Mites - 7 / Bees - 8 / Ants - 9 / Other - 10

ACTION TAKEN LEDGEND: Inspected & Monitor - IM / Inspected & Treated - IT / Monitoring Traps Placed - MTP / Follow-Up - FU

PREVENTION FOR CRAWLING INSECTS

Insect pests are proven carriers of many known diseases and therefore pose a constant thread to food manufactures, food processing facilities, healthcare facilities and the hospitality industry.

Sanitech offer innovative pest prevention programmes for Cockroaches' Rodents and Flies also stored product pests such as, Rice Weevils, Indian Meal Moth, Warehouse Moth, Mealworm Beetle, Flat Grain Beetle, Lesser Grain Borer and Granary Weevils.

Our routine treatment programmes are pest species specific and focus on, identification of pest species followed by specific elimination treatments and maintenance treatment methods. Should the use of insecticides or rodenticides be necessary, they will take the form of systematic applications in the form of insecticidal dust, liquid residuals, liquid non-residuals, baits, non-residual insecticidal gas or insecticidal thermal fog all of which will be expertly applied throughout the various parts of your facility.

All our treatment methods, pesticides, rodenticides and pest monitoring materials are in strict compliance with the Department of Agriculture, SABS, and local regulations. We are also ISO 9002 compliant.

PRIMARY AREAS:
All areas containing edible products or where these products are processed or manufactured including kitchens, canteens, theatres and all other super sensitive areas as indicated by the on site environmental risk control officer.

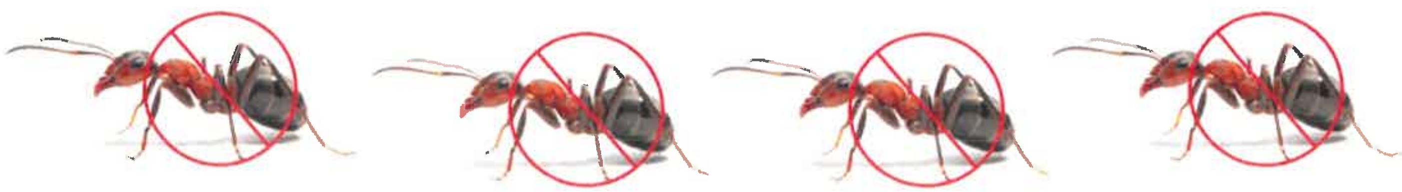
As a general rule, only non-residual contact insecticide treatment is applied in these areas, and only in the absence of edible products an their packaging.

Where extreme circumstances warrants the use of residual insecticides a crack and crevice treatment may be used once the express permission is granted by your environmental risk control officer, infectious control sister or the executive housekeeper of the applicable person in charge, provided all cracks and crevices are sealed after treatment.

All work surfaces, walls and equipment must be washed down after every treatment using an effective cleaning solution and rinsed with potable water.

SECONDARY AREAS:
All non-processing areas where even the remotest possibility of cross-contamination exist. Treatments will be limited to non-residual contact insecticides with the application of residual insecticides to all cracks and crevices where necessary.

GENERAL AREAS:
All general areas such as offices, passages, ceilings voids, storage areas, docks and rendering rooms, wards, lounges, waste handling, utility, drainage and any other area containing condemned or inedible product.



Cockroach Inspection List (Routine Service)

Sanitech

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Rev: 0

Areas Monitors	Date		Date		Date		Date		Date		Date	
HIGH RISK	Present	Activity	Present	Activity	Present	Activity	Present	Activity	Present	Activity	Present	Activity

Cockroach monitor present				✓	Stacking	S
Cockroach monitor missing				MS	Houskeeping	H
Pest free clear				⦸	Damage	D
Infestation Present				C		

PREVENTION FOR RODENTS

It is estimated that rodents destroy or contaminate at least 20 percent f the world's food supply. Rodents are also known carriers of many diseases harmful to humans. Sanitech will protect you facility from rodent infestation by providing a preventative monitoring and baiting programme, consisting of various non-toxic baits supplemented by a carefully managed baiting programme.

EXTERIOR PERIMETER:
We will carry out a thorough inspection of all harbourages and likely harbourages to identify the specific rodent species and our treatment method will be specifically targeted to the elimination of all existing infestation and the prevention, control and monitoring of any possible re-infestation.

Our inspection will also include regular inspection of your building structure to identify defects that may promote rodent harbourages, open drains, external doors without kick plates, exposed ventilation ducts or drain pipes.

Exterior rodent tamper proof bait stations are strategically placed at intervals around the outside perimeter of your facility and on tither side of all entrances into the facility. Additional tamper proof bait stations are placed adjoining railway siding, forest of bushy areas, perimeter fences should you facility border a potentially high risk area and heavily wooded or paper areas.

All bait stations are tamper proof, each mounted, labelled and appropriately marked with readily identifiable signs and number. These bait numbers are transferred onto a floor plan of your facility indicating the exact location for specific monitoring purposes, All exterior bait stations are serviced once a month, which includes inspecting, identification, cleaning and re-baiting. All non-toxic baits will be coloured beige and all toxic baits will be coloured blue or green, although we do recommend the use of non-toxic baits. All tamper proof bait stations are monitored and logged on our rodent log sheet.

INTERIOR AREAS:
Our interior measures for rodent control includes mechanical devices ant traps, glue boards, trigger traps. Interior stations could either be non-toxic feeding stations or mechanical catch traps.

Interior stations should be positioned at approximately 10 meter intervals around the interior of your facility and within 3 meters on either side of any doors leading to the exterior. Interior stations are serviced at least twice a month or more depending on your programme specification. All interior stations are monitored and logged on our rodent log sheet.

All rodent protection devices are listed in the Sanitech service log and the exact location of each device is shown on a map or schematic of your facility.



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Bait station Checklist
(Routine Service)

TOXIC BAIT STA-
TIONS

Rev:
0

Bait station TOXIC	Date		Date		Date		Date		Date		Date	
	Present	Activity	Present	Activity	Present	Activity	Present	Activity	Present	Activity	Present	Activity

Bait station present	✓
Bait station missing	MS
Pest free clear	⦸
Rats present	R
Mice present	M
Insects/Crickets	IC

Stacking	S
Hous-keeping	H
Damage	D

PREVENTION FOR FLYING INSECTS

Because of their mobility and filthy nature, flies pose a significant health threat in food processing and manufacturing facilities. As a result, there is a growing demand for more innovative solutions to combat flying insect pests. Sanitech has developed an effective integrated programme which has been proven to dramatically reducing flies in food processing environments.

ELEMENTS OF THE PROGRAM INCLUDES: -

Detailed Inspection:

A regular systematic inspection of the facility is conducted to identify the specific species of flying insect pest. We locate entry points, harbourages and breeding areas and identify sanitation conditions conducive to promoting flying insects activity.

All flying insect pest activities and sanitation defects are recorded on our monitoring and sighting log sheets.

Sanitation Recommendations:

Sanitech personnel are trained to recognize sanitation problems and will provide ongoing recommendations to initiate corrective action.

Exclusion Techniques:

Preventing the entry of flying insects to your facility is one of the keys to a successful flying insect pest program. Our service specialist will make regular recommendations during our MONTHLY visits to ensure that your facility remains a pest free environment.

Insect Light Trap Placements:

These fly trapping devices is a very effective means of eliminating, monitoring and maintaining. Our maintenance program ensures that these devices are functional and cleaned on a MONTHLY basis.

Residual Insecticidal Treatment (Where Appropriate):

As a last resort, residual insecticides are used for the application to specific areas where flying insect pests alight.

    

Thermal Fogging Checklist

#	Item	Yes	No	If No, Please supply a reason	Signed off
1	Safety check of furniture and office equipment				
2	Fogging equipment in good working order				
3	Fire cloth and fire extinguisher on hand				
4	Fire brigade notified				
5	Smoke detection system deactivated				
6	Air conditioning switched off				
7	All staff evacuated				
8	Neigbouring companies checked and notified				
9	Fogging route and escape route planned				
10	Ventallation and re-entry discussed (client)				
11	Checklist signed by all parties				

PCO: ______________________ **Client:** __________

Date: ______________________

* The above checklist is in place to ensure safety on site. Should any of the actions not be completed (and agreed by the client),Sanitech can not be held responsible should something happen.

PESTICIDE USAGE LOG SHEET

Client Name: ______________________

Rev: 0

PESTICIDE TRADE NAME USED	L/REG NUMBER	TARGET PEST	QUANTITY USED	DILUTION RATE	APPLIED LOCA-TION	APPLICA-TION METHOD	APPLICA-TION TIME	APPLICATION DATE	TREATMENT RE-PORT NO	SIGNATURE / P REGISTRATION NR
							:			
							:			
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PCO: ______________________ **Client:** ____________

Date: ______________________

* The above checklist is in place to ensure safety on site. Should any of the actions not be completed (and agreed by the client),Sanitech can not be held responsible should something happen.

SERVICE SCHEDULE

Incorporating

Pest Type, Service Frequency & Regular Service Areas

Clients Name: ________

Programme: ________

Rev: 0

Pest Type	Service Frequency	Areas
QA	**QUARTERLY**	**ALL**

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SAFE WORK INSTRUCTION

Personal Protective Equipment: Overalls (Two Piece), Ponchos, Protective Aprons, Eye and Face Protection, Gloves, Safety Boots, Respirators.

Hazards associated with task at hand:

1. Handling toxic chemicals without the correct PPE.
2. Company/Division not registered with the PCSIB.
3. No warning signs posted at the site were pest control services taking place.
4. Operator did not warn the staff/employees/clients about removing certain items before commencing with spraying.
5. The operator did not clear the building, stores, offices, canteen, and warehouses before commencing with spraying.
6. Operator using the wrong application.
7. The customer was not ready for you when you arrived on site to commence with services.
8. The client removed the bait station and repositioned which was accessible to animals and children.
9. The amount of pesticides required for the area was over prepared.
10. The operator leaving empty containers on client's site.
11. Emergency washing facilities not available on site.
12. Hazards such as corrosiveness, flammability, combustibility, toxicity or environmental hazards might be present when a pesticide is handled.
13. Material Safety Data Sheet not available on site or obtained from the manufacturer or supplier.
14. An operator who is suffering from any ailment, or who is taking medication, that would aggravate or suppress the symptoms of poisoning by a pesticide shall not be permitted to handle such a pesticide or another type of pesticide unless prior approval has been obtained from an occupational medical practitioner.
15. Spraying or dusting in adverse weather conditions.
16. No life line or fire extinguisher available when fogging is taking place.

Pre Start up Inspection:

1. Certain solvents and fumigants might cause a fire when they are used in the presence of naked flames or other sources of ignition, for example an electrical wire. If a warning to this effect is given on the pesticide label, care shall be taken to ensure that no appliances are left in operation and that all pilot flames are extinguished before application operations are started.
2. Unless adequately protected, no persons shall be allowed near an area that has accidently been contaminated with pesticides.
3. During handling, decontamination and disposal procedures, the appropriate protective clothing and equipment shall be worn.
4. Information about the toxicity of the symptoms produced by, and the treatment of, poisoning by a pesticide is obtainable from the manufacturer of the compound in question by means of a material safety data sheet.(MSDS)
5. An empty pesticide container shall never be re-used for any purpose other than to hold the same product. If not re-used in this way, an empty pesticide container shall be triple rinsed and disposed of immediately.
6. Pesticides shall not, under any circumstances, be poured into utensils which are used for (or are intended to be used for) food preparation or drinking water, or for the containment of any other drinks or food.
7. If a medical station is not provided, a first aid kit shall be kept on hand at all times when pesticides are being handled.
8. For each team of operators engaged in the handling of pesticides, supervisor shall be appointed who has adequate knowledge of, experience in, the application and hazards of pesticides. Knowledge of basic first aid is mandatory.
9. For work involving exposure to pesticides, only operators who have been medically examined and found to be fit shall be employed.
10. All operators shall receive practical training and shall not be allowed to handle pesticides unless they know the risk involved and the precautions to be taken.
11. A pesticide shall not be used on humans, pets, livestock unless it is stated on the label that the pesticide can be safely be used for this purpose.
12. If any symptoms of illness or discomfort are experienced (for example headache, dizziness, vomiting, diarrhea, tightness of the chest) or abnormal behavior becomes apparent after a pesticide has been handled, an occupational medical practitioner shall be consulted immediately.
13. Storage of pesticides: - Pesticides and pesticide application equipment shall be protected from unauthorized access by being kept in a cool, dry cupboard or in a pesticide storeroom under lock and key and well away from foods, feeds, and food-processing and eating utensils. Empty pesticide containers shall similarly be protected until they can be disposed of safely.
14. Spraying or dusting operations shall be suspended under adverse weather conditions to prevent the danger of contamination. The instructions on the label concerning wind speed must be followed.

Start up and Working:

1. A poison register shall be kept at every warehouse, store, outlet and depot for pesticides classified as danger group la or danger group lb. pesticides.
2. The poison register can be handwritten or be in electronic format, and shall contain at least the following information:

- name of product
- Batch number
- date of receipt
- name and address of supplier
- quantity received or dispatched (or both)
- quantity used
- balance after dispatch or use
- name of purchaser or user, and
- Purpose for which the product is to use.

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3. All protective garments shall be thoroughly washed with soap or detergent and water at the end of each operation.
4. Contaminated washing water shall not be disposed of into any water source, including rivers, ground water sources and sewerage systems.

5. An employer shall ensure that no worker removes dirty or contaminated clothing or equipment from the premises.
6. Two lockers, one marked "Protective Clothing" and the other one marked, 'Personal Clothing" shall be available to ensure that clothing is kept separate.
7. The size of the area or the number of plants or animals to be treated shall be determined before preparation takes place to enable the volume of spray mix.
8. Empty containers, other than aerosol dispensers, shall be triple-rinsed with water and then shattered (in the case of glass containers), punctured (in the case of plastic and metal containers) or so otherwise rendered unserviceable as to prevent re-use, and then deposited in municipal refuse receptacles. Pesticide waste and empty containers should preferably be returned to the local supplier or to a registered disposal company.
9. If pesticide is applied as a space spray, all windows and doors, except the exit door shall be closed. After completion, the area shall be vacated immediately, the exit door closed and the area kept closed for a period stipulated on the label. At the end of the period all the doors and windows shall be opened. The area shall not be deemed safe until the ventilation period on the label has expired.
10. Bait shall be placed in such a position as to be inaccessible to children and animals. Bait shall be replenished when necessary, and shall be removed when all pest activity has ceased.
11. If a severely toxic pesticide is to be applied, a warning notice together with the toxic hazard class diamond shall be placed at the entrance of the site to be treated or on the gates or doors that gives access to the operation area.
12. Plastics –backed adhesive tape or masking tape shall be used to seal food freezers and refrigerators. Plastic sheeting shall be used to cover all items that cannot be removed and all working surfaces, and the sheeting shall be sealed with plastic-backed adhesive tape or masking tape.
13. The pest control operator shall determine the size of the area or space to be treated and by following the instructions on the label, shall prepare just enough pesticide for a single application. The measuring vessel shall be triple rinsed and the rinse liquid shall be added to the mixture before it is made up to volume.
14. If a pesticide comes into contact with an operator's skin-remove the contaminated clothing immediately and rinse the affected area with plenty of clean water and seek medical attention.

TYPES OF PEST CONTROL SERVICES:

GELLING:

1. The chemicals that we are using is non- toxic, eco-friendly and not harmful to the environment but must still be handled correctly/safely.
2. Personal safety and the safety of clients is of paramount concern
3. You are to be fully aware of the chemicals used and to read and understand the safety data sheets of these chemicals
4. Uniforms provided by the company are to be worn at all times
5. Ensure that no gel is applied to food stuffs
6. Ensure that no gel is applied in areas where the client personnel can easily touch the product
7. On completion of the service, the service book must be signed off by the client or client representative
8. A service report must be completed at the end of the service detailing pest activity, housekeeping of client and all relevant information that needs to be brought to the client's attention.
9. The reports must be handed into the office at the end of the day.
10. A completed typed up service report must be submitted to the client within 48 hours of the service. Copies of this signed service report must be kept in the client's file.
11. At the end of the day, unused chemicals are stored away in facilities provided; unused chemicals in pumps are to be emptied into appropriate containers for later use.
12. All used containers must be returned to the office and discarded in the waste collection bin.
13. No empty containers will be discarded at the client's premises.

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SPRAYING:

1. You are working with toxic chemicals that, if handled incorrectly, could lead to health risk for the operator concerned.
2. Personal safety and the safety of clients are of paramount concern.
3. You are to be fully aware of the chemicals used and to read and understand the safety data sheets of these chemicals
4. When spraying, masks and gloves provided by the company are to be worn at all times.
5. Uniforms provided by the company are to be worn at all times
6. On completion of the service, the service book must be signed off by the client or client representative.
7. A service report must be completed at the end of the service detailing pest activity, housekeeping of client and all relevant information that needs to be brought to the client's attention.
8. These reports must be handed into the office at the end of the day.
9. At the end of the day, unused chemicals are to be stored away in facilities provided; unused chemicals in pumps are emptied into appropriate containers for later use.
10. Pumps are to be thoroughly washed out and cleaned.
11. The washing area, as per point 10, is to be hosed down after pump cleaning to ensure that no secondary poisoning of any wild life occurs.
12. All empty containers must be triple rinsed, punched out on both sides and not discarded into the waste collection bin but send back to the supplier/manufacturer for discarding.
13. Under no circumstances will used containers be discarded at client's premises or anywhere else.

RODENT CONTROL:

1. Ensure that all equipment and chemicals needed for servicing stations is in good order and sealed.
2. All Tamperproof Bait Stations must be properly bolted down and signs must be clearly visible with the correct info displayed.
3. Stations must be locked after completion of service.
4. Treatment Reports are to be issued after every service.
5. Where activity is found report must detail exact location.
6. No baits are to be left unsecured at any time.
7. Defective bait stations and or office stations must be repaired and replaced immediately.
8. Dead rodents will be collected by you and will be removed in a safe and effective manner.
9. Do not leave dead rodents on the clients premises .Dead rodents should preferably be taken to our companies waste area where it will be collected by a contracted waste removal contractor and will be disposed of in a proper manner.

FOGGING ON PREMISES:

1. Ensure that all safety equipment to be used is in working order. Special attention must be given to correct breathing apparatus required for this task.
2. The correct respirators must be worn.
3. The client must be given a specific time and date of treatment so that they can notify their staff.
4. Local fire department must be notified by the client.
5. Client needs to be informed that fire detection devises need to be deactivated.
6. The cubic meter of the areas to be fogged needs to be determined to ensure that correct amount of chemicals are applied.
7. Ensure that all windows and door of areas to be treated are secured.
8. Check that no persons or animals are in the area before commencement of treatment.
9. On completion of treatment, ensure that the client is made aware that the area is to remain closed for minimum of 3 hours.

PEST CONTROL SITE AUDIT REPORT CHECKLIST					
SOUTH AFRICAN NATIONAL STANDARD SANS 10206:2010					
CLIENT:		AUDITOR:			
INSPECTION DATE:		ADDRESS:			
ITEM	**COMPLIANCE TO REQUIREMENT**				**REMARKS**
	Inspections carried out as per site visit.	**YES**	**NO**	**N.A.**	
REVIEW ON SITE DOCUMENTATION					
	Pesticides usage logs are completed and up-to-date				
	MSDS and labels are on file for all pesticides used on site				
	Floor plan/schematic includes up to date placement of all devices.				
	Pest sighting logs and trends data are up-to-date				
	Treatment reports are complete and on file				
	Corrective action reports are complete				
	Certification, licenses, registration and insurance information are available.				
	Original scope of service is on file and up-to-date				
WALK THE INTERIOR OF THE FACILITY					
	All pest control devices are identified correctly on the floor plan				
	All devices are placed in accordance with the auditor's requirements				
	All devices conform to the auditors requirements				
	All interior devices are serviced on the required frequency				
	All devices are labelled with service information.				
	Insect Light Traps, if used, are properly positioned.				
	On site pest control chemicals are stored securely.				
WALK THE EXTERIOR OF THE FACILITY					
	All devices are identified correctly on the floor plan				
	All devices are placed in accordance with the auditor's requirements				
	All devices conform to the auditors requirements				
	All rodent bait stations are tamper-resistant and secured to the ground.				
	All exterior devices are serviced at least monthly.				
	All devices are labelled with service information.				
	Rodent bait stations are free of decomposed rodents or other animals.				
	Rodent baits are in good shape and not heavily damaged or missing.				
	All unnecessary exterior openings are sealed.				
	Rodent burrows are eliminated from the property.				
	Birds' nests are eliminated from the property.				
	Bird exclusion tactics are in place, if required by auditor.				

ITEM	COMPLIANCE TO REQUIREMENT				REMARKS
		YES	NO	N.A.	
REVIEW THE INTERIOR AND EXTERIOR OF THE FACILITY					
	All pest control documentation is accessible.				
	Evidence of pest activity is eliminated on the interior.				
	Evidence of pest activity is eliminated on the exterior.				
	The interior of the facility is clean.				
	The exterior of the facility is litter free.				

CORRECTIVE ACTION:			
ITEM READING	ACTION	ACTION DATE	SIGNATURE
PREVENTATIVE ACTION:			
ITEM READING	ACTION	ACTION DATE	SIGNATURE
DATE:	CLIENTS SIGNATURE:		

Treatment Procedures for Pests

(To be carried out by our on-site technician)

RODENTS:

FENCE LINE INSPECTION

Start with a thorough inspection from the exterior. Wear all protective clothing according to the client's safety regulations and the HACCP requirements.

Work your way in from the fence line looking for any signs of rodent activity in any form (burrows, tunnels in long grass, suspected nesting sites, etc.)

Any rodent burrows found, along the perimeter fence line must be treated with a suitable pellet based rodenticide applied directly into the burrow.

Recommendations must be put forward immediately to either install perimeter Tamper Proof Rodent Bait Stations or to increase the current rodent stations to include the area of activity.

Report this information to the client on the service report and verbally notify the responsible person so that customer/ service provider action can be taken to eliminate rodent activity.

Record all pest activity found on the service report and log the rodent activity in service check-list, in the procedures section of the on-site file.

If Tamper Proof Stations are in place and occasional takes are noted, this is classed as normal and the control measures are functioning as intended. In this case no Action Report is Necessary.. These takes are to be recorded in the Rodent Monitoring Log only.

Fence line to building exteriors should specifically checked for:

- Broken fences.
- Spilled food near railroad tracks, loading docks & driveway ramps.
- Weeds and tall grass along the fence line.
- Piles of junk or other stacked materials on the ground.
- Open or loosely covered trash bins and dumpsters.
- Breaks in the sidewalk.
- Open sewer/ditches.
- Evidence of poor ground care around lakes and ornamental ponds.
- Shrubs or vegetation abutting buildings.
- Overhanging tree limbs.
- Cracks or broken concrete on the building exterior.
- Open or broken windows.
- Openings around pipes and conducts.
- Telephone or electrical lines leading into the building.
- Poorly fitting doors.

BUILDING EXTERIOR INSPECTION

After you have inspected the perimeter fence line & surrounding areas, start with the building exterior.

Inspect the TAMPER PROOF rodent bait stations, combined with the building exterior areas. If Tamper Proof Stations are in place and occasional takes are noted, this is classed as normal and the control measures are functioning as intended. In this case no Action Report is necessary. These takes are to be recorded in the Rodent Monitoring Log only.

Look for any possible rodent entry points or rodent nests. Inspect permanent sited Tamper Proof Rodent Bait Stations, according to the indicated site map/plan.

SANITECH PROCEDURES REQUIRES THE USE OF TAMPER PROOF RODENT BAIT STATIONS ON BUILDIN EXTERIORS AND INTERIOS ONLY. MECHANICAL DEVICES WILL BE USED IN AREAS WHERE TOXIC CONTROL MEASURES CANNOT BE PLACED OR ARE PERMITTED (Finished Product Storage areas, Production Areas etc.)

Place all baits on the securing rods in the Tamper Proof Rodent Bait Stations only.

Key signs of Rodent activity:

Live of dead rodents.

Squeaking sounds.

Droppings.

Runways.

Tracks

Smear Marks.

Gnawing damage.

Burrows nests.

Urine Stains.

Rodent odours.

INTERIOR BUILDING INSPECTION

Upon completion of the exterior inspection, make your way to the interior.

Wear all protective clothing according to the client's safety regulations and the HACCP requirements before entering any production areas.

Inspect all interior areas looking for possible rodent activity, nesting sites and entry points.

Inspect all pest control devices or measures & implement the required control measures to eliminate any rodent activity according to Food Safety Audit Requirements.

Make notes on the service report of all recommendations and verbally notify the responsible person of them.

Record all pest activity found on the service report and log the rodent activity in service check-list, in the procedures section of the on-site file.

Open Action Reports as per instructions on the Follow-up Procedure sheet. (Find such report under , the Index "Procedures" section, of the HACCP file.)

ALL CONTROL MEASURES ARE TO BE UNDERTAKEN STRICTLY ACCORDING TO FOOD SAFETY AUDIT REQUIREMENTS.

PLACEMENTS OF TOXIC BAITS IN INTERIOR AREAS ARE TO BE PLACED IN SECURED & CEMENT SLAB MOUNTED TAMPER PROOF RODENT CONTROL BAIT STATIONS ONLY. IN PERMITTED AREAS ONLY.

THE BAITS ARE TO BE PLACED ON A BAIT SECURING ROD ONLY.

ALL DEVICES ARE TO BE SECURE, WITH WALL INDICATORS, INDICATING STATION NUMER. UNITS WILL ALSO CARRY SERVICE SCHEDULE ATTACHED TO THE UNIT ITSELF.

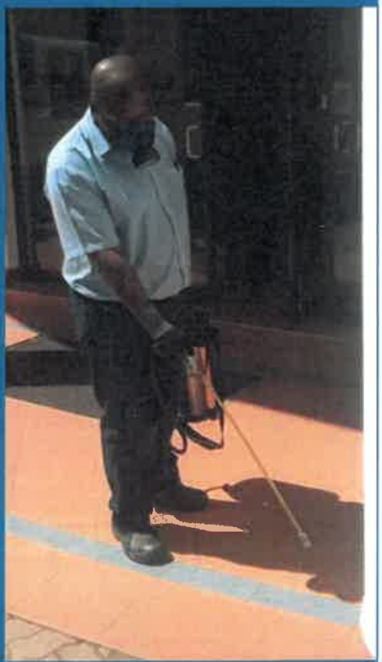
IN AREAS WHERE TOXIC BAIS MAY NOT BE USE, THEN MECHANICAL OR TRAPPING DEVICES ARE TO BE USED.

IF THE BLOCK IS DISCOROURED OR IS EVEN COATED WITH DUST—THIS WILL NOT AFFECT THE EFFICIENCY OR PALATABLITY OF THE BAIT. (See Manufacturers Recommendations)

RODENT BAITS CAN REMAINUP TO 6 MONTHS WITHOUT BEING CHANGED SHOULD THERE BE NO SIGNS OF FEEDING

As per rodent manufacturer and bait supplier's recommendations; movement of the rodent block should be kept to a minimum. This includes regular cleaning of the INTERIOR of the rodent station. Furthermore dust does not affect the efficiency of the rodent block. As long as the rodent can gain access to the box, the box should not be unduly meddled with.

The service technician will however <u>remove larger items</u> which become lodged in the box (ie. Packaging materials, papers, etc.) without disturbing the block. Spider webs will however be remove. This instruction does not affect the ECTERIOR of the rodent station which will be kept in a reasonable condition.



<u>Definition as to the service procedure of a Rodent Bait Station:</u>

Open Bait Station

Inspect the interior for signs of activity

Inspect the Bait Block and replace with a new block if necessary

Clean any obstruction to the bait

The Technician is to initial and date the sticker inside the lid

Close and lock the box

Inspect General area surrounding the bait station

<u>Definition as to the service procedure of a Rodent Trapping Station (eg. 24/7):</u>

Open the Station

Inspect the interior for signs of activity

Inspect the Glue Board and replace with a new one if necessary. In the case of snap/mechanical

Traps reset the traps if necessary.

Clean any obstructions to the entry points.

The Technician is to initial and date the sticker inside the lid.

Close and where applicable, lock the station.

Inspect General area surrounding the station

<u>Definition of the infestation levels to be indicated on all service reports:</u>

ZERO—No Infestation

LOW—Light infestation or occasional activity no stock loss/damages report. Report accordingly on the service report. Verbal notification must be given to the client with written recommendations on the service report.

MEDIUM—Repeated rodent activity in specific areas, combined with some damage to stock. Report accordingly on the service report and give a written report as to how this infestation will be dealt with. This must be accompanies with a written explanation, explaining to the client what is required of them and what can be expected from the Pest Control Technician. A meeting can be arranged if this is necessary.

HIGH—General rodent activity is all areas, serious attention required. Report accordingly on the service report. This must be accompanies with a written explanation, explaining to the client what is required of them and what can be excepted from the Pest Control Technician. The office must be instructed to call a site meeting with the client to discuss the infestation & to talk about any adverse condition that may exist, which is affecting the level of control that the company is achieving.

Definition of Bait Consumption in relation to Bait changes:

ZERO INDICATION—If Bait is not older than 6 months, Do Not Change

CORNER GNAW MARKS or SLIGHT INDICATION—Change Immediately

Definition as to the function & purpose of rodent sticker:

The purpose of the rodent sticker is to provide an indication that a box has been serviced according to the service schedule.

Definition of Marking of Rodent Stickers:

The Technician is to initial and date the sticker

INSECTS:

BUILDING EXTERIOR INSPECTION

Undertake an inspection of the building exterior perimeter. Wear all protective clothing according to the client's safety regulations and the HACCP requirement. Include all drains and possible insect harbourages. Look for any entry cracks and crevices, seal them up if possible and treat accordingly. The habits of the targeted pest, listed in the Pest Type, Service Frequency, Regular Service Areas, found in the Service Details section of the on-site file, will determine the required treatment protocols, as per audit requirements.

INTERIOR BUILDING INSPECTION

Continue to the interior. Wear all protective clothing according to the client's safety regulations and the HACCP requirements

Before entering the production areas. Inspect all equipment and monitor stations. If any pests are found, physically remove them if possible, or arrange to treat with suitable insecticide of gel, if the facility is not in use. Report it to the responsible person immediately. Make notes on the service report of all recommendations and verbally notify the responsible person of them. Record all pest activity found on the service report and log the insect activity in service check-list, in the procedures section of the on site file. If circumstances are conducive of opening an action report, then this must be completed.

The Interior:

Proceed in a systematic fashion throughout the building. Key "Hot spots" in Storerooms and production areas include.

Around overhead doors

Window and ledges

Ceilings

Behind and under skids

Around and under Equipment

In and under stored items on the ground

Inside Equipment

In and under Boxes & other containers

Sewers and water drains

Broken packaging with spilled foodstuffs

Definition as to the service procedure for Cockroach Activity:

Inspect the areas listed in the service schedule for signs of activity

If ZERO activity is noticed proceed to document this in the Crawling Monitor Log Sheet.

If ACTIVITY is noticed, bait the area using a suitable registered pesticide using a bait gun applicator. Document findings in the Crawling Monitor Log sheet and follow up on future visits.

SPECIALISED INSECTS or PEST PROBLEMS

Specific pest problems which require specialised treatment methods will be treated according to the highest food safety auditor requirements available in the country.

An example is Flies—Flies are actively controlled via sanitation, exclusion and the positioning of glue-type insect light traps. ILT's are serviced on a monthly or more basis; glue boards are dated and changed, and the service visit is recorded on the unit service register. Record may be kept on the unit itself or in the food safety file or in both.

IPM & IPE control measures:

IPM approach control methods range from exclusion and sanitation to the use of non-chemical control s and toxic control, as per Food Safety Audit Requirements, to manage any pest problem. All control measures are aimed at the ultimate of achieving, IPE, Integrated Pest Elimination.

Sanitech

CERTIFICATE FOR PEST MANAGEMENT

We certify that these premises are maintained and protected by Professional

Pest Control Officers

SITE: ______________________________

TREATED FOR: ______________________________

As been assessed and certified by Sanitech Hygiene Integrated Services as meeting the requirements of

SANS 10206: 2010

BS OHSAS 18001: 2007

Occupational Health and Safety Management System

P.C.O Signature: ____________________ Date: ______________

SAPCA

Membership Number: WACO31

Recruitment

All Sanitech employees are subject to an entrance medical and fingerprint criminal background check prior to recruitment. Preference is given to people from the local surrounding areas to ensure attendance optimisation and community upliftment. All staff are required to be literate and competent in verbal and written communication

Uniforms

The work will be carried out by experienced personnel, clothed in clean and distinctive overalls whilst carrying out their duties. All required Personal Protective Equipment (PPE) has been made provision for and will be provided to each staff member based on the site requirements and responsibilities of the Sanitech Personnel on site.

Training

All staff appointed undergoes in-house company policies and procedure overview training, on-site safety requirements and inductions, best cleaning practises and HACCP cleaning principals. Equipment and chemical product training is provided by our approved suppliers in each region focusing on correct SOP's and SWI's for each product and service offered.

HEALTH AND SAFETY AND ENVIROMENTAL APPROCH

Health and Safety

Sanitech aims to achieve and maintain the highest standards in Health and Safety and Environmental responsibility and product quality throughout the company in all our activities.

Sanitech's world-class EH&S management system is driven by Waco International Corporate Standards and helps to meet health and safety responsibilities by protecting their most valuable resources – employees, customers, communities and the environment that sustains us all.

Sanitech's internal health and safety department assists with specific on-site requirements.

ACCREDITATIONS

•**Members of CIDB**

•**Members of Institute Waste Management**

•**International member of PSAI**

•**Sanitech is OHSAS 18001: 2012 certified**

•**Sanitech is ISO 14001 certified**

•**Registered waste transporter**

•**Members of the NCCA**

HSE
HEALTH SAFETY. ENVIRONMENT.

Nature POWERED

Innu-Science
Nature Powered

GO GREEN

Eco-mode

Sanitech
WACO International

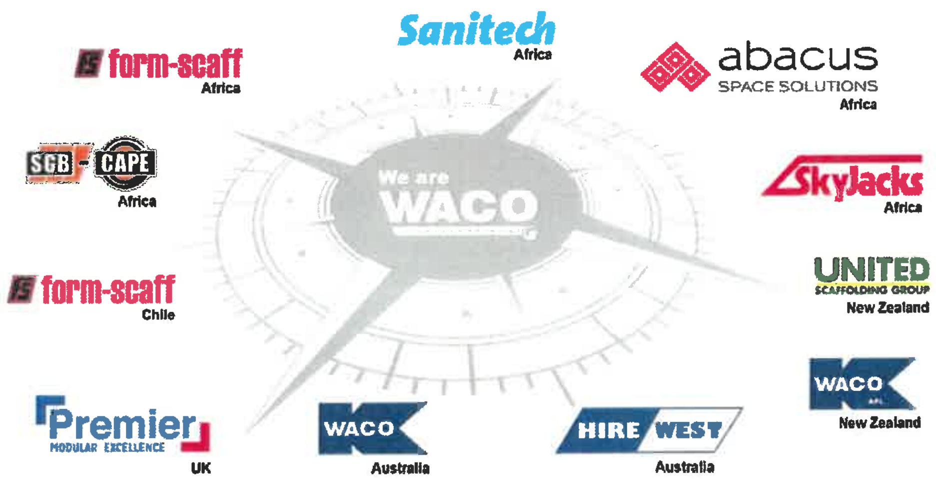
COMPANY PROFILE

Sanitech was founded in the early 1980's as the first portable toilet hire company in South Africa to supply sanitation facilities to areas in which no sanitation infrastructure existed. Today, Sanitech's Toilet Hire division has over 20 branches nationwide and has the largest rental fleet in the country with over 20,000 units.

The Hygiene division was established in 1996 and is a leading service provider of professional washroom hygiene services. Sanitech offers a comprehensive range of effective, durable and reliable hygiene products and services. These products include sanitisers, wipes, toilet tissue dispensers, sanitary bins, hand washing and hand drying components. The company offers an integrated solution with daily cleaning, deep cleaning and pest control services as well as washroom equipment, available on a monthly contract basis.

In 2007, Sanitech was purchased by Waco International – the leading forming, shoring and scaffolding and relocatable modular building service provider in the mining and resources, infrastructure, industrial maintenance, education, healthcare, entertainment events and construction sectors in the geographies it operates in. In South Africa the group companies are Form-Scaff, SGB-Cape and Abacus.

OWNERSHIP



BBBEE STATUS

As an operating division within Waco Africa Pty Ltd, Sanitech is a Level 2 BBBEE contributor with a BEE supplier recognition return of 125%.

Bopa Moruo, a 100% black owned South African private equity, holds a 25,1% shareholding in Waco Africa. At the core of Bopa Moruo's investment approach is a strong emphasis on fundamental value-oriented investment principles, applied with private equity investment management disciplines, to find, build and grow great businesses

WACO SOCIAL INVESTMENT

WACO Africa strives to add value in Social Investment programmes

These include:

Blankets against the Winter Chill

Companies to Sponsor Soweto Community Education Campus

Ride for Change - Step by Step Crèche

Janelle Home Blessings

AIDS awareness programmes

Adult basic education and training programme

Sports development sponsorships including The Comrades Marathon and the Thompson Magawana road race

Ilingelihle Old Age Home

SERVICE PROCEDURES

Our Integrated Pest Management programme is customized to meet the requirement of each facility. Sanitech Pest Control specializes in the prevention, control and monitoring of pest activities within the food manufacturing, food processing industry as well as healthcare and hospitality industries.

Our services always include: - Inspection, Identification, Elimination, Maintenance, Prevention and Monitoring. Each of these services are frequency based and will always include the following:

1. **CHECK IN:**
   Our service specialist will report to the designated contact person in charge to discuss any concerns and to check the client sighting reports and our monitoring log sheets.

2. **INSPECTION & IDENTIFICATION:**
   A thorough inspection of all harborages and likely harborages within the entire area to be serviced is carefully carried out with attention to strategically placed monitoring and trapping devices. All pests found will be accurately identified and noted on our pest identification log sheet indicating also the specific area where these pests were located together with the source, possible reason for the infestation and elimination action plan.

3. **ELIMINATION ACTION PLAN:**
   Based on our routine inspection and identification, a treatment action plan is devised to eliminate existing pest problems using mechanical, biological and physical controls. We do not advocate the free use of insecticides & rodenticides unless necessary and then absolute minimum quantities are used with the permission of our service manager or your designated contact person in charge.

4. **IMPLEMENT MAINTENANCE PROGRAMME:**
   Our treatment programmes are all extremely comprehensive and systematic and will be repeated until all pest activities are eliminated and controlled.

5. **PREVENTATIVE ACTION PLAN:**
   Our service specialist will make regular suggestions relating to prevention of future pest infestation such as pest exclusion systems.

6. **REPORTING & DOCUMENTATION:**
   After every visit a detailed service report is completed with specific attention to structural storage. Our recommendations are to be attended to as soon as possible, to ensure the overall successes of the programme.

7. **CHECK OUT:**
   Our service specialists will report back to your designated contact person in charge and complete all monitoring log sheets, pesticide & rodenticide usage log sheets and service treatment report.

Sanitech

WACO international

PREVENTION FOR CRAWLING INSECTS

Insect pests are proven carriers of many known diseases and therefore pose a constant thread to food manufactures, food processing facilities, healthcare facilities and the hospitality industry.

Sanitech Pest Control offers innovative pest prevention programmes for Cockroaches, Rodents and Flies also stored product pests such as, Rice Weevils, Indian Meal Moth, Warehouse Moth, Mealworm Beetle, Flat Grain Beetle, Lesser Grain Borer and Granary Weevils.

Our routine treatment programmes are pest species specific and focus on, identification of pest species followed by specific elimination treatments and maintenance treatment methods. Should the use of insecticides or rodenticides be necessary, they will take the form of systematic applications in the form of insecticidal dust, liquid residuals, liquid non-residuals, baits, non-residual insecticidal gels or insecticidal thermal fog all of which will be expertly applied throughout the various parts of your facility.

All our treatment methods, pesticides, rodenticides and pest monitoring materials are in strict compliance with the Department of Agriculture, SABS, and local regulations. We are also ISO 14001:2015 and OHSAS 18001:2007 compliant.

PRIMARY AREAS:
All areas containing edible products or where these products are processed or manufactured including kitchens, canteens, theaters and all other super sensitive areas as indicated by the on site environmental risk control officer.

As a rule, only non-residual contact insecticide treatment is applied in these areas, and only in the absence of edible products and their packaging.

Where extreme circumstances warrant the use of residual insecticides a crack and crevice treatment may be used once the express permission is granted by your environmental risk control officer, infectious control sister or the executive housekeeper or the applicable person in charge, provided all cracks and crevices are sealed after treatment.

All work surfaces, walls and equipment must be washed down after every treatment using an effective cleaning solution and rinsed with potable water.

SECONDARY AREAS:
All non-processing areas where even the remotest possibility of cross-contamination exist. Treatments will be limited to non-residual contact insecticides with the application of residual insecticides to all cracks and crevices where necessary.

GENERAL AREAS:
All general areas such as offices, passages, ceilings voids, storage areas, docks and rendering rooms, wards, lounges, waste handling, utility, drainage and any other area containing condemned or inedible product.

PREVENTION FOR RODENTS

It is estimated that rodents destroy or contaminate at least 20 percent of the world's food supply. Rodents are also known carriers of many diseases harmful to humans. Sanitech Pest Control will protect your facility from rodent infestation by providing a preventative monitoring and baiting programme, consisting of various non-toxic baits supplemented by a carefully managed baiting programme.

EXTERIOR PERIMETER:

We will carry out a thorough inspection of all harborages and likely harborages to identify the specific rodent species and our treatment method will be specifically targeted to the elimination of all existing infestation and the prevention, control and monitoring of any possible re-infestation.

Our inspection will also include regular inspection of your building structure to identify defects that may promote rodent harborages, open drains, external doors without kick plates, exposed ventilation ducts or drain pipes.

Exterior rodent tamper proof bait stations are strategically placed at intervals around the outside perimeter of your facility and on either side of all entrances into the facility. Additional tamper proof bait stations are placed adjoining railway siding, forest or bushy areas, perimeter fences should your facility border a potentially high-risk area and heavily wooded or paper areas.

All bait stations are tamper proof, each mounted, labeled and appropriately marked with readily identifiable signs and numbers. These bait numbers are transferred onto a floor plan of your facility indicating the exact location for specific monitoring purposes. All exterior bait stations are serviced once a month, which includes inspecting, identification, cleaning and re-baiting. All non-toxic baits will be colored beige and all toxic baits will be colored blue or green, although we do recommend the use of non-toxic baits. All tamper proof bait stations are monitored and logged on our rodent log sheet.

INTERIOR AREAS:

Our interior measures for rodent control includes mechanical devices and traps, glue boards, trigger traps. Interior stations could either be non-toxic feeding stations or mechanical catch traps.

Interior stations should be positioned at approximately 10-meter intervals around the interior of your facility and within 3 meters on either side of any doors leading to the exterior. Interior stations are serviced at least twice a month or more depending on your programme specification. All interior stations are monitored and logged on our rodent log sheet.

All rodent protection devices are listed in the Pest Control Solutions service log and the exact location of each device is shown on a map or schematic of your facility.

PREVENTION FOR FLYING INSECTS

Because of their mobility and filthy nature, flies pose a significant health threat in food processing and manufacturing facilities. As a result, there is a growing demand for more innovative solutions to combat flying insect pests. Sanitech Pest Control has developed an effective integrated programme which has been proven to dramatically reducing flies in food processing environments.

ELEMENTS OF THE PROGRAM INCLUDES: -

1. **Detailed Inspection:**

A regular systematic inspection of the facility is conducted to identify the specific species of flying insect pest. We locate entry points, harborages and breeding areas and identify sanitation conditions conducive to promoting flying insect activity.

All flying insect pest activities and sanitation defects are recorded on our monitoring and sighting log sheets.

2. **Sanitation Recommendations:**

Pest Control Solutions personnel are trained to recognize sanitation problems and will provide ongoing recommendations to initiate corrective action.

3. **Exclusion Techniques:**

Preventing the entry of flying insects to your facility is one of the keys to a successful flying insect pest program. Our service specialist will make regular recommendations during our MONTHLY visits to ensure that your facility remains a pest free environment.

4. **Insect Light Trap Placements:**

Pest Control Solutions are the sole importers and distributors of the "Insect O Cutor" an electric fly trapping device; we also distribute a full range of our locally manufactured fly trapping machines. These fly trapping devices is a very effective means of eliminating, monitoring and maintaining.
Our maintenance program ensures that these devices are functional and cleaned monthly.

5. **Residual Insecticidal Treatments (Where Appropriate):**

As a last resort, residual insecticides are used for the application to specific areas where flying insect pests alight.

Treatment Procedures for Pests

(To be carried out by our on-site technician)

RODENTS:

FENCE LINE INSPECTION

1. Start with a thorough inspection from the exterior. Wear all protective clothing according to the client's safety regulations and the *HACCP* requirements.
2. Work your way in from the fence line looking for any signs of rodent activity in any form (burrows, tunnels in long grass, suspected nesting sites, etc.)
3. Any rodent burrows found, along the perimeter fence line must be treated with a suitable pellet based rodenticide applied directly into the burrow.
4. Recommendations must be put forward immediately to either install perimeter *Tamper Proof Rodent Bait Stations* or to increase the current rodent stations to include the area of activity.
5. Report this information to the client on the service report and verbally notify the responsible person so that customer/service provider action can be taken to eliminate rodent activity.
6. Record all pest activity found on the *service report* and log the rodent activity in *service check-list*, in the *procedures* section of the on-site file.
7. If Tamper Proof Stations are in place and occasional takes are noted, this is classed as normal and the control measures are functioning as intended. In this case no Action Report is necessary. These takes are to be recorded in the Rodent Monitoring Log only.

Fence line to building exteriors should specifically checked for:

- Broken fences.
- Spilled food near railroad tracks, loading docks & driveway ramps.
- Weeds and tall grass along the fence line.
- Piles of junk or other stacked materials on the ground.
- Open or loosely covered trash bins and dumpsters.
- Breaks in the sidewalk.
- Open sewer/ditches.
- Evidence of poor ground care around lakes and ornamental ponds.
- Shrubs or vegetation abutting buildings.
- Overhanging tree limbs.
- Cracks or broken concrete on the building exterior.
- Open or broken windows.
- Openings around pipes and conducts.
- Telephone or electrical lines leading into the building.
- Poorly fitting doors.

BUILDING EXTERIOR INSPECTION

1. After you have inspected the perimeter fence line & surrounding areas, start with the *building exterior.*
2. Inspect the *TAMPER PROOF* rodent bait stations, combined with the building exterior areas. If Tamper Proof Stations are in place and occasional takes are noted, this is classed as normal and the control measures are functioning as intended. In this case no Action Report is necessary. These takes are to be recorded in the Rodent Monitoring Log only.
3. Look for any possible rodent entry points or rodent nests. Inspect permanent sited *Tamper Proof Rodent Bait Stations*, according to the indicated site map/plan.

SANITECH PROCEDURES REQUIRE THE USE OF TAMPER PROOF RODENT BAIT STATIONS ON BUILDING EXTERIORS AND INTERIORS ONLY. MECHANICAL DEVICES WILL BE USED IN AREAS WHERE TOXIC CONTROL MEASURES CANNOT BE PLACED OR ARE PERMITTED (Finished Product Storage areas, Production Areas etc.)

Place all baits on the securing rods in the Tamper Proof Rodent Bait Stations only.

Key signs of Rodent activity:

a. Live or dead rodents.
b. Squeaking sounds.
c. Droppings.
d. Runways.
e. Tracks.
f. Smear marks.
g. Gnawing damage.
h. Burrows nests.
i. Urine stains.
j. Rodent odors.

INTERIOR BUILDING INSPECTION

1. Upon completion of the exterior inspection, make your way to the interior.
2. Wear all protective clothing according to the client's safety regulations and the *HACCP* requirements before entering any production areas.
3. Inspect all interior areas looking for possible rodent activity, nesting sites and entry points.
4. Inspect all pest control devices or measures & implement the required control measures to eliminate any rodent activity according to *Food Safety Audit Requirements.*
5. Make notes on the service report of all recommendations and verbally notify the responsible person of them.
6. Record all pest activity found on the service report and log the rodent activity in service check-list, in the procedures section of the on-site file.
7. Open Action Reports as per instructions on the Follow-up Procedure sheet. (Find such report under, the Index "Procedures" section, of the HACCP file.)

ALL CONTROL MEASURES ARE TO BE UNDERTAKEN STRICTLY ACCORDING TO FOOD SAFETY AUDIT REQUIREMENTS.

- ***PLACEMENTS OF TOXIC BAITS IN INTERIOR AREAS ARE TO BE PLACED IN SECURED & CEMENT SLAB MOUNTED TAMPER PROOF RODENT CONTROL BAIT STATIONS ONLY. IN PERMITTED AREAS ONLY.***
- ***THE BAITS ARE TO BE PLACED ON A BAIT SECURING ROD ONLY.***
- ***ALL DEVICES ARE TO BE SECURED, WITH WALL INDICATORS, INDICATING STATION NUMBER. UNITS WILL ALSO CARRY SEVICE SCHEDULE ATTACHED TO THE UNIT ITSELF.***
- ***IN AREAS WHERE TOXIC BAITS MAY NOT BE USED, THEN MECHANICAL OR TRAPPING DEVICES ARE TO BE USED.***
- ***IF THE BLOCK IS DISCOLOURED OR IS EVEN COATED WITH DUST – THIS WILL NOT AFFECT THE EFFICIENCY OR PALATABILITY OF THE BAIT. (See Manufacturers Recommendations)***
- ***RODENT BAITS CAN REMAIN UP TO 6 MONTHS WITHOUT BEING CHNAGED SHOULD THERE BE NO SIGNS OF FEEDING.***

As per rodent manufacturer and bait supplier's recommendations; movement of the rodent block should be kept to a minimum. This includes regular cleaning of the INTERIOR of the rodent station. Furthermore dust does not affect the efficiency of the rodent block. As long as the rodent can gain access to the box, the box should not be unduly meddled with.

The service technician will however remove larger items which become lodged in the box (ie. Packaging materials, papers, etc) without disturbing the block. Spider webs will however be removed. This instruction does not affect the EXTERIOR of the rodent station which will be kept in a reasonable condition.

Definitions

Definition as to the service procedure of a Rodent Bait Station:

1) *Open the Bait Station*
2) *Inspect the interior for signs of activity.*
3) *Inspect the Bait Block and replace with a new block if necessary.*
4) *Clean any obstructions to the bait.*
5) *The Technician is to initial and date the sticker inside the lid. (See Example A located on Monitoring procedure for Tamper Proof Bait Stations)*
6) *Close and lock the box.*
7) *Inspect General area surrounding the bait station.*
8) *Should any dead rodents be found onsite, if inside a bait station, the PCO will remove such from the client's premises in a plastic bag with disposable gloves to prevent transmission of diseases.*

Definition as to the service procedure of a Rodent Trapping Station (eg.24/7):

1) *Open the Station*
2) *Inspect the interior for signs of activity.*
3) *Inspect the Glue Board and replace with a new one if necessary. In the case of snap/mechanical traps reset the traps if necessary.*
4) *Clean any obstructions to the entry points.*
5) *The Technician is to initial and date the sticker inside the lid. (See Example A located on monitoring procedure for Tamper Proof Bait Stations)*
6) *Close and where applicable, lock the station.*
7) *Inspect General area surrounding the station.*

Definition of the infestation levels, to be indicated on all service reports:

- *ZERO – No infestation*

- *LOW – Light infestation or occasional activity no stock loss/damages reported. Report accordingly on the service report. Verbal notification must be given to the client with written recommendations on the service report.*

- *MEDIUM – Repeated rodent activity in specific areas, combined with some damage to stock. Report accordingly on the service report and give a written report as to how this infestation will be dealt with. This must be accompanied with a written explanation, explaining to the client what is required of them and what can be expected from the Pest Control Technician. A meeting can be arranged if this is necessary.*
- *HIGH – General rodent activity in all areas, serious attention required. Report accordingly on the service report. This must be accompanied with a written explanation, explaining to the client what is required of them and what can be expected from the Pest Control Technician. The office must be instructed to call a site meeting with the client to discuss the infestation & to talk about any adverse condition that may exist, which is affecting the level of control that the company is achieving.*

Definition of Bait Consumption in relation to Bait changes:

- *ZERO INDICATION – If Bait is not older than 6 months, Do Not Change. (see manufacturer Instructions.*
- *CORNER GNAW MARKS or SLIGHT INDICATION – Change immediately.*

Definition as to the function & purpose of rodent sticker:

- *The purpose of the rodent sticker is to provide an indication that a box has been serviced according to the service schedule.*

Definition to Marking of Rodent Stickers:

- *The Technician is to initial and date the sticker. (See Example A located on Monitoring procedure for Tamper Proof Bait Stations)*

INSECTS:

BUILDING EXTERIOR INSPECTION

1. Undertake an inspection of the building exterior perimeter. Wear all protective clothing according to the client's safety regulations and the *HACCP* requirements. Include all drains and possible insect harbourages. Look for any entry cracks and crevices, seal them up if possible and treat accordingly. The habits of the targeted pest, listed in the *Pest Type, Service Frequency, Regular Service Areas*, found in the *Service Details* section of the on-site file, will determine the required treatment protocols, as per audit requirements.

INTERIOR BUILDING INSPECTION

1. Continue to the interior. Wear all protective clothing according to the client's safety regulations and the *HACCP* requirements before entering the production areas. Inspect all equipment and monitor stations. If any pests are found, physically remove them if possible, or arrange to treat with suitable insecticide or gel, if the facility is not in use. Report it to the responsible person immediately. Make notes on the service report of all recommendations and verbally notify the responsible person of them. Record all pest activity found on the service report and log the insect activity in service check-list, in the procedures section of the on-site file. If circumstances are conducive to opening an action report, then this must be completed. (See Follow-up Procedure under Procedure section of the HACCP file)

   The interior:

   a. Proceed in a systematic fashion throughout the building. Key "Hot spots" in Storerooms and production areas include.
   b. Around overhead doors.
   c. Window and ledges
   d. Ceilings
   e. Behind and under skids
   f. Around and under Equipment
   g. In and under stored items on the ground
   h. Inside Equipment
   i. In and under Boxes & other containers
   j. Sewers and water drains
   k. Broken packaging with spilled foodstuffs

Definition as to the service procedure for Cockroach Activity:

1) *Inspect the areas listed in the service schedule for signs of activity.*
2) *If Zero activity is noticed proceed to document this in the Crawling Monitor Log sheet.*
3) *If Activity is noticed, bait the area using a suitable registered pesticide (eg Maxforce Gel) using a bait gun applicator. Document findings in the Crawling Monitor Log sheet and follow up on future visits.*

SPECIALISED INSECTS or PEST PROBLEMS

Guidelines to establishing specific treatment methods will be obtained by referencing internationally accepted pest control manuals kept in the company library, such as, *"The Mallis Handbook of Pest Control, Technicians Handbook, The SAPCA Good Practice Standards Guide"* and all government regulations.

All of this material is available for reference to all pest control technicians at all times.

Specific pest problems which require specialised treatment methods will be treated according to the highest food safety auditor requirements available in the country.

An example is Flies – Flies are actively controlled via sanitation, exclusion and the positioning of glue-type *insect light traps.* ILT's are serviced on a monthly or more frequent basis; glue boards are dated and changed, and the service visit is recorded on the unit service register. Record may be kept on the unit itself or in the food safety file or in both.

IPM & IPE control measures:

> *IPM* approach control methods range from exclusion and sanitation to the use of non-chemical controls and toxic controls, as per Food Safety Audit Requirements, to manage any pest problem. All control measures are aimed at the ultimate of achieving, *IPE,* Integrated Pest Elimination.

Sanitech INTEGRATED PEST CONTROL SERVICES

Branch:

Date of issue (valid for 3 year only) 21.02.2020

SAFE WORK INSTRUCTION NO 37

REVISION 3

Personal Protective Equipment: PPE listed as per the relevant application (see below)

Hazards associated with task at hand:

1. Handling toxic chemicals without the correct PPE.
2. Company/Branch not registered with the PCSIB.
3. No warning signs posted at the site were pest control services taking place.
4. Operator did not warn the staff/employees/clients about removing certain items before commencing with spraying.
5. The operator did not clear the building, stores, offices, canteen, and warehouses before commencing with spraying.
6. Operator using the wrong application.
7. Untrained operator carrying our integrated pest control services.
8. The customer was not ready for you when you arrived on site to commence with services.
9. The client removed the bait station and repositioned which was exposed to animals and children.
10. The amount of pesticides required for the area was over prepared.
11. The operator leaving empty containers on client's site.
12. Emergency washing facilities not available on site.
13. Hazards such as corrosiveness, flammability, combustibility, toxicity or environmental hazards might be present when a pesticide is handled.
14. Material Safety Data Sheet not available on site or obtained from the manufacturer or supplier.
15. The operator is not medically fit to carry out pest control services.
16. An operator who is suffering from any ailment, or who is taking medication, that would aggravate or suppress the symptoms of poisoning by a pesticide shall not be permitted to handle such a pesticide or another type of pesticide unless prior approval has been obtained from an occupational medical practitioner.
17. Spraying or dusting in adverse weather conditions.
18. No lifeline available when fogging is taking place.
19. PCO is not registered and or license to carry out pest control services.

Pre-Start up Inspection:

1. Certain solvents and fumigants might cause a fire when they are used in the presence of naked flames or other sources of ignition, for example an electrical wire. If a warning to this effect is given on the pesticide label, care shall be taken to ensure that no appliances are left in operation and that all pilot flames are extinguished before application operations are started.
2. Unless adequately protected, no persons shall be allowed near an area that has accidently been contaminated with pesticides.
3. During handling, decontamination and disposal procedures, the appropriate protective clothing and equipment shall be worn.

4. Information about the toxicity of the symptoms produced by, and the treatment of, poisoning by a pesticide is obtainable from the manufacturer of the compound in question by means of a material safety data sheet. (MSDS)
5. An empty pesticide container shall never be re-used for any purpose other than to hold the same product. If not re-used in this way, an empty pesticide container shall be triple rinsed and disposed of immediately.
6. Pesticides shall not, under any circumstances, be poured into utensils which are used for (or are intended to be used for) food preparation or drinking water, or for the containment of any other drinks or food.
7. If a medical station is not provided, a first aid kit shall always be kept on hand when pesticides are being handled.
8. For each team of operators engaged in the handling of pesticides, supervisor shall be appointed who has adequate knowledge of, experience in, the application and hazards of pesticides. Knowledge of basic first aid is mandatory.
9. For work involving exposure to pesticides, only operators who have been medically examined and found to be fit shall be employed.
10. All operators shall receive practical training and shall not be allowed to handle pesticides unless they know the risk involved and the precautions to be taken.
11. A pesticide shall not be used on humans, pets, livestock unless it is stated on the label that the pesticide can be safely be used for this purpose.
12. If any symptoms of illness or discomfort are experienced (for example headache, dizziness, vomiting, diarrhea, tightness of the chest) or abnormal behavior becomes apparent after a pesticide has been handled, an occupational medical practitioner shall be consulted immediately.
13. Storage of pesticides: - Pesticides and pesticide application equipment shall be protected from unauthorized access by being kept in a cool, dry cupboard or in a pesticide storeroom under lock and key and well away from foods, feeds, and food-processing and eating utensils. Empty pesticide containers shall similarly be protected until they can be disposed of safely under lock and key.
14. Spraying or dusting operations shall be suspended under adverse weather conditions to prevent the danger of contamination. The instructions on the label concerning wind speed must be followed.

Start up and Working:

1. A poison register shall be kept at every warehouse, store, outlet and depot for pesticides classified as danger group la or danger group lb. pesticides.
2. The poison register can be handwritten or be in electronic format, and shall contain at least the following information:

a) name of product
b) Batch number
b) date of receipt
c) name and address of supplier
d) quantity received or dispatched (or both)
e) quantity used
f) balance after dispatch or use
g) name of purchaser or user, and
h) Purpose for which the product is to use.

3. All protective garments shall be thoroughly washed with soap or detergent and water at the end of each operation.

4. Contaminated washing water shall not be disposed of into any water source, including rivers, ground water sources and sewerage systems.
5. An employer shall ensure that no worker removes dirty or contaminated clothing or equipment from the premises.
6. Two lockers, one marked "Protective Clothing" and the other one marked, 'Personal Clothing" shall be available to ensure that clothing is kept separate.
7. The size of the area or the number of plants or animals to be treated shall be determined before preparation takes place to enable the volume of spray mix.
8. Empty containers, other than aerosol dispensers, shall be triple rinsed with water and then shattered (in the case of glass containers), punctured (in the case of plastic and metal containers) or so otherwise rendered unserviceable as to prevent re-use, and then deposited in municipal refuse receptacles. Pesticide waste and empty containers should preferably be returned to the local supplier or to a registered disposal company.
9. If pesticide is applied as a space spray, all windows and doors, except the exit door shall be closed. After completion, the area shall be vacated immediately, the exit door closed, and the area kept closed for a period stipulated on the label. At the end of the period all the doors and windows shall be opened. The area shall not be deemed safe until the ventilation period on the label has expired. Safety warning signs must be posted at all entrance and exit points of the building to warn the public.
10. Bait shall be placed in such a position as to be inaccessible to children and animals. Bait shall be replenished when necessary and shall be removed when all pest activity has ceased.
11. If a severely toxic pesticide is to be applied, a warning notice together with the toxic hazard class diamond shall be placed at the entrance of the site to be treated or on the gates or doors that gives access to the operation area.
12. Plastics –backed adhesive tape or masking tape shall be used to seal food freezers and refrigerators. Plastic sheeting shall be used to cover all items that cannot be removed and all working surfaces, and the sheeting shall be sealed with plastic-backed adhesive tape or masking tape.
13. The pest control operator shall determine the size of the area or space to be treated and by following the instructions on the label, shall prepare just enough pesticide for a single application. The measuring vessel shall be triple rinsed, and the rinse liquid shall be added to the mixture before it is made up to volume.
14. If a pesticide meets an operator's skin-remove the contaminated clothing immediately and rinse the affected area with plenty of clean water and seek medical attention.

TYPES OF PEST CONTROL SERVICES:

GELLING:

Personal Protective Equipment	Overall, Safety Shoes, Gloves

1. The chemicals that we are using is non- toxic, eco-friendly and not harmful to the environment but must still be handled correctly/safely.
2. Personal safety and the safety of clients is of paramount concern
3. You are to be fully aware of the chemicals used and to read and understand the safety data sheets of these chemicals
4. Uniforms provided by the company are always to be worn
5. Ensure that no gel is applied to food stuffs

6. Ensure that no gel is applied in areas where the client personnel can easily touch the product
7. On completion of the service, the service book must be signed off by the client or client representative
8. A service report must be completed at the end of the service detailing pest activity, housekeeping of client and all relevant information that needs to be brought to the client's attention.
9. The reports must be handed into the office at the end of the day.
10. A completed typed up service report must be submitted to the client within 48 hours of the service. Copies of this signed service report must be kept in the client's file.
11. At the end of the day, unused chemicals are stored away in facilities provided; unused chemicals in pumps are to be emptied into appropriate containers for later use.
12. All used containers must be returned to the office and discarded in the waste collection bin.
13. No empty containers will be discarded at the client's premises.

SPRAYING:

Personal Protective Equipment	Overall, Safety shoes, Gloves, Safety Glasses, Double Filter Respirator,

1. You are working with toxic chemicals that, if handled incorrectly, could lead to health risk for the operator concerned.
2. Personal safety and the safety of clients are of paramount concern.
3. You are to be fully aware of the chemicals used and to read and understand the safety data sheets of these chemicals
4. When spraying, masks and gloves provided by the company are always to be worn.
5. Uniforms provided by the company are always to be worn
6. On completion of the service, the service book must be signed off by the client or client representative.
7. A service report must be completed at the end of the service detailing pest activity, housekeeping of client and all relevant information that needs to be brought to the client's attention.
8. These reports must be handed into the office at the end of the day.
9. At the end of the day, unused chemicals are to be stored away in facilities provided; unused chemicals in pumps are emptied into appropriate containers for later use.
10. Pumps are to be thoroughly washed out and cleaned.
11. The washing area, as per point 10, is to be hosed down after pump cleaning to ensure that no secondary poisoning of any wildlife occurs.
12. All empty containers must be triple rinsed, hole punched out on both sides and not discarded into the waste collection bin but send back to the supplier/manufacturer for discarding.
13. Under no circumstances will used containers be discarded at client's premises or anywhere else.

RODENT CONTROL:

Personal Protective Equipment	Overall, Safety Shoes, Gloves and Dust Mask

1. Ensure that all equipment and chemicals needed for servicing stations is in good order and sealed.
2. All Tamperproof Bait Stations must be properly bolted down and signs must be clearly visible with the correct info displayed.
3. Stations must be locked after completion of service.
4. Treatment Reports are to be issued after every service.
5. Where activity is found report must detail exact location.
6. No baits are to be left unsecured at any time.
7. Defective bait stations and or office stations must be repaired and replaced immediately.
8. Dead rodents will be collected by you and will be removed in a safe and effective manner.
9. Do not leave dead rodents on the client's premises. Dead rodents should preferably be taken to our companies' waste area where it will be collected by a contracted waste removal contractor and will be disposed of in a proper manner.

FOGGING ON PREMISES:

Personal Protective Equipment	Disposable White Overalls (Ponchos), Safety Shoes, Gloves, Full Face Mask Breathing Apparatus.

1. Ensure that all safety equipment to be used is in working order. Special attention must be given to correct breathing apparatus required for this task.
2. The correct respirators must be worn.
3. The client must be given a specific time and date of treatment so that they can notify their staff.
4. Local fire department must be notified by the client.
5. Client needs to be informed that fire detection devises need to be deactivated.
6. The cubic meter of the areas to be fogged needs to be determined to ensure that correct amount of chemicals is applied.
7. Ensure that all windows and door of areas to be treated are secured.
8. Check that no persons or animals are exposed in the area before commencement of treatment.
9. On completion of treatment, ensure that the client is made aware that the area is to remain closed for minimum of 3 hours.

SPECIAL NOTE: At no time, should you work in fogging areas alone. Ensure that you always have visual contact with your assistant. Ensure that you work from the furthest point back to the exit. The main applicator must always be connected to a lifeline via the assistant. The assistant must always have a fire extinguisher on standby and manage the lifeline when fogging takes place.

Fumigation

Personal Protective Equipment	Overall, Safety Shoes, Gloves, Full Face Airtight Seal Gas Mask and Canister, Gas detector.

1. The person must be fully trained and a registered PCO in the application of fumigants.
2. All application equipment shall be ventilated after each fumigation operation before the equipment is placed in a vehicle or returned to storage.
3. Gas cylinders that contain fumigants shall be checked to ensure that their valves are tightly closed, and caps and helmets shall be placed firmly in position before the cylinders are transported or return to storage.
4. Gas canisters used must bear a permanent label that gives the expiry date in indelible marking. **Always keep a spare canister on hand. Expired canisters must be punctured and discarded or recycled.**
5. The PCO shall ensure that fumigated areas are not entered or occupied before he is satisfied that the premises are gas free.
6. The PCO shall make provision for the safe storage, under lock and key, off all fumigants and he shall exercise strict control over the movement of fumigants to and from the store.
7. The equipment carrying area of the vehicle shall be lockable and shall be sealed off from the cab. The applicable safety warning signage must be affixed to the vehicle.
8. First aid kit must always be available with a qualified first aider on standby.
9. The PCO who intends to fumigate a building or other enclosed space shall deliver the prescribed notice of such intention in writing and in enough time before fumigation operations take place to the Dept. of Health, the local police and fire department. Also notice must be given to the tenant or occupier within the fumigation area.
10. The fumigation area must be carefully sealed off and warning notices posted on doors and where other means of access to the fumigated areas.
11. In case of suspected poisoning, a medical practitioner must be summoned immediately, and first aid measures taken until he arrives. Alternatively, first aid shall be initiated, and the poisoned person taken to the medical practitioner as a matter of urgency.
12. The fumigation operation will not commence until, areas have been vacated, all fires naked flames extinguished. Liquids, open food and goods that are liable to absorb fumigants must be removed. All cracks, crevices and openings in or between walls and ceilings or roofs and floors, fireplaces must be sealed off to prevent the escape of fumigant gases.

I, the undersigned, appointed competent person, have read and understand the contents of this work instruction and have attended a practical illustration which I agree to follow.

ISSUED TO: **SIGN:** **DATE:**

ISSUED BY: **SIGN:** **DATE:**

WITNESS: **SIGN:** **DATE:**

SANS 10206:2010

PEST CONTROL – POISON REGISTER

WA-SHEQ-FM 78 (a)

Sanitech

NAME OF PESTICIDE: ____________________

Bopa Moruo

Rev 2

Stock Controller: ____________________ Branch: ____________________

Opening Stock	Batch No	Stock Issued	Balance Stock on Hand	Issued By (signature)	Issued To (signature)	Date Issued	New Stock Added	Date New Stock Added	Signature

SERVICE SCHEDULE

Incorporating

Pest Type, Service Frequency & Regular Service Areas

Clients Name: ______________________

Programme: ______________________

Rev: 0

Pest Type	Service Frequency	Areas
QA	**QUARTERLY**	**ALL**

Sanitech WACO international | Bopa Moruo | Rev 1

Quarterly Audit Report

Client: ______________________ **Date:** ____/____/____

Adress: ______________________ **Auditor:**

______________________ **Cell:**

____

Review On-Site Documentation:

1) Company Documents	Yes	No	Score	Total Score
Service Agreement Scope of Work & Signed Contract				4
Risk Assesment Completed				2
Branch Contact Details				2
Service Schedule (System Printed Schedule)				2
Public Liability Cover (General, Material Damage & Buss Interruption, Motor Fleet)				6
			0	16

Letter of Good Standing:				
(Pest & D/Clean, Hygiene Equip Rental Service & Maint, Med Waste Collection)				6
Certificates (SAPCA, NPMA)				4
PCO Registration Certifcate				2
B-BBEE Verification Certificate & Document				2
			0	14

2) Control Documents	Yes	No	Score	Total Score
Sanitech Sustainability Report				2
Contract Correspondence				1
			0	3

3) Service Procedures	Yes	No	Score	Total Score
Pest Prevention Protocol & Policy & Service Procedures				4
Prevention for Rodents				2
Prevention for Crawling Insects				2
Prevention for Flying Insects				2
Rodent Control				2
Cockroach Control				2
Fly Control				2
Occasional Pest Control				2
Stored Product Pest Control				2
Ant Control				2
Fogging / Fumigation Notice				4
Thermal Fogging Checklist				2
APL - Approved Product List				2
			0	30

4) Site Layout Plan	Yes	No	Score	Total Score
Signed and Dated with Legend				3
			0	3

5) Log Sheets

	Yes	No	Score	Total Score
Monitoring Log Sheets (Rodents, Cockroaches, Flying Insects, SPI's)				2
Pesticide Usage Log Sheet (Rodents, Cockroaches, Flying Insects, SPI's)				2
Bait Station Checklist				2
Fly Unit Record				2
Rodent Trend Analysis				2
Cockoach Trend Analysis				2
Occasional Pest Trend Analysis				2
Consolidated Trend Report				2
			0	16

6) Treatment Reports

	Yes	No	Score	Total Score
Treatment Reports Completed in Full (As required by form)				4
Corrective Action Reports				2
			0	6

7) Audit Reports **Last Audit Date: _____/_____/______**

	Yes	No	Score	Total Score
Quarterly Audit Report on File				2
			0	2

8) Pest Sighting Log Sheet

	Yes	No	Score	Total Score
Pest Sighting Log Sheet Completed by Client				2
			0	2

9) Material Safety Data Sheets - (MSDS)

	Yes	No	Score	Total Score
MSDS Available for all Preps according to Scope & Spec and Treatment Reports				10
			0	10

Corrective Action Required:

1) ______________________
2) ______________________
3) ______________________
4) ______________________
5) ______________________
6) ______________________
7) ______________________
8) ______________________
9) ______________________
10) ______________________
11) ______________________
12) ______________________
13) ______________________
14) ______________________
15) ______________________

Walk the Interior of the Facility:

All pest control devices are identified correctly on the floor plan.				2
All devices are placed in accordance with the auditor's requirements.				2
All devices conform to the auditor's requirements.				2
			0	6

	Yes	No	Score	Total Score
All interior devices are serviced on the required frequency				2
All devices are labelled with service information.				2
Insect Light Traps, if used, are properly positioned.				2
On-site pest control chemicals are stored securely.				2
			0	8

Walk the Exterior of the Facility:

	Yes	No	Score	Total Score
All devices are identified correctly on the floor plan.				2
All devices are placed in accordance with the auditor's requirements.				2
All devices conform to the auditor's requirements.				2
All rodent bait stations are tamper-resistant and secured to the ground.				2
All exterior devices are serviced at least monthly.				2
All devices are labeled with service information.				2
Rodent baits are in good shape and not heavily damaged /missing.				2
Rodent bait stations are free of decomposed rodents or other animals.				2
All unnecessary exterior openings are sealed.				2
Rodent burrows are eliminated from the property.				2
Bird nests are eliminated from the property.				2
Bird exclusion tactics are in place, if required by auditor.				2
			0	24

Review the Interior and Exterior of the Facility:

	Yes	No	Score	Total Score
ALL pest control documentation is accessible.				2
Evidence of pest activity is eliminated on the interior.				2
Evidence of pest activity is eliminated on the exterior.				2
The interior of the facility is clean.				2
The exterior of the facility is litter-free.				2
			0	10
TOTAL SCORE	150			0,00%

Corrective Action Required:

1) ____________________
2) ____________________
3) ____________________
4) ____________________
5) ____________________
6) ____________________
7) ____________________
8) ____________________
9) ____________________
10) ____________________
11) ____________________
12) ____________________
13) ____________________
14) ____________________
15) ____________________

Review Auditor's Requirements with Sanitech Service Manager & Pest Specialist.

Signature:____________________ **Date Completed:** ____________________

Regional Technical Manager

Bait station Checklist (Routine Service)

TOXIC BAIT STATIONS

Sanitech
WACO international

Rev: 0

Bait station	Date		Date		Date		Date		Date		Date	
TOXIC												
	Present	Activity	Present	Activity	Present	Activity	Present	Activity	Present	Activity	Present	Activity

Bait station present	✓
Bait station missing	MS
Pest free clear	⦸
Rats present	R
Mice present	M

Stacking	S
Houskeeping	H
Damage	D

Insects/Crickets IC

Cockroach Inspection List (Routine Service)

Sanitech WACO international

Rev: 0

Areas Monitors	Date		Date		Date		Date		Date		Date	
HIGH RISK	Present	Activity	Present	Activity	Present	Activity	Present	Activity	Present	Activity	Present	Activity

Cockroach monitor present		✓	Stacking	S
Cockroach monitor missing		MS	Houskeeping	H
Pest free clear		⊘	Damage	D
Infestation Present		C		

INTEGRATED PEST MANAGEMENT
PESTICIDE USAGE LOG SHEET

Client Name: ______________________

Rev: 0

PESTICIDE TRADE NAME USED	L/REG NUMBER	TARGET PEST	QUANTITY USED	DILUTION RATE	APPLIED LOCATION	APPLICATION METHOD	APPLICATION TIME	APPLICATION DATE	TREATMENT REPORT NO	SIGNATURE / P REGISTRATION NR
							:			
							:			
							:			
							:			
							:			
							:			
							:			
							:			
							:			
							:			
							:			
							:			
							:			
							:			
							:			
							:			
							:			

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WACO international

PEST SIGHTING LOG SHEET

Rev 0

SIGHTING DATE	SIGHTING TIME	PEST SIGHTED	LOCATION OF SIGHTING	SIGHTED BY NAME & SURNAME	SERVICE SPECIALIST	DATE NOTED	TIME NOTED	ACTION TAKEN	ACTION REPORT	SIGNED OFF

PEST SPECIES LEGEND: Rat - 1 / Mouse - 2 / Cockroach - 3 / Fly - 4 / Weevils & Beetles - 5 / Fleas - 6 / Ticks, Lice, Mites - 7 / Bees - 8 / Ants - 9 / Other - 10
ACTION TAKEN LEDGEND: Inspected & Monitor - IM / Inspected & Treated - IT / Monitoring Traps Placed - MTP / Follow-Up - FU

INTEGRATED PEST MANAGMENT
TREND REPORT

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WACO international

Rev: 0

PEST TREND REPORT

SIGNATURE:																																									
Pest	Quantity	Date				COUNT	Date				COUNT	Date				COUNT	Date				COUNT	Date				COUNT	Date				COUNT	Date				COUNT	Date				COUNT
Week		1	2	3	4		1	2	3	4		1	2	3	4		1	2	3	4		1	2	3	4		1	2	3	4		1	2	3	4		1	2	3	4	
Rats	10 to 15																																								
	5 to 10																																								
	1 to 05																																								
	0																																								
Mice	10 to 15																																								
	5 to 10																																								
	1 to 05																																								
	0																																								
Cockroach	10 to 15																																								
	5 to 10																																								
	1 to 05																																								
	0																																								
SPI	10 to 15																																								
	5 to 10																																								
	1 to 05																																								
	0																																								
Ants	10 to 15																																								
	5 to 10																																								
	1 to 05																																								
	0																																								
Birds	10 to 15																																								
	5 to 10																																								
	1 to 05																																								
	0																																								

TOLERANCE LEVEL, OVER LINE FOLLOW UP TREATMET MUST BE CONDUCTED BY PCO

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WACO international

Rev: 0

Thermal Fogging Checklist

#	Item	Yes	No	If No, Please supply a reason	Signed off
1	Safety check of furniture and office equipment				
2	Fogging equipment in good working order				
3	Fire cloth and fire extinguisher on hand				
4	Fire brigade notified				
5	Smoke detection system deactivated				
6	Air conditioning switched off				
7	All staff evacuated				
8	Neigbouring companies checked and notified				
9	Fogging route and escape route planned				
10	Ventallation and re-entry discussed (client)				
11	Checklist signed by all parties				

PCO: ______________________ **Client:** ______________________

Date: ______________________

* The above checklist is in place to ensure safety on site. Should any of the actions not be completed (and agreed by the client),Sanitech can not be held responsible should something happen.

Sanitech

PEST CONTROL

VEHICLES & STORAGE

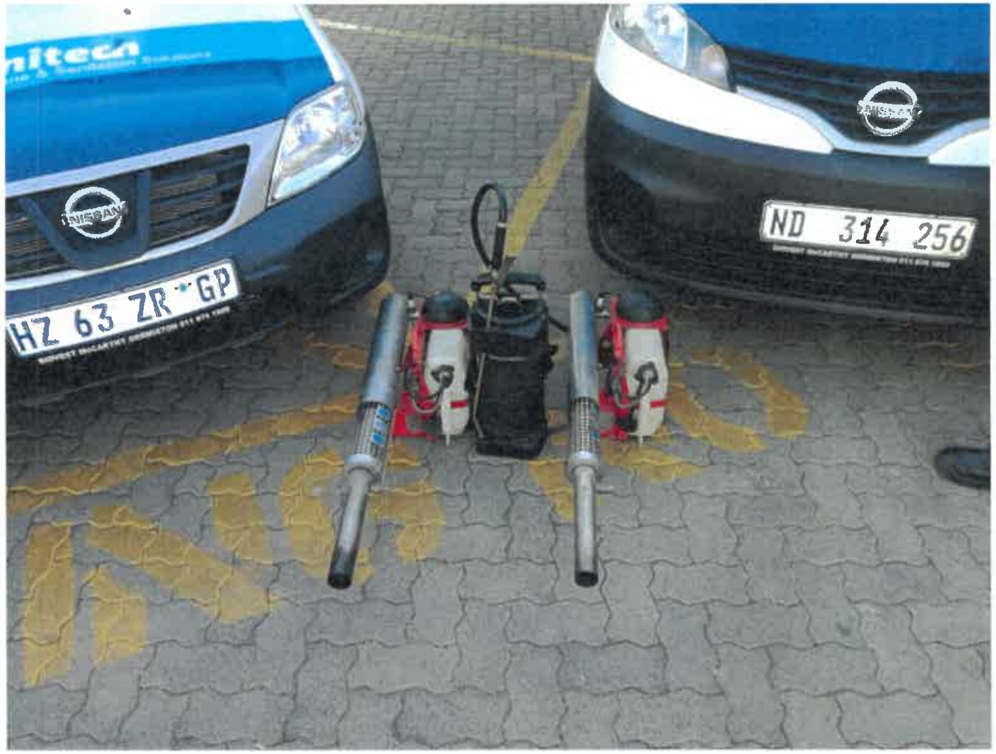
We are WACO

VEHICLES

Sanitech

We are WACO

VEHICLES



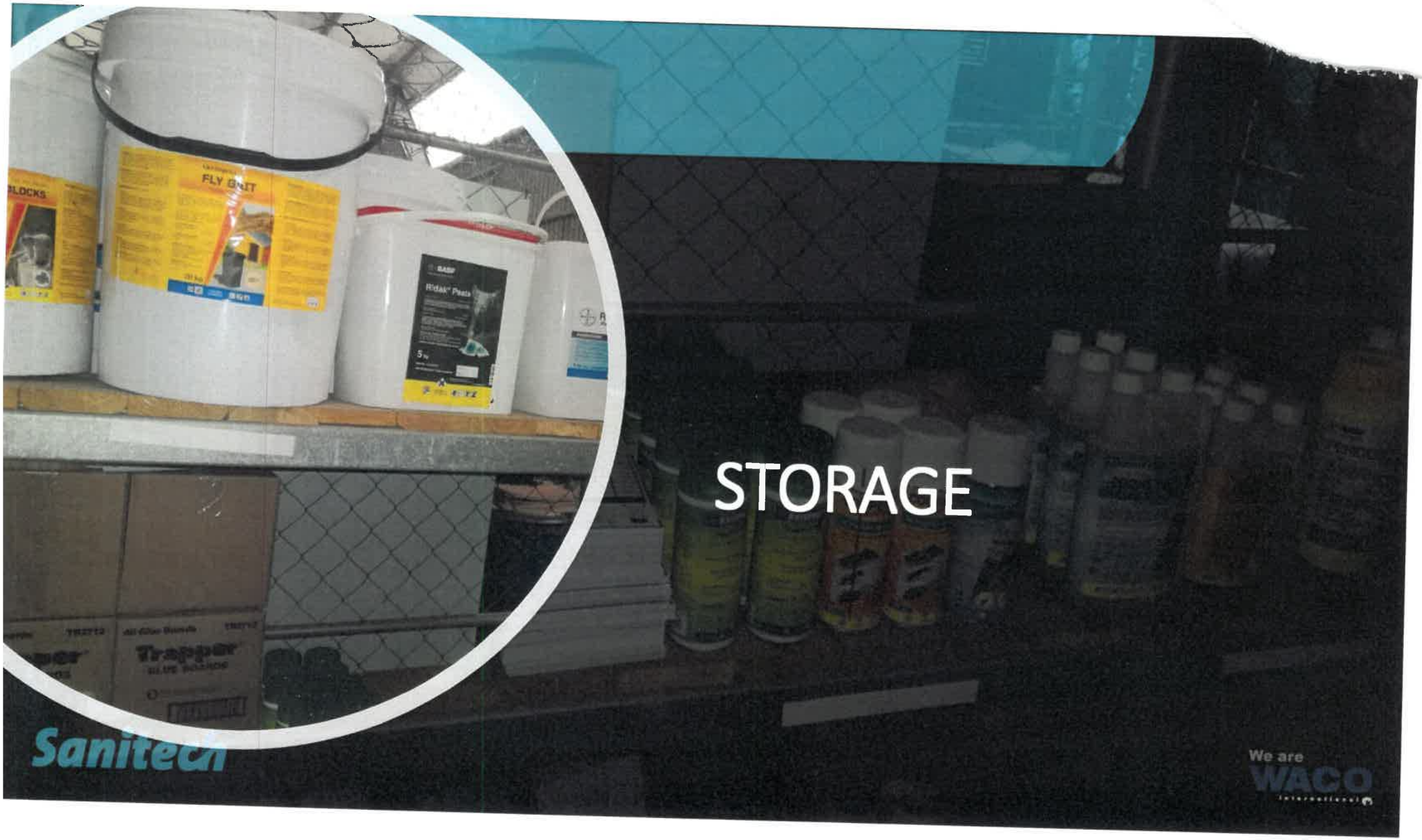
Sanitech

We are WACO International


DANGER
DANGER
WEAR GOGGLES & RUBBER GLOVES
DANGER
CHEMICAL STORAGE AREA
UNAUTHORIZED PERSONS KEEP OUT
DANGER
POISON GAS
DANGER
PESTICIDE STORAGE
DANGER
CHEMICAL UNLOADING AREA AUTHORIZED PERSONNEL ONLY
TOXIC GAS
2
CORROSIVE
8


NO PILING OF BOXES IN FRONT OF SIGN
DANGER
DO NOT ENTER
PERSONNEL ONLY
DANGER
PESTICIDE STORAGE
DANGER
HAZARDOUS CHEMICALS
DANGER
POISON GAS
DANGER
WEAR GOGGLES & RUBBER GLOVES
DANGER
DANGER

STORAGE


STORAGE
FLY BAIT
BLOCKS
Ridak Paste
Trapper
Sanitech
We are
WACO

Construction Industry Development Board

DEVELOPMENT THROUGH PARTNERSHIP

construction industry development board

Home

Contractor Detail

Print

Contractor Detail

CRS Number:	137275	Status:	Active
Contractor Name:	WACO AFRICA (PTY) LTD	Type of Enterprise:	Private Company
Trading Name:	ABACUS, FORMSCAFF,SGB CAPE	Expiry Date:	2022/10/16

Contractor Grades

Grade:	9GB, Update Date: 2019/10/16
Grade:	9ME, Update Date: 2019/10/16
Grade:	9SL, Update Date: 2019/10/16

Back

Website technical enquires contact

Waco Africa Proprietary Limited

Consolidated and Separate Annual Financial Statements

for the year ended 30 June 2020

Audited

Prepared by: B Cohn

Waco Africa Proprietary Limited
(Registration number : 2012/000665/07)

Annual financial statements
for the year ended 30 June 2020

Contents

The financial statements of Waco Africa Proprietary Limited have been audited in compliance with Section 30 of the Companies Act of South Africa and where published on the 17th of September 2020.

Directors' responsibility statement

for the year ended 30 June 2020

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements of Waco Africa Proprietary Limited, comprising the statements of financial position at 30 June 2020, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and the directors' report.

The directors are also responsible 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, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the group and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead. Refer to note 35 for management assessment of how the Covid-19 pandemic effected the group and its subsidiaries and how management responded to ensure the sustainability of the business.

The auditor is responsible for reporting on whether the consolidated and separate financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of consolidated and separate annual financial statements

The consolidated and separate annual financial statements of Waco Africa Proprietary Limited, as set out on pages 11 to 103, were approved by the board of directors on 09 September 2020 and are signed by:

M G Els
Authorised director

S J M Goodburn
Authorised director

Certificate of the company secretary

In my opinion as company secretary, I hereby confirm, in terms of the Companies Act, that for the year ended 30 June 2020, the company has lodged with the Companies and Intellectual Property Commission all such returns as are required of a company in terms of this Act and that all such returns are true, correct and up to date.

M R Towler
Company secretary

The directors have pleasure in presenting their report for the year ended 30 June 2020.

Overview

Waco Africa Proprietary Limited ("Waco Africa") is a subsidiary of Waco International Holdings Proprietary Limited ("Waco"). Waco is a diversified equipment hire and industrial services business operating in the following key geographies: South Africa; other sub-Saharan Africa (SSA), Northern Africa; Australasia (Australia and New Zealand); and the United Kingdom. The Group has core product offerings in forming, shoring and scaffolding (FSS), relocatable and modular buildings (R&MB) and portable sanitation (PS), and it has growing businesses in integrated hygiene services (IHS), rope access, suspended platforms and aerial work platforms (AWP). The group's hire fleet comprises more than 100,000 tonnes of scaffolding, approximately 43,000 tonnes of formwork, in excess of 6 000 relocatable modular buildings, approximately 25 000 toilets and 200 AWP's. The Group's business operates through a network of more than 110 branches from which it services over 15,000 customers, including a significant number of "blue chip" multinational and national companies and government agencies in a wide variety of industries, such as infrastructure, mining and resources, oil and gas, power generation, construction and engineering, industrial maintenance, education, healthcare and events.

The scale, diversity and quality of the hire fleet, the branch footprint and human capital are Waco International's most valuable assets and represent a competitive advantage. The Group is able to selectively pursue contracts in locations where conditions favour its product and service offering, and deploy resources from underperforming operations to areas of growth. It invests in research and development in new products, services and ways of operating to ensure it continually optimises, expands and innovates to attract new customers. Waco International's established core businesses in South Africa and Australasia are market leaders, while Premier Modular in the UK has a niche, growing position. In these markets, the Group grows profits by optimising the size and location of its branch network, leveraging operational efficiencies and managing the cost to serve.

Waco provides a range of products and services through its Africa and International business segments as set out below:

- the Africa segment consists of: (i) Form-Scaff, SGB-Cape and SkyJacks, Waco's African FSS business units; (ii) Abacus, Waco's African R&MB business unit; and (iii) Sanitech, Waco's PS and IHS business unit.
- the International segment consists of: (i) the Kwikform Group, comprised of Kwikform, Star Scaffolding in Australia and APL and United Scaffolding in New Zealand, Waco's Australasian FSS business unit; and (ii) Premier, Waco's UK R&MB business units;

Overview of Waco Africa's performance

Since 31 December 2019, the spread of Covid-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for indefinite 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 slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions.

Although these are unfortunate times and the group did experience a decline in profits, management where able to negate this decline through a number of initiatives. The group is robust and has some exposure to essential service sectors. This assisted in softening the blow of the partial or full lockdown in the geographies in which the group operates.

The various initiatives and actions taken by management aimed at reducing spend and protecting liquidity included;

- ✓ A groupwide salary and wage cut for the three months ended 30 June 2020
- ✓ Successfully tapping into government initiatives
- ✓ Cost reduction through restructure of our Form-Scaff business
- ✓ Successful renegotiation of South African and covenant renegotiations in an environment that was heavily impacted upon by Covid-19
- ✓ Development of 4 new products focused on benefiting from challenges created due to the impact of Covid-19; and
- ✓ Introduced new service offering -decontaminations

Despite the Covid-19 pandemic and the continued deterioration of the economies in which the group trades, Waco Africa remains a profitable business that has delivered attractive returns over the past five years.

During 2020, the Group's diversification strategy, along with its disciplined execution of projects and heightened focus on improving operational efficiencies, reducing spend, managing liquidity and managing cost to serve, mitigated the impact of Covid-19 and the pre-existing challenging operating conditions present in Africa.

The Group's track record of strong growth and cash generation has supported substantial historic investment into a diversification strategy that has resulted in a stronger and more robust business and results for the current year are still positive despite the various challenges faced by the group.

Outlook

The coronavirus pandemic is delivering one of the, if not the fastest and most severe, economic shocks in the history of the world. Every component of economic activity has been negatively affected. The situation is moving too fast for official data to keep up, so we are reliant on piecemeal leading information to draw conclusions on the likely impacts on the economy.

The arrival of Covid-19 has resulted in ineffectiveness of the 'normal' economic predictions the group would ordinarily rely on. The uncertainty in terms of growth, market, currency, commodity, etc. result in predictions that are fraught with potential error. These predictions also change relatively quickly depending on the latest initiatives Government introduce and the latest view taken by Scientists. The predictions are that some sort of 'bounce back' from this predicament will occur but this all depends on how long various lock downs are enforced and when the economies fully open for business again.

As a result of the pandemic, the global economy is projected to contract by –3% percent in 2020, this is far worse than during the 2008/09 financial crisis. In a baseline scenario-which assumes that the pandemic fades in the second half of 2020 and containment efforts can be gradually unwound—the global economy is projected to grow by 5.8% percent in 2021 as economic activity normalizes, helped by policy support.

In the markets we serve, the outlook is mostly negative. Uncertainty stemming from the downturn and the political instability and lack of policy reform in South Africa are clouding economic projections. We will also see a slowdown in the economic growth of most of the Sub-Saharan countries we operate in which will impact on returns.

The Group generates most of its revenue from contracting and rental services that offers annuity type income over periods ranging from six months to two years. This, to some extent, provides a buffer against cyclical industries such as the struggling construction sector in South Africa.

Currently, about 66% of the group's EBITDA is generated in South Africa, whose economy remains stagnant, with low growth projections on a macroeconomic scale and decreasing year on year investment in gross fixed capital formation.

The Groups long-term strategy is to continue to diversify the group by taking advantage of opportunities in new and established markets and geographies to a particularly where there is growing demand for our diversified equipment rental and industrial products and services.

It is clear from the preceding information that, in the main, the economic environment will remain an even greater challenge for at least the next 18 to 24 months and we recognize that only the most robust, agile, adaptive, and forward-thinking companies will survive these unprecedented times. As a group we will continue to focus on cash management, managing capex and ensuring our debt levels remain at manageable levels.

Update on Grayston bridge collapse

Almost five years have passed since the Grayston Bridge incident. The Section 32 Enquiry was completed in September 2018 with all closing arguments being submitted. The report has been finalised with two contraventions of the Occupational Health and Safety (OHS) Act. It is believed by the legal team that there is very little risk of these contraventions by Form-Scaff being pursued as they were not factors which contributed to the collapse. The impact thereof is assessed to be immaterial to the group.

Update on potential restructuring due to Competition Commission Review

The group has been the supplier of access scaffolding, insulation and related services, on four power stations, through a long-term maintenance contracts with Eskom for several years. During 2015 the contract was put out on tender. Our submission of bids through joint ventures with various BBBEE partners has been perceived by the customer as anti-competitive behaviour. The group was reported in 2016 to the South African Competitions Commission for a review and the contract was awarded to external parties. Management successfully challenged the unfair award of the contract and successfully won an interdict to this in court during the year. Management do not believe that the way the group submitted these tenders constitutes anti-competitive behaviour and has received legal advice that supports this stance.

The matter has yet to be heard by the competition court, despite Eskom withdrawing their complaint in 2017. The matter is currently set down for mid-October 2020 but due to the lack of progress and information from the Competition Commission we believe that this matter will be postponed to 2021. The financial impact of the outcome of this matter remains uncertain.

High Court Interdict against Eskom Award

Eskom notified us of their intention not to award any power stations to SGB-Cape or any of the JV's which were formed to further Eskom's objectives. In response to this, the group successfully lodged an urgent interdict in 2016 against the customer to overturn the award to said external parties until Eskom was able to prove to the High Court that they applied their minds in making these awards and that these awards were fair as well as proving that the exclusion of all SGB-Cape bids was correct in law. If the review was unfavourable, the group will be forced to demobilise on these sites and to downsize the related division within the group.

The High Court Hearing was held in September 2019 and the ruling received in December. The verdict, in favour of Waco Africa, was that the CORP 3130 tender should be set aside together with any appointments made by Eskom under this tender and Eskom to pay the costs of the application.

As a result of the above the previous tender was extended up to 31 December 2020 which includes the maintenance by SGB-Cape on 4 power stations. Management have developed a formal plan for the restructure and have raised an appropriate provision for the demobilisation of the sites for when the contract comes to an end and this matter has been formally communicated to all employees of the affected division.

Subsidiaries

Details of the company's material subsidiaries are set out in Annexure B of these financial statements.

Share capital

The Company has 10 179 542 issued ordinary shares of no par value and 535 765 ordinary A shares of no par value in issue as at 30 June 2020.

Dividends

No dividend was declared during the year (2019: R nil).

Subsequent events

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report which requires adjustment to or disclosure in these financial statements.

Directors

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

S J M Goodburn
M G Els
G M Slabbert (Alternate to M G Els)
S P Burnett
P D Ngcobo
B Tlhabanelo
N D Khoele
N Mothejoa (nee'Tshongweni)
D Padiachy (Appointed 01 July 2020)

Prescribed officer

The prescribed officer in office at the date of this report is:

B Cohn

Company secretary

The company secretary at the date of this report is M R Towler.

Registered address:

Woodmead Office Park
14 Stirrup Lane
Off Van Reenens Avenue
Woodmead
2191
South Africa

Postal address:

Postnet Suite # 108
Private Bag X23
Gallo Manor
2052
South Africa

Holding company

The company's immediate holding company is Waco SA Securities Proprietary Limited, a company incorporated in the Republic of South Africa. The company's ultimate holding company is Waco International Holdings Proprietary Limited, a company incorporated in the Republic of South Africa.

Independent auditor's report

To the Shareholders of Waco Africa Proprietary Limited

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Waco Africa Proprietary Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Waco Africa Proprietary Limited's consolidated and separate financial statements set out on pages 11 to 103 comprise:

- the consolidated and separate statements of financial position as at 30 June 2020;
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies;

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 consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group 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).*

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Private Bag X36, Sunninghill, 2157, South Africa
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Waco Africa Proprietary Limited Consolidated and Separate Annual Financial Statements for the year ended 30 June 2020", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

The directors are responsible for the preparation and fair presentation of the consolidated and separate 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and 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 Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 Group's and 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 Group's and 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 consolidated and separate 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 Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: PDP Vermeulen
Registered Auditor
Waterfall City
17 September 2020

Waco Africa Proprietary Limited
(Registration number : 2012/000665/07)

Statements of profit or loss and other comprehensive income
for the year ended 30 June 2020

		Group		Company	
R thousand	*Note*	**2020**	**2019**	**2020**	**2019**
Revenue	2	3 031 903	3 024 855	2 135 523	2 210 906
Cost of sales	3	(1 848 485)	(1 966 236)	(1 287 069)	(1 346 913)
Gross profit		1 183 418	1 058 619	848 454	863 993
Other income	4	45 058	2 258	31 775	2 258
Distribution expenses		(584 958)	(516 857)	(461 784)	(392 362)
Administration expenses		(206 181)	(189 005)	(127 467)	(109 328)
Expected credit losses *(IFRS 9)* *	33	(48 645)	(38 993)	(31 956)	(32 807)
Other operating expenses	5	(18 288)	(5 985)	(60 000)	(30 970)
Results from operating activities	6	370 404	310 037	199 022	300 784
Finance expense	7	(175 503)	(142 778)	(169 763)	(142 446)
Finance income	7	7 756	5 123	15 165	16 458
Foreign exchange loss	7	39 461	(22 013)	41 668	(23 865)
Net finance expense	7	(128 286)	(159 668)	(112 930)	(149 853)
Profit before income tax		242 118	150 369	86 092	150 931
Income tax	8	(58 025)	(48 601)	(52 210)	(47 519)
Profit for the year		184 093	101 768	33 882	103 412
Other comprehensive income					
Items that will be reclassified subsequently to profit and loss					
Foreign currency translation differences	7	(12 282)	(18)	(1 403)	(2 716)
Other comprehensive income for the year		(12 282)	(18)	(1 403)	(2 716)
Total comprehensive income for the year		171 811	101 750	32 479	100 696
Profit attributable to:					
Owners of the company		145 892	121 101	33 882	103 412
Non-controlling shareholders		38 201	(19 333)	-	-
		184 093	101 768	33 882	103 412
Total comprehensive income attributable to:					
Owners of the company		133 610	121 083	32 479	100 696
Non-controlling shareholders		38 201	(19 333)	-	-
		171 811	101 750	32 479	100 696

** Reclassified for enhanced disclosure*

Waco Africa Proprietary Limited
(Registration number : 2012/000665/07)

Statements of financial position
as at 30 June 2020

R thousand	*Note*	Group 2020	Group 2019	Company 2020	Company 2019
Assets					
Equipment for hire	10	1 144 745	1 173 536	960 261	1 034 265
Property, plant and equipment	11	137 387	109 914	100 398	82 260
Right of use asset (IFRS 16)	11.3	271 336	-	263 541	-
Investments in subsidiaries	12	-	-	11 147	13 490
Goodwill	13	55 844	57 244	44 134	44 134
Intercompany receivables	34	1 516 496	1 413 397	1 681 838	1 698 070
Intangible assets	14	1 666	223	1 276	223
Deferred tax assets	23	3 950	3 076	-	-
Total non-current assets		3 131 424	2 757 390	3 062 595	2 872 442
Inventories	17	166 414	130 014	109 380	94 102
Trade and other receivables	18	560 068	708 806	596 874	678 277
Income tax assets		54 485	20 307	30 081	3 632
Cash and cash equivalents	19	360 328	90 026	226 026	-
		1 141 295	949 153	962 361	776 011
Assets classified as held for sale		-	4 826	-	4 826
Total current assets		1 141 295	953 979	962 361	780 837
Total assets		4 272 719	3 711 369	4 024 956	3 653 279
Equity					
Stated ordinary share capital	20	1	1	1	1
Stated preference share capital	21	99 723	99 723	99 723	99 723
Foreign currency translation reserve		5 120	17 402	(4 211)	(2 808)
Retained earnings		1 857 565	1 711 673	1 749 791	1 715 909
Total equity attributable to equity holders of the group		1 962 409	1 828 799	1 845 304	1 812 825
Non-controlling interest		8 152	(30 049)	-	-
Total equity		1 970 561	1 798 750	1 845 304	1 812 825
Interest bearing borrowings	22	1 112 282	1 240 972	1 112 282	1 240 972
Lease Liability (IFRS 16)	22	195 664	-	198 775	-
Deferred tax liability	23	110 669	81 537	125 121	99 854
Intercompany payables	34	16 284	13 543	37 243	29 146
Long-term straight-line lease accrual		-	14 211	-	14 211
Employee benefits	26	12 888	10 398	12 887	10 399
Long term contingent consideration		5 000	10 000	-	-
Total non-current liabilities		1 452 787	1 370 661	1 486 308	1 394 582
Bank overdraft	19	-	50 086	-	50 086
Trade and other payables	24	335 981	294 876	240 774	208 010
Derivative liabilities	15	6 528	7 102	6 528	7 102
Employee benefits	26	75 311	45 640	63 683	39 268
Provisions	25	18 187	17 390	17 203	16 406
Current portion of interest-bearing borrowings	22	292 731	125 000	261 247	125 000
Current portion of lease liabilities (IFRS 16)	22	115 837	-	103 909	-
Income tax payable		4 796	1 864	-	-
Total current liabilities		849 371	541 958	693 344	445 872
Total liabilities		2 302 158	1 912 619	2 179 652	1 840 454
Total equity and liabilities		4 272 719	3 711 369	4 024 956	3 653 279

Waco Africa Proprietary Limited
(Registration number : 2012/000665/07)

Statements of changes in equity
for the year ended 30 June 2020

R thousand

Group	Stated ordinary share capital	Stated preference share capital	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 30 June 2018	1	99 723	17 420	1 590 572	1 707 716	(10 716)	1 697 000
Total comprehensive income for the year							
Profit for the year	-	-	-	121 101	121 101	(19 333)	101 768
Other comprehensive income							
Foreign currency translation	-	-	(18)	-	(18)	-	(18)
Total comprehensive income for the year	-	-	(18)	121 101	121 083	(19 333)	101 750
Transactions with owners recorded directly in equity							
Balance at 30 June 2019	1	99 723	17 402	1 711 673	1 828 799	(30 049)	1 798 750
Total comprehensive income for the year							
Profit for the year	-	-	-	145 892	145 892	38 201	184 093
Other comprehensive income							
Foreign currency translation	-	-	(12 282)	-	(12 282)	-	(12 282)
Total comprehensive income for the year	-	-	(12 282)	145 892	133 610	38 201	171 811
Balance at 30 June 2020	1	99 723	5 120	1 857 565	1 962 409	8 152	1 970 561

** Less than a R'000*

Waco Africa Proprietary Limited
(Registration number : 2012/000665/07)

Statements of changes in equity
for the year ended 30 June 2020

R thousand

Company	Stated ordinary share capital	Stated preference share capital	Foreign currency translation reserve	Retained earnings	Total
Balance at 30 June 2018	1	99 723	(92)	1 626 869	1 726 501
Adjustment to retained earnings with the implementation of IFRS 9 and IFRS 15	-	-	-	(14 372)	(14 372)
Total comprehensive income for the year					
Profit for the year	-	-	-	103 412	103 412
Other comprehensive income					
Foreign currency translation	-	-	(2 716)	-	(2 716)
Total comprehensive income for the year	-	-	(2 716)	103 412	100 696
Balance at 30 June 2019	1	99 723	(2 808)	1 715 909	1 812 825
Total comprehensive income for the year					
Profit for the year	-	-	-	33 882	33 882
Other comprehensive income					
Foreign currency translation	-	-	(1 403)	-	(1 403)
Total comprehensive income for the year	-	-	(1 403)	33 882	32 479
Balance at 30 June 2020	1	99 723	(4 211)	1 749 791	1 845 304

Waco Africa Proprietary Limited
(Registration number : 2012/000665/07)

Statements of cash flows
for the year ended 30 June 2020

R thousand	*Note*	Group 2020	Group 2019	Company 2020	Company 2019
Cash flows from operating activities					
Operating cash flow before working capital changes	27	653 996	428 846	513 389	422 245
Working capital changes	28	157 985	(40 177)	104 363	43 344
Finance income received		5 335	3 277	5 197	16 458
Finance expense paid		(127 125)	(140 668)	(83 292)	(168 635)
Income tax paid	29	(65 143)	(62 791)	(55 493)	(58 758)
Net cash from operating activities		625 048	188 487	484 164	254 654
Cash flows from investing activities					
Additions of property, plant and equipment	11	(20 957)	(20 466)	(17 846)	(16 031)
Additions of equipment for hire	10	(59 022)	(126 174)	(58 711)	(147 619)
Proceeds from disposal of property, plant and equipment		14 880	10 084	14 199	9 343
Proceeds from disposal of equipment for hire		56 222	39 917	57 804	59 558
Acquisition of business	9	(36 936)	-	(36 936)	-
Disposal of investment		-	432	-	432
Net cash used in investing activities		(45 813)	(96 207)	(41 490)	(94 317)
Cash flows from financing activities					
Interest bearing borrowings raised	22	90 000	-	90 000	-
Interest bearing borrowings repaid	22	(125 000)	(110 000)	(125 000)	(110 000)
Payment of lease liabilities IFRS 16		(127 945)	-	(116 017)	-
Amount raised to group companies companies		(100 494)	(46 386)	(15 545)	(130 543)
Net cash used in financing activities		(263 439)	(156 386)	(166 562)	(240 543)
Net increase/(decrease) in cash and cash equivalents		315 796	(64 106)	276 112	(80 206)
Cash and cash equivalents at 1 July		39 940	107 316	(50 086)	30 120
Effect of exchange rate fluctuations on cash held		4 592	(3 270)	-	-
Cash and cash equivalents at 30 June	19	360 328	39 940	226 026	(50 086)

1. Significant accounting policies

The accounting policies set out below have been applied consistently by all group entities to all periods presented in these financial statements.

Standards and amendments adopted by the group:

The group has implemented the application of IFRS 16 *Leases*. The group has to change its accounting policies following the adoption of IFRS 16. The implementation of IFRS 16 has a material impact on the amounts recognised in current periods and are expected to significantly affect the future periods. Detail of the impact is disclosed in note 11,22 and 38.

Standards and amendments in effect but did not have any impact on amounts recognised in prior periods and are not expected to significantly affect current of future periods.

- IFRIC 23 Uncertainty over Tax Treatments
- Prepayment Features with Negative Compensation (Amendments to IFRS 9)
- Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)
- Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)
- Annual Improvements to IFRS Standards 2015–2017 Cycle –various standards
- Amendments to IFRS 3 and IFRS 11 dealing with changes in group composition
- Amendment to IAS 12 Income taxes, clarifying current and deferred tax on dividends
- Amendment to IAS 23 Borrowing costs clarifying general borrowings

Reporting entity

Waco Africa Proprietary Limited (the "company") is a company domiciled in South Africa. The address of the company's registered office is disclosed in the directors' report included in the front of the annual report. The consolidated financial statements as at and for the year ended 30 June 2020 comprises the company and its subsidiaries (together referred to as the "group" and individually as "group entities").

1.1 Basis of preparation

1.1.1 *Statement of compliance*

The group and company financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS's"), its interpretations adopted by the International Accounting Standards Board, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and requirements of the Companies Act of South Africa. The group and company financial statements of Waco Africa Proprietary Limited were approved and authorised for issue by the board of directors on 09 September 2020 and are signed by M G Els and S J M Goodburn, authorised directors.

1.1.2 *Basis of measurement*

The group and company financial statements are prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as detailed in the accounting policies below.

1.1.3 *Functional and presentation currency*

The group and company financial statements are presented in South African Rands, which is the presentation currency of the company and group. The functional currency of the company is South African Rands. All the financial information presented in South African Rands has been rounded to the nearest thousand unless indicated otherwise.

1.1.4 *Use of estimates and judgements*

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

1. Significant accounting policies ***(continued)***

1.2 Basis of consolidation

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects

both current and future periods. Areas where estimates and judgement are applied by management in applying accounting policies are set out in note 1.22.

Business combinations

The group accounts for business combinations using the acquisition method when control is transferred to the group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Subsidiaries

Subsidiaries are entities controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The results of subsidiaries acquired or disposed of during the year are included in the group financial statements from the effective date of acquisition and up to the effective date of loss of control, as appropriate.

Investments in subsidiaries are accounted for in the financial statements of the company at cost less accumulated impairment losses.

Non-controlling interest

Non-controlling interest (NCI) are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interest in equity-accounted investees

The group's interests in equity-accounted investees relate to interests in associates and a joint venture. Associates are those entities in which the group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the group has joint control, whereby the group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

1. Significant accounting policies *(continued)*

Interest in equity-accounted investees (continued)

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Joint arrangements

A joint arrangement is where the parties are bound by a contractual arrangement which gives of those parties joint control of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The accounting treatment in the financial statements of the joint controller (venture or operator) depends on the type of joint arrangement (joint venture or joint operation):

Joint Ventures

Joint ventures are accounted for using the equity method in IAS 28 (the same as for associates discussed in above) unless the entity is exempted from applying the equity method as specified in IAS 28.

The assets, liabilities and transactions arising from joint operations are accounted for using other IFRSs usual but are included at the joint operator's proportionate share of those assets, liabilities and transactions (revenue and expenses) for those items incurred jointly (referred to as "proportionate consolidation").

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.2.1 *Goodwill*

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired. Goodwill is measured as the excess of the sum of the fair value of the consideration transferred, the recognised amount of any non-controlling shareholder interest and the fair value of the acquirer's previously held equity interest in the acquiree over the net amounts (generally fair value) of the identifiable assets acquired and the liabilities assumed as recognised on the date of acquisition.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units expected to benefit from the synergies of the business combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to other assets on a pro-rata basis, based on the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1. Significant accounting policies *(continued)*

1.2.2 *Acquisition from entities under common control*

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the group are accounted for as transactions with equity holders. As a result, no gain or loss on such changes is recognised in profit or loss but rather in equity. In addition, no change in the carrying amounts of assets including goodwill or liabilities is recognised as a result of such transactions.

1.2.3 *Foreign operations*

The separate financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the group financial statements, the results and financial position of each group entity are presented in South African Rands, which is the presentation currency of the group.

For the purpose of presenting group financial statements, the assets and liabilities of the group's foreign operations are translated to South African Rands using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless significant transactions occurred during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity.

On the disposal of a foreign operation all the accumulated exchange differences in respect of that operation attributable to the group are reclassified to profit or loss. In the case of a partial disposal (not loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange difference is reclassified to non-controlling shareholder interest and is not reclassified in profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate at the end of the reporting period.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in the group financial statements in other comprehensive income, and presented in the foreign currency translation reserve in equity.

1.3 Equity

1.3.1 *Ordinary stated share capital*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

1.3.2 *Preference shareholder capital*

Preference shareholder capital is classified as equity if it is non-redeemable, or redeemable only at the company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity upon approval by the group's shareholders.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognised as finance expense in profit or loss as accrued.

1.3.3 *Treasury shares*

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity.

1. Significant accounting policies *(continued)*

1.4 Property, plant and equipment

Items of property, plant and equipment are measured at historical cost, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised within other operating expense or other income in profit or loss.

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Subsequent expenditure is capitalised only if it is probably that the future economic benefits associated with the expenditure will flow to the group.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the group will obtain ownership by the end of the lease term in which case they are depreciated over the expected useful life. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Property	50	years
Plant and machinery	5–10	years
Motor vehicles	4–5	years
Computers, furniture and office equipment	3–7	years
Leasehold improvements	5–10	years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

1.5 Equipment for hire

Equipment for hire is treated in the same manner as property, plant and equipment (refer to 1.4).

Scaffolding, shoring and formwork, modular buildings, motorised equipment and other equipment held for hire are depreciated using the straight-line method at rates determined by conditions in the relevant industries and considered appropriate to reduce the value of the assets to their residual values over their estimated remaining useful lives.

The following current estimated useful lives are used to depreciate the assets:

Scaffolding, shoring and formwork	5–40	years
Modular buildings	15	years
Sanitation equipment	2–10	years
Motorised equipment	10–15	years

Scaffolding, shoring and formwork equipment, modular buildings, sanitation equipment and motorised equipment are constantly refurbished and maintained, with the resulting expense charged to profit or loss.

The residual values, depreciation methods and useful lives of equipment for hire are reassessed annually.

In the course of the group's ordinary activities, high volumes of hire equipment are required to be regularly moved to and from construction sites. Furthermore, the group routinely sells items of equipment for hire that it has held for rental to others and transfers such assets to inventories at their carrying amount when they cease to be rented and become held for sale.

1. Significant accounting policies *(continued)*

1.6 Leases

Policy applicable before 1 July 2019

1.6.1 *Operating leases as lessee*

Leases where the lessor retains the risks and rewards of ownership of the underlying asset are classified as operating leases and the leased assets are not recognised on the group's statement of financial position. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the period of the lease.

1.6.2 *Finance leases as lessee*

Leases that transfer substantially all the risks and rewards of ownership of the underlying asset to the group are classified as finance leases. Assets acquired in terms of finance leases are capitalised at the lower of fair value and the present value of the minimum lease payments at inception of the lease and depreciated over the estimated useful life of the asset. Finance lease assets are treated in accordance with the accounting policy applicable to that asset. The capital element of future obligations under the leases is included as a liability in the statement of financial position. Lease payments are allocated using the effective interest method to determine the lease finance cost, which is recognised in profit or loss over the lease period, and the capital repayment, which reduces the liability to the lessor.

Policy applicable from 1 July 2019

From 1 July 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of fixed monthly lease payments (including in-substance fixed payments), less any lease incentives receivable. The groups leasing arrangements are predominantly vanilla in nature. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets of the group are depreciated over the shorter of the lease term and the useful life of the asset on a straight-line basis.

Payments associated with all leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Assets below R100k *(Low-value assets)* comprise IT equipment and small items of office furniture.

The group has also considered extension and termination options in a number of property and equipment leases but will not exercise these option based on a probability analysis performed on the likelihood of these extensions and/or terminations.

IFRS 16 allows for the provision of residual value guarantees in relation to equipment lease to optimise lease costs during the contract period – however the group has chosen to not apply this option with the implementation of IFRS 16.

1. Significant accounting policies *(continued)*

1.7 Intangible assets

1.7.1 *Intangible assets acquired in a business combination*

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at fair value at the acquisition date. Subsequent to initial recognition, intangible assets acquired in a business combination are measured at cost less accumulated amortisation and accumulated impairment losses.

Other intangible assets not acquired through business combinations, includes customer relationships, distribution agreement and software have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

1.7.2 *Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated intangible assets are recognised in profit or loss.

1.7.3 *Amortisation*

For other intangible assets with finite useful lives amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss.

The estimated useful lives for current periods are as follows:

Customer relationships:	5 years
Software:	3 years
Distribution agreement:	6 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

1.8 Impairment

1.8.1 *Financial assets*

The group recognises loss allowances for Expected Credit Losses (ECLs) on financial assets at amortised cost. Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. *See note 1.12.3* on trade receivables for further information.

Loss allowances for advances to subsidiaries are calculated using a probability weighted basis for lifetime ECLs.

1.8.2 *Non-financial assets*

The carrying amounts of the group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. The recoverable amount is the higher of its fair value less costs to sell and its value in use. For goodwill, the recoverable amount is estimated at each reporting date.

In assessing value in use, the expected future cash flows from the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

1. Significant accounting policies *(continued)*

1.8.2 *Non-financial assets (continued)*

For an asset that does not generate cash inflows that are largely independent of those from other assets the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is recognised in profit or loss whenever the carrying amount of the cash-generating unit exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

For goodwill, a recognised impairment loss is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount, and there is an indication that the impairment loss may have reversed, but not to an amount higher than the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years.

1.9 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition, and is determined using the first-in, first-out method. The cost of work-in-progress finished goods and contracts-in-progress includes direct costs and an appropriate allocation of overheads based on normal production levels. Obsolete, redundant and slow-moving inventories are identified on a regular basis and are written-down to their estimated net realisable values.Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

1.10 Contract assets and contract liabilities

The timing of revenue recognition, billings and cash collections results in billed, accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the Consolidated Statement of financial position.

Contract revenue amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., biweekly or monthly) or upon achievement of contractual milestones.

Generally, billing occurs after revenue recognition, resulting in contract assets. However, the group sometimes receives advances or deposits from customers, particularly on larger and longer-term contracts, before revenue is recognised, resulting in contract liabilities presented within trade and other payables.

Construction assets are presented as part of trade and other receivables in the statement of financial position. If payments received from customers exceed the revenue recognised, then the difference is presented as deferred income within trade and other payables.

1.11 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments, net of bank overdrafts, all of which are available for use by the group and have maturities of three months or less from the date of acquisition.

1.12 Financial instruments

1.12.1 Recognition and initial Measurement

Financial instruments, consisting of financial assets and financial liabilities, carried at the reporting date by the group include cash and cash equivalents, trade receivables, trade payables, borrowings, bank overdrafts and derivative instruments such as an interest rate swap. Trade receivables and trade payables exclude prepayments and certain statutory and employee-related payables for the purposes of financial instruments.

1. Significant accounting policies *(continued)*

1.12 Financial instruments *(continued)*

1.12.1 **Recognition and initial Measurement *(continued)***

Trade receivables are initially recognised when the right to consideration is unconditional, in conjunction with IFRS 15. All other financial assets and liabilities are recognised on the statement of financial position when the group and company become a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

1.12.2 Classification and subsequent measurement of Financial Assets

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

The group does not hold any debt or equity investments and therefore these items are not considered or dealt with further.

Assessing the solely payments of principal and interest (SPPI) criterion

In order for a financial asset to qualify for amortised cost or FVOCI it needs to give rise to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding. This assessment is colloquially referred to as the SPPI test. It is performed at an instrument level.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

The trade receivables of the group only involve a single cash flow - the payment of the amount resulting from a transaction in the scope of IFRS 15, which is deemed to be the principal, as stated above.

1. Significant accounting policies *(continued)*

1.12 Financial instruments *(continued)*

Assessing the solely payments of principal and interest (SPPI) criterion (continued)
Therefore, the cash flows resulting from the receivables meet the SPPI test of payments of principal and interest despite the interest component being zero in most cases.

Bank and cash are short term in nature and interest income is earned on amounts deposited with the bank. The group recognises these balances at its contractual par amount.

The bank balances involve one single cash flow which is the repayment of the principal plus interest accrued at the effective rate. Therefore, the cash flows resulting from these deposits meet the SPPI test of payments of principal and interest.

The contractual cash flows for trade receivables and bank and cash consists solely of principal and interest.

IFRS 9 "Business model" assessment

In addition to the results from the SPPI test, the classification is dependent on the business model under which the group holds the financial assets. An entity's business model for managing financial assets refers to how an entity manages its financial assets in order to generate cash flows. That is, the entity's business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both.

A business model is typically observable through particular activities undertaken by an entity to achieve its objective, such as how its performance is evaluated, how its managers are remunerated and how its risks are managed, plus the frequency and magnitude of sales.

Amortised cost business model

The group operates an amortised cost business model for financial assets other than derivatives. Trade and other receivables as well as bank and cash are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

The group's business model is to hold these assets in order to collect contractual cash flows, provided they pass the SPPI test mentioned above.

Receivables, arising from the revenue generated, are collected from customers and are based on the agreed contractual terms. This forms an integral component of working capital and credit risk management as well as cash generation for the group.

In re-affirming our assessment, we considered:
- the time value of money
- credit risk
- terms that limit the group's claim to cash flows
- liquidity risk
- administration costs and
- profit margins applied

The group's policy for trade receivables is therefore to hold the receivables to collect the contractual cash flows. Therefore, they are classified at amortised cost.

The group also holds bank and cash deposits in order to collect the contractual cash flows. These are also classified as measured at amortised cost.

Amortised cost financial assets are subsequently measured using the effective interest method and are subject to the impairment requirements in IFRS 9.

Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Gains and losses are recognised in profit or loss when the instrument is derecognised or impaired.

1. Significant accounting policies *(continued)*

1.12 Financial instruments *(continued)*

Assessing the solely payments of principal and interest (SPPI) criterion

Other business models

IFRS 9 requires financial assets to be measured at FVTPL if they are not held within either a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. The group holds a derivative financial instrument – Interest rate swap.

The interest rate swap (derivative liability) failed the SPPI test. Therefore, this derivative financial instrument continues to be FVTPL. *To be noted that the contract expires on the 30th of September 2020 and will revert to zero on that date.*

On initial recognition, the group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. This was not applicable for the year.

Financial assets are classified as current assets if they are expected to be realised within 12 months of the reporting date.

1.12.3 *Trade Receivables*

Trade receivables are recognised at the transaction price as measured and defined in IFRS 15, Revenue from contracts with customers and subsequently measured at amortised cost using the effective interest method, less provision for impairment as explained above.

The group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires lifetime credit losses to be recognised from initial recognition of all receivables and contract assets.

Credit risk is the risk of financial loss to the group if a customer fails to pay their debt or counterparty to a financial instrument fails to meet its contractual obligations i.e. recovering our cash from deposits held with banks. The group considers it has two types of credit risk; operational and financial.

Operational credit risk relates to non-performance by customers in respect of trade and other receivables.

Financial credit risk – is assessed in further detail in *note 33.*

The group's credit risk arises principally from receivables due from customers.

1.12.4 *Financial Liabilities*

Non-Derivative Financial Liabilities

The group classifies non-derivative financial liabilities into the following categories: financial liabilities at fair value through profit or loss and financial liabilities measured at amortised cost.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognitions as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on liabilities held for trading are recognised in profit or loss.

1. Significant accounting policies *(continued)*

1.12 Financial instruments *(continued)*

Financial liabilities measured at amortised cost

The group classifies non-derivative financial liabilities into the other financial liability's category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities measured at amortised cost comprise interest bearing borrowings, bank overdrafts, other long term liabilities, loans from subsidiaries and trade and other payables.

1.12.5 *Derivative financial instruments*

Derivative financial instruments are accounted for in the same manner as non-derivative financial assets and liabilities held for trading at fair value through profit or loss.

The group makes use of interest rate swap contracts as described above. The interest rate swap contract fair values are calculated using the effective yield curve valuation method.

Gains and losses arising from a change in the fair value of derivative instruments are included in finance expense or income in profit and loss in the period in which the change arises.

11.12.6 *Offset*

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the group or company has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.13 Revenue

Revenue comprises rentals, sales of goods, contract revenue and services to customers, and excludes Value Added Tax. Sales within the group are eliminated on consolidation.

The group's revenue can be disaggregated into the following main revenue streams:

Hire and Hire related services: Hire and hire related services are accounted for under IFRS 16 and is recognised in profit and loss on a straight-line basis over the term of the rental. Hire revenue was previously recognised under IAS 17, though on the same basis.

Revenue generated from hire related services is measured under IFRS 15 but is disclosed with hire revenue as the revenue is generated from one contract agreement and seen to be one performance obligation. Revenue from hire related services is only as a result of the rental of the related equipment and therefore not disclosed separately in the financial statements.

Sale of goods: Sales of goods are recognised under IFRS 15, sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion of the usage of the projects, and there is no unfulfilled obligation which could affect the customers' acceptance of the products and when the entity has a present right to payment for the asset.

Delivery occurs when the products are either shipped to a specific location or collected by the customer, the risks have been transferred and the customer has accepted the products in accordance with the sales agreement.

A receivable is recognised when control transfers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Where the sale of goods requires installation/erection, control is transferred to the customer over a period of time. Revenue is recognised as work progresses using an output method in accordance with agreed-upon contractual terms. The amount of revenue and corresponding receivable are recognised based on surveys/milestones, as per the contract, performed by Waco and by the customer.

Where surveys/milestones reached indicate that revenue is to be recognised but has not been invoiced, a receivable is recognised.

1. Significant accounting policies *(continued)*

1.13 Revenue *(continued)*

No element of financing is deemed present as the sales are typically made with a credit term of 30 days from invoice date, which is consistent with market practice. The group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.

Contracts with customers: Contracts with customer are also accounted for under IFRS 15 and are billed as work progresses using an output method in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., biweekly or monthly) or upon achievement of contractual milestones. The recognised amount includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred using the output method per the standard.

1.14 Finance income and expense

1.14.1 *Finance income*

Finance income comprises interest income on funds invested and changes in the fair value of financial assets and liabilities at fair value through profit or loss. Finance income is recognised as it accrues in profit or loss, using the effective interest method.

1.14.2 *Finance expense*

Finance expense comprises interest expense on borrowings and changes in the fair value of financial assets and liabilities at fair value through profit or loss and is recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis and included in finance income or expense.

1.15 Income tax

Income tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investment in subsidiaries and equity-accounted investees to the extent that they will probably not reverse in the foreseeable future and the group is able to control the timing of the reversal of the temporary difference. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the reporting date. The effect on deferred tax of any changes in tax rates is recognised in profit or loss, except to the extent that it relates to items previously charged or credited directly to equity or other comprehensive income.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Dividends withholding tax is a tax on shareholders receiving dividends and is applicable to all dividends declared on or after 1 April 2012. The company withholds dividends tax on behalf of its shareholders at a rate of 20% on dividends declared. Amounts withheld are not recognised as part of the company's tax charge but rather as part of the dividend paid recognised directly in equity. Where withholding tax is withheld on dividends received, the dividend is recognised at the gross amount with the related withholding tax recognised as part of tax expense unless it is otherwise reimbursable in which case it is recognised as an asset.

1. Significant accounting policies *(continued)*

1.16 Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Other exchange differences are recognised net in the finance expense or finance income line of profit or loss in the period in which they arise.

1.17 Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will occur, and where a reliable estimate can be made of the amount of the obligation. Where the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for restructuring is recognised when the group has approved a detailed and formal restructuring plan and raised a valid expectation that it will carry out the restructuring. Future operating losses are not provided for.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. An impairment loss on the assets associated with the contract is recognised before a provision is established.

1.18 Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised costs using the effective interest method.

1.19 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period

1.20 Contingencies

Contingent liabilities are not recognised in the financial statements. Contingent liabilities are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities associated with acquired businesses are however recognised at fair value on acquisition. After initial recognition the contingent liabilities recognised separately as a result of a business combination are recognised at the higher of the amount that would be recognised in accordance with provisions (see note 1.17) and the initial amount recognised less cumulative amortisation recognised in terms of the revenue recognition principles.

Contingent assets are not recognised in the financial statements but disclosed when they are material and an inflow of economic benefits is probable.

1. Significant accounting policies *(continued)*

1.21 Employee benefits

1.21.1 Short term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service.

The accruals for employee entitlements to wages, salaries, bonuses, and annual leave represent the amount, which the group has a present obligation to pay as a result of employees' services provided until the reporting date. The accruals have been calculated at undiscounted amounts based on current wage and salary rates. Leave pay accrual is calculated based on total cost to company.

1.21.2 Other long- term employee benefits

Other long-term employee benefits are defined as all employee benefits other than short term employee benefits, post-employment benefits or termination benefits and include items such as long-service leave and profit-sharing based remuneration, provided the benefit is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

The group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

1.21.3 Post-employment benefits

1.21.3.1 *Defined contribution plans*

A defined contribution plan is a post-employment plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

1.21.3.2 Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognised termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

1.21.4 Share appreciation rights and weighted growth appreciation rights.

The fair value of the amount payable to employees in respect of share appreciation rights (SARs) and weighted growth appreciation rights (WGARs), which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs and WGARs. Any changes in the liability are recognised in profit or loss.

1. Significant accounting policies *(continued)*

1.22 Non-current assets (or disposal groups) held-for-sale and discontinued operations

Non-current assets (or disposal groups) are classified as held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held-for-sale continue to be recognised.

Non-current assets classified as held-for-sale and the assets of a disposal group classified as held-for-sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held-for-sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held-for-sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

1.23 Estimations and judgements applied by management in applying accounting policies

The following estimations or judgements which could have a significant effect on the 2020 results were made by management in applying the accounting policies at 30 June 2020.

The impact of Covid-19 increased the estimation uncertainty and judgement that management had to apply when performing impairment assessments where required. Management followed a scenario analysis approach to assess possibly outcomes to mitigate the risk of uncertainty that Covid-19 could potentially have on the cash-generating units within the group.

1.23.1 *Impairment of obsolete inventory*

Management identifies obsolete inventory on a continuing basis. The identification is based on the age and condition of the specific inventory items. Once identified the inventory is impaired to reflect the lower of cost and net realisable value. This estimate could however change based on market conditions.

1.23.2 *Impairment of trade receivables*

Trade receivables are recognised at the transaction price as measured and defined in IFRS 15, Revenue from contracts with customers and are subsequently measured at amortised cost using the effective interest method, less provision for impairment as explained above.

The group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires lifetime credit losses to be recognised from initial recognition of all receivables and contract assets. *Refer to note 33 credit risk assessment.*

1.23.3 *Impairment of goodwill*

Management reviews the carrying value of goodwill at each reporting date with reference to both the underlying net asset value of the operation to which the goodwill relates and the estimated recoverable amount, being the higher of the value in use and the fair value less costs to sell. Management believe that the basis used and assumptions upon which the recoverable amount is calculated are reasonable.

1.23.4 *Impairment of intangibles*

Management reviews the carrying value of intangible assets if there is an indication of impairment, using the approximate revenue streams that are derived from that asset or the cash generating unit of which that asset forms a part.

1. Significant accounting policies ***(continued)***

1.23 Estimations and judgements applied by management in applying accounting policies *(continued)*

1.23.5 *Property, plant and equipment, hire equipment and intangible assets*

The Group reviews and tests the carrying value of hire-equipment when events or changes in circumstances suggest that the carrying amount may not be recoverable by comparing the recoverable amounts to these carrying values.
Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of recoverable amounts of each group of assets.

The recoverable amounts of cash-generating units ("CGU") and individual assets have been determined based on the higher of value-in-use and fair value less cost of disposal ("FVLCOD") calculations. Expected future cash flows used to determine the value in use or FVLCOD of hire equipment is inherently uncertain and could materially change over time.

When determining the value in use, management applies significant judgement to forecasting future cash flows and determining the appropriate discount and growth rates to be applied.

1.23.6 *Taxation*

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain. The group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcomes of these matters are different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The group recognises the net future tax benefit related to deferred tax assets to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Assessing the recoverability of deferred tax assets requires the group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets recorded at the reporting date could be impacted.

1.23.7 Impairment of Investments in subsidiaries

Management reviews the carrying value of investments in subsidiaries at each reporting date with reference to the underlying asset value of the investments. Management believe that the basis used and assumptions upon which the assessment is performed are reasonable.

1.23.8 Useful life assessment

Management reviews the depreciation methods, useful lives and residual values of each asset category within Hire Equipment and Property, plant and Equipment on an annual basis and adjusts these rates if appropriate. Management applies judgement in determining whether these rates are still reasonable.

1.23.9 Extension and termination options (IFRS 16)

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise and extension option, or not exercise a termination option. Extension options are included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is with the control of the lessee.

1.23.10 Loan facilities

The new refinancing agreements in relation to the long-term borrowings of the group had substantially and materially been agreed prior to 30 June 2020 and only administrative issues delayed the sign-off of these agreements until the 24th of July.

Management has made a judgement that the delay is only administrative in nature, as disclosed above, due to the following factors:

- All draft agreements were finalised and ready for signing by the 5th of June 2020;
- Signing of these agreements were only delayed to the 24th of July, as a result of the practical element of getting all parties together, *in the current Covid-19 environment*, to sign-off on these agreements;

2. Revenue

R thousand	Group 2020	Group 2019	Company 2020	Company 2019
Hire and hire related services *(IFRS 16/IAS17 & IFRS 15)*	1 179 353	1 332 673	1 041 786	1 165 080
Sale of goods *(IFRS 15)*	293 617	203 450	217 204	227 645
Contract revenue *(IFRS 15)*	1 558 933	1 488 732	876 533	818 181
	3 031 903	3 024 855	2 135 523	2 210 906

A. Disaggregation of revenue

In the following tables, all revenue streams as disclosed above are disaggregated by primary geographical region according to their timing and according to their nature and also includes a reconciliation of the disaggregated revenue with the group's different product lines for the year ended 30 June 2020.

R thousand	Group 30 June 2020	Group 30 June 2019	Company 30 June 2020	Company 30 June 2019
Primary geographical markets				
South Africa	2 786 685	2 591 761	2 135 523	2 210 906
Sub Saharan Africa	245 218	433 094	-	-
	3 031 903	3 024 855	2 135 523	2 210 906

R thousand	Group 30 June 2020	Group 30 June 2019	Company 30 June 2020	Company 30 June 2019
Timing of revenue recognition				
At a point in time (*Sale of goods*)	293 617	203 450	217 204	227 645
Over time (*Renting of hire equipment and contract revenue*)	2 738 286	2 821 405	1 918 319	1 983 261
	3 031 903	3 024 855	2 135 523	2 210 906

Included in revenue recognized over time is revenue recognised under IFRS 16 – revenue derived from hire is recognised over the period of the lease.

Group

R thousand
30 June 2020

		Forming, shoring, scaffolding and related services	Modular buildings, sanitation and related services
Product lines			
Africa	3 031 903	2 224 577	807 326

30 June 2019

		Forming, shoring, scaffolding and related services	Modular buildings, sanitation and related services
Product lines			
Africa	3 024 855	2 165 561	859 294

2. Revenue *(continued)*

Company

R thousand
30 June 2020

		Forming, shoring, scaffolding and related services	Modular buildings, sanitation and related services
Product lines			
South-Africa	2 135 523	1 372 805	762 718

30 June 2019

		Forming, shoring, scaffolding and related services	Modular buildings, sanitation and related services
Product lines			
South-Africa	2 210 906	1 412 074	798 832

Revenue comprises rental and related services to customers, sales of goods and contract revenue and excludes Value Added Tax. Sales within the group are eliminated on consolidation.

B. Assets and liabilities related to contracts with customers

The following section provided information about receivables, contract assets and contract liabilities:

Group

Contract assets and liabilities *(note 18 and note 24)*	30 June 2020	30 June 2019
Contract assets*	176 351	246 563
Contract liabilities	4 889	8 546

Company

Contract assets and liabilities *(note 18 and note 24)*	30 June 2020	30 June 2019
Contract assets*	94 304	87 212
Contract liabilities	4 735	7 248

**Unconditional rights to consideration are presented separately as a receivable. A right to consideration is unconditional if only the passage of time is required before payment is due. Although the group has an enforceable right to payment for performance completed to date, it does not necessarily have a present unconditional right to consideration until goods are actually delivered and invoiced.*

2. Revenue *(continued)*

B.1 Changes in contract assets and liabilities

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the statement of financial position.

For the group contract revenue amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., biweekly or monthly) or upon achievement of contractual milestones.

Generally, billing occurs subsequent to revenue recognition, resulting in contract assets. However, the group sometimes receives advances or deposits from customers, particularly on larger and longer-term contracts, before revenue is recognized, resulting in contract liabilities.

These assets and liabilities are reported on the statement of financial position on a contract-by-contract basis at the end of each reporting period.

For our hire and shorter-term contracts, the group generally receives deposits from customers upon contract execution and upon achievement of contractual milestones. These deposits are returned when revenue is recognized.

C. Contract costs

No such incremental costs were incurred that may qualify for capitalisation under IFRS 15.

D. Performance obligations and revenue recognition policies

For an extended description of the nature and timing of the satisfaction of performance obligations in contracts with customers including the group's accounting policies and assessments regarding the timing of and method adopted for revenue recognition transaction price and variability, payment terms, warranties and significant judgements when applying IFRS 15.

3. Cost of sales

R thousand	Group 2020	Group 2019	Company 2020	Company 2019
Hire and hire related services	(599 738)	(701 884)	(542 986)	(649 636)
Cost of goods sold	(190 368)	(131 800)	(150 728)	(156 663)
Cost of sales - contract revenue	(1 058 379)	(1 132 552)	(593 355)	(540 614)
	(1 848 485)	(1 966 236)	(1 287 069)	(1 346 913)

4. Other income

R thousand	Group 2020	Group 2019	Company 2020	Company 2019
Insurance claim proceeds	2 498	423	2 498	423
Bargain gain on Doka Acquisition	41 587	-	27 398	-
Profit distribution from associate	-	-	984	-
Other	973	1 835	895	1 835
	45 058	2 258	31 775	2 258

5. Other operating expenses

	Group		Company	
R thousand	2020	2019	2020	2019
Amortisation of intangible assets	(287)	(25)	(219)	(25)
Impairment of goodwill	(1 400)	(4 000)	-	-
Impairment of investment in Form-Scaff Ghana Limited	-	-	(2 343)	-
Legal fees	(2 536)	(5 499)	(2 536)	(5 499)
Acquisition of business costs including Doka integration costs	(9 308)	-	(9 308)	-
Reversal of earn-out provision	1 400	4 000	-	-
Retrenchment costs	(6 027)	-	(5 444)	-
Impairment of intercompany loans (*ECL*)	-	-	(40 108)	(24 985)
Other	(130)	(461)	(42)	(461)
	(18 288)	(5 985)	(60 000)	(30 970)

6. Results from operating activities

R thousand	Group 2020	Group 2019	Company 2020	Company 2019
The following items were charged (credited) to results from operating activities:				
Depreciation				
- property, plant and equipment	33 649	32 279	24 638	22 972
- equipment for hire	110 243	131 613	117 875	112 488
- right of use asset IFRS 16	115 602	-	104 366	-
Amortisation of intangible assets	287	25	219	25
(Profit) on disposal of				
- property, plant and equipment	(7 826)	(5 186)	(7 888)	(5 343)
- equipment for hire	(8 645)	(4 976)	(932)	(14 470)
Operating lease expense *	5 866	143 390	5 866	140 036
Impairment of equipment for hire	33 587	19 485	33 523	23 049
Reversal of impairment on equipment for hire	(14 006)	(24 506)	(14 027)	(21 890)
Professional fees	10 494	6 345	10 112	6 247
Tax services	845	761	845	761
Auditors remuneration	5 281	4 243	4 085	3 540
Audit fee	5 281	4 243	4 085	3 540
Employee costs	1 338 828	1 356 553	1 325 215	1 339 982
Salaries and wages	1 275 420	1 291 695	1 261 807	1 275 124
Defined contribution expense	64 314	63 910	64 314	63 910
Remeasurement of provision for ESOP trust bursaries	(1 847)	(518)	(1 847)	(518)
Long term employee benefit scheme	941	1 466	941	1 466
Other expenses not separately disclosed *(of which the majority relates to cost of sales not shown above)*	1 016 264	1 012 833	273 268	241 967
Total Cost of Sales, Administration and distribution expenses	2 639 624	2 672 098	1 876 320	1 848 603

* The group and company applied IFRS 16 - Leases for the first time from 1 July 2019. The comparatives distinguish between operating (expensed) and finance (capitalised) leases. Current year charges include low value lease expenses as applied under the new adopted accounting policies.

7. Net finance (expense)/income

R thousand	Group 2020	2019	Company 2020	2019
Interest expense on financial liabilities measured at amortised cost	(123 736)	(131 438)	(122 468)	(131 438)
Interest on IFRS 16 lease liability	(34 896)	-	(33 183)	-
Interest expense on interest rate swaps	(7 003)	(3 781)	(7 003)	(3 781)
Interest expense on bank overdraft	(2 686)	(2 375)	(2 297)	(2 374)
Interest on Doka acquisition	(5 309)	-	(3 056)	-
Other interest expense	(1 873)	(1 601)	(1 756)	(1 270)
Fair value loss on financial instrument at fair value through profit and loss	-	(3 583)	-	(3 583)
Finance expense	(175 503)	(142 778)	(169 763)	(142 446)
Interest income on bank deposits	4 663	3 277	4 147	843
Interest income on intercompany trade receivables	-	-	7 546	12 523
Fair value loss on financial instrument at fair value through profit and loss	2 421	-	2 421	-
Other interest income	672	1 846	1 051	3 092
Finance income	7 756	5 123	15 165	16 458
Net foreign exchange gain/(loss)	39 461	(22 013)	41 668	(23 865)
Net finance expense	(128 286)	(159 668)	(112 930)	(149 853)
The above financial income and expense include the following in respect of assets (liabilities) not at fair value through profit and loss:				
Total interest income on financial assets	5 335	5 123	12 744	16 458
Total interest expense on financial liabilities	(135 298)	(139 195)	(133 524)	(138 863)
Recognised directly in other comprehensive income				
Foreign currency translation differences from the translation of foreign operations	(12 282)	(18)	(1 403)	(2 716)

8. Income tax

R thousand	Group 2020	Group 2019	Company 2020	Company 2019
Current tax	30 306	48 095	27 315	34 533
- Current year	29 597	44 752	27 315	31 007
- Prior year under provision	709	3 343	-	3 526
Deferred tax	27 719	506	24 895	12 986
- Current year	24 183	4 110	21 429	16 312
- Change in unrecognised temporary differences	-	(1 342)	-	-
- Prior year under provision	3 536	(2 262)	3 466	(3 326)
	58 025	48 601	52 210	47 519

8.1 The reconciliation of the effective rate of tax with the statutory tax rate is as follows:

	Group 2020 %	Group 2019 %	Company 2020 %	Company 2019 %
Effective tax rate	23.97	32.32	60.64	31.48
Adjusted for:				
Permanent differences:				
Impairment of investment	-		(0.76)	
Impairment of intercompany loans (ECL)	-	-	(13.04)	(4.64)
Other non-deductible expenses	3.76	0.96	(2.09)	1.29
Prior year adjustment	(1.46)	(0.70)	(4.03)	(0.13)
IFRS 16 impact	(4.65)	-	(12.72)	-
Recognition of previously unrecognised deferred tax asset		(5.90)	-	-
Utilised tax losses	5.22	-	-	-
Foreign tax expense	1.16	1.32	-	-
Statutory tax rate	28.00	28.00	28.00	28.00

9. Acquisition of business

On 1 August 2019 Waco Africa Proprietary Limited acquired the assets and liabilities of Doka South Africa Proprietary Limited (Doka) and its subsidiaries, Nigeria and Mozambique.

Doka and its subsidiaries operate as concrete formwork equipment suppliers via rental and sale.

The acquisition is expected to increase the group's market share through access to technologically advanced products and reduce costs through economies of scale.

Details of the purchase consideration, the net assets acquired, and bargain gain are as follows:

Total

R thousand	2020	Doka South Africa	Doka Nigeria	Doka Mozambique
Consideration transferred				
Cash	36 936	36 936	-	-
Borrowings owing to Doka	63 582	39 998	8 584	15 000
Total purchase consideration	100 518	76 934	8 584	15 000

Per the business transfer agreements for South Africa, Nigeria and Mozambique, the purchase consideration is the amount equal to the following values as at 1 August 2019:

- The aggregate book values of the utilised equipment the fixed assets and intangible assets with the business acquired; less
- The aggregate face values of the account's payables; less
- The aggregate amount of the seller's liabilities to the employees (excluding notional severance pay); less
- The aggregate amounts of any damages to the hire fleet and the aggregate amount in relation to the leases.

The purchase considerations are payable in three equal instalments. on the following dates for all cash generating units namely:

- 2 January 2020;
- 1 July 2020; and
- 1 October 2020.

As the purchase consideration was not paid on acquisition date the group calculated the present value of the purchase considerations applying the group weighted average cost of capital. The total aggregate value of the assets of the South Africa, Nigeria and Mozambique assets totalled to R105 m and was discounted to R100 m, with the time value of money having a R5 m effect on the purchase consideration at acquisition date.

9. Acquisition of business *(continued)*

Identifiable assets acquired and liabilities assumed

R thousand	*Note*	2020	Doka South Africa	Doka Nigeria	Doka Mozambique
Assets					
Equipment for hire	10	73 225	60 386	-	12 839
Property, plant and equipment	11	41 877	26 630	1 085	14 162
Intangible assets	14	1 718	1 273	162	283
Inventories		25 304	16 380	8 628	296
Trade and other receivables		1 802	963	839	-
		143 926	105 632	10 714	27 580
Liabilities					
Trade and other payables		1 339	942	276	120
Deferred tax liabilities	23	481	356	45	79
		1 820	1 298	321	199
Fair value of Identifiable assets		142 106	104 334	10 393	27 381
Bargain Gain purchase					
Bargain gain was recognised as a result of the acquisition as follows:					
Total consideration transferred		(100 518)	(76 934)	(8 584)	(15 000)
Fair value of identifiable net assets		142 106	104 333	10 394	27 380
	4	41 587	27 398	1 810	12 380

For the 11 months ended 30 June 2020, Doka contributed revenue of R95million and EBIT of R6,2million to the Group's results.

Bargain purchase was recognised as a result of the Group paying significantly less for the assets acquired from Doka compared to the fair value of these assets.

10. Equipment for hire

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Group					
Cost					
Balance at 1 July 2018	1 633 126	984 313	197 407	272 600	178 806
Additions	126 174	76 766	10 174	31 945	7 289
Reclassifications	-	-	-	-	-
Disposals	(77 315)	(49 892)	(3 173)	(22 217)	(2 033)
Transfer to inventory	(1 308)	-	(1 267)	-	(41)
Acquisition of business	-	-	-	-	-
Effect of movements in exchange rates	(12 028)	(10 104)	(1 649)	(275)	-
Balance at 30 June 2019	1 668 649	1 001 083	201 492	282 053	184 021
Balance at 1 July 2019	1 668 649	1 001 083	201 492	282 053	184 021
Additions	59 022	25 228	4 652	28 483	659
Reclassifications	(65)	-	-	-	(65)
Disposals	(64 802)	(34 506)	(5 952)	(18 818)	(5 526)
Transfer to inventory	1 295	1 300	-	-	(5)
Acquisition of business	73 225	73 225	-	-	-
Effect of movements in exchange rates	18 701	19 695	(820)	(174)	-
Balance at 30 June 2020	1 756 025	1 086 025	199 372	291 544	179 084

Certain equipment for hire has been pledged to secure certain interest-bearing borrowings (see Annexure A).

10. Equipment for hire *(continued)*

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Group *(continued)*					
Accumulated depreciation and impairment losses					
Balance at 1 July 2018	413 046	195 813	44 062	137 200	35 971
Depreciation for the year	131 613	54 085	15 073	45 939	16 516
Impairment loss	(5 021)	(5 037)	16	-	-
Disposals	(42 375)	(20 512)	(1 396)	(20 029)	(438)
Reclassifications	(42)	-	(42)	-	-
Effect of movements in exchange rates	(2 108)	(1 762)	(191)	(155)	-
Balance at 30 June 2019	495 113	222 587	57 522	162 955	52 049
Balance at 1 July 2019	495 113	222 587	57 522	162 955	52 049
Depreciation for the year	110 243	34 291	13 751	45 506	16 695
Impairment loss	19 581	19 597	(16)	-	-
Disposals	(16 271)	6 236	(1 510)	(17 888)	(3 109)
Reclassifications	-	-	-	-	-
Effect of movements in exchange rates	2 614	2 846	(181)	(51)	-
Balance at 30 June 2020	611 280	285 557	69 566	190 522	65 635
Carrying amounts					
At 30 June 2019	1 173 536	778 496	143 970	119 098	131 972
At 30 June 2020	1 144 745	800 468	129 806	101 022	113 449

10. Equipment for hire ***(continued)***

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Company					
Cost					
Balance at 1 July 2018	1 416 570	791 227	186 441	259 473	179 429
Additions	147 619	101 254	7 958	31 118	7 289
Reclassifications	-	-	-	-	-
Disposals	(89 845)	(64 596)	(2 664)	(20 552)	(2 033)
Disposal of business	-	-	-	-	-
Transfer to inventory	(233)	-	(192)	-	(41)
Balance at 30 June 2019	1 474 111	827 885	191 543	270 039	184 644
Balance at 1 July 2019	1 474 111	827 885	191 543	270 039	184 644
Additions	58 711	30 404	2 425	25 223	659
Reclassifications	-	-	-	-	-
Disposals	(68 965)	(44 157)	(3 698)	(15 519)	(5 591)
Transfer to inventory	155	-	160	-	(5)
Acquisition of business	60 386	60 386	-	-	-
Balance at 30 June 2020	1 524 398	874 518	190 430	279 743	179 707

10. Equipment for hire ***(continued)***

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Company *(continued)*					
Accumulated depreciation and impairment losses					
Balance at 1 July 2018	370 603	157 631	43 159	133 880	35 933
Depreciation for the year	112 490	39 149	14 073	42 752	16 516
Impairment loss	1 159	1 159	-	-	-
Disposals	(44 435)	(23 210)	(1 350)	(19 437)	(438)
Transfer to inventory	29	-	29	-	-
Effect of movements in exchange rates	-	-	-	-	-
Balance at 30 June 2019	439 846	174 729	55 911	157 195	52 011
Balance at 01 July 2019	439 846	174 729	55 911	157 195	52 011
Depreciation for the year	117 874	45 994	12 984	42 281	16 695
Impairment loss	19 496	19 496	-	-	-
Disposals	(13 079)	6 807	(1 330)	(15 447)	(3 109)
Transfer to inventory	-	-	-	-	-
Balance at 30 June 2020	564 137	247 026	67 485	184 029	65 597
Carrying amounts					
At 30 June 2019	1 034 265	653 156	135 632	112 844	132 633
At 30 June 2020	960 261	627 492	122 945	95 714	114 110

10. Equipment for hire *(continued)*

10.1

The group and company review and tests the carrying value of hire equipment when events or changes in circumstances suggest that the carrying amount may not be recoverable by comparing the recoverable amounts to these carrying values.

Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of recoverable amounts of each group of assets.

The recoverable amounts of cash-generating units ("CGU") and individual assets have been determined based on the higher of value-in-use and fair value less cost of disposal ("FVLCOD") calculations. Expected future cash flows used to determine the value in use or FVLCOD of hire equipment are inherently uncertain and could materially change over time.

When determining the value in use, management applies significant judgement to forecasting future cash flows and determining the appropriate discount and growth rates to be applied.

The group and company have considered the COVID-19 pandemic and whether this would represent an external indicator of impairment for any of the CGU's within the Group and Company. Although these are unfortunate times, Waco are fortunate that we have a business that is robust and thus has some exposure to essential service sectors, that soften the blow of the partial or full lockdown throughout the geographies in which we operate. Majority of the CGU's within the group, with the exception of Form-Scaff, still delivered exceptional return on net assets management, due to their strong year to date results pre-COVID and their continued activity on essential services.

There is however a demand for short-term funding to cater for working capital requirements and to cover operational losses whilst restructure plans were implemented in Form-Scaff.

At year-end the following indicators of impairment were identified:

(a) *Form-Scaff*

External: The construction sector is likely to remain under pressure for the next 24 months. The infra-structure sector might see some stability however commercial construction will continue to reduce *(circa 30% of Form-Scaff revenue is dependent on construction)*. The anticipated vacancies in retail and office space will curtail most developments in these sectors consequently impacting on Form-Scaff revenue. The recent spate of business rescues and liquidations sees very few large construction companies left in South Africa (SA), the risk is that this work is placed with international contractors looking to take advantage of the gap created. The downturn in the construction sector in SA was exacerbated by the Covid-19 pandemic and the lockdown of the construction sector;

Internal: Restructure of Form-Scaff operations

As a result of the above management have performed an in-depth assessment to determine whether any write-off/impairment existed at 30 June 2020 in Form-Scaff.

No impairment indicators whether through internal or external sources were identified for any of the other CGU's within the group, and consequently no impairment testing was performed on these cash generating units.

The recoverable amount for Form-Scaff has been determined based on the higher of value-in-use and fair value less cost of disposal ("FVLCOD") calculations.

10. Equipment for hire ***(continued)***

To determine whether this CGU may be impaired, the higher of "value in use" ***(defined as: "the present value of future cash flows expected to be derived from an asset or CGU")*** or "fair value less costs of disposal" ***(defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date")*** is compared to the carrying value of the asset/CGU.

Based on this in-depth assessment performed by management no impairment was recognised on Form-Scaff.

Below is a summary of the impairment assessment performed:

CGU	Carrying amount (1)	Recoverable amount (1)	Impairment (1)
Form-Scaff 2)	659 228	711 982	-

(1) All amounts in R'000

(2) CGU's was valued at recoverable amount which resulted in nil impairment. The recoverable amount was based on the value in use applying a discounted cash flow model.

(3) The following assumptions were used in the various value in use calculations:
- Management projected cash flows for a period of five years using the most recent budgets/forecasts. Cash flow projections beyond this period were determined by extrapolating the projections based on the budgets/forecasts using a growth rate of 4,8% which represents the recent historic average and forecast inflation rate for South Africa, which is in line with inflation. A growth rate of 1,5% was used in determining the perpetuity value.
- Discount rate of 15.94% was used which represents the weighted average cost of capital as estimated and adjusted for factors specific to the South African operations.
- The expected cash costs in the CGU are based on historical experience of management and the budgeted gross margins were based on past performance and management's expectations for the future.
- Considering the volatility of the current market as a result of Covid-19, management has applied a weighted scenario's analysis in calculating the value in use of these CGU's.
- Management has also performed a sensitivity analysis on the key assumptions used in determining the value in use. Based on the sensitivity analysis performed, it is evident that even if a reasonably possible change of 1% in the key assumptions (*key assumptions: post-tax discount rates, cash flows and growth rates*) were to occur it would not cause the carrying amount to exceed the aggregate recoverable amount, and therefore management is comfortable that there is not apparent risk of impairment.
- If the post-tax discount rate applied to the cash flow projections of the CGU 's had been 1% higher than management's estimates, a possible impairment would be evident. From a long-term growth rate perspective, if the growth rate was to decrease with 3% possible impairment would be evident.

11. Property, plant and equipment

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Group						
Cost						
Balance at 1 July 2018	244 440	23 633	74 742	46 322	67 051	32 692
Additions	20 466	2 091	4 144	3 091	7 004	4 136
Disposals	(8 718)	(4 034)	(133)	(2 699)	(1 607)	(245)
Reclassification as asset held for sale	(5 106)	(5 106)	-	-	-	-
Acquisition of business	-	-	-	-	-	-
Effect of movements in exchange rates	(3 050)	-	(282)	(1 777)	(165)	(826)
Balance at 30 June 2019	248 032	16 584	78 471	44 937	72 283	35 757
Balance at 1 July 2019	248 032	16 584	78 471	44 937	72 283	35 757
Additions	20 957	1	5 585	5 492	6 630	3 249
Disposals	(5 813)	-	(1 091)	(4 096)	(567)	(59)
Acquisition of business	41 876	36 492	1 606	1 891	1 782	105
Effect of movements in exchange rates	966	277	289	(444)	166	678
Balance at 30 June 2020	306 018	53 354	84 860	47 780	80 294	39 730

11. Property, plant and equipment *(continued)*

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Group *(continued)*						
Accumulated depreciation and impairment losses						
Balance at 1 July 2018	112 003	1 355	27 037	25 741	45 848	12 022
Depreciation for the year	32 279	232	8 657	7 500	11 703	4 187
Disposals	(3 821)	(239)	(48)	(1 333)	(2 127)	(74)
Reclassification as asset held for sale	(280)	(280)	-	-	-	-
Effect of movements in exchange rates	(2 063)	-	(179)	(1 419)	(177)	(288)
Balance at 30 June 2019	138 118	1 068	35 467	30 489	55 247	15 847
Balance at 1 July 2019	138 118	1 068	35 467	30 489	55 247	15 847
Depreciation for the year	33 649	773	11 243	6 483	10 784	4 366
Disposals	(3 560)	-	(868)	(2 187)	(505)	-
Effect of movements in exchange rates	424	4	246	(361)	109	426
Balance at 30 June 2020	168 631	1 845	46 088	34 424	65 635	20 639
Carrying amounts						
At 30 June 2019	109 914	15 516	43 004	14 448	17 036	19 910
At 30 June 2020	137 387	51 509	38 772	13 356	14 659	19 091

11. Property, plant and equipment ***(continued)***

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Company						
Cost						
Balance at 1 July 2018	183 498	23 631	62 337	25 101	60 394	12 035
Additions	16 031	2 091	3 722	571	6 566	3 081
Disposals	(7 109)	(4 035)	(102)	(1 573)	(1 399)	-
Reclassification to asset held for sale	(5 106)	(5 106)	-	-	-	-
Acquisition of business	-	-	-	-	-	-
Balance at 30 June 2019	187 314	16 581	65 957	24 099	65 561	15 116
Additions	17 846	1	3 880	4 942	5 889	3 134
Disposals	(4 329)	-	(1 944)	(2 791)	(458)	(36)
Acquisition of business	26 630	23 000	1 086	1 576	1 048	-
Effect of movements in exchange rates	9	-	2	-	7	-
Balance at 30 June 2020	227 470	39 582	69 801	27 826	72 047	18 214

11 Property, plant and equipment *(continued)*

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Company *(continued)*						
Accumulated depreciation and impairment losses						
Balance at 1 July 2018	85 503	1 354	21 822	14 875	42 004	5 448
Depreciation for the year	22 972	232	6 642	4 098	10 436	1 564
Disposals	(3 141)	(236)	(56)	(870)	(1 979)	-
Reclassification to asset held for sale	(280)	(280)	-	-	-	-
Effect of movements in exchange rates	-	-	-	-	-	-
Balance at 30 June 2019	105 054	1 070	28 408	18 103	50 461	7 012
Balance at 1 July 2019	105 054	1 070	28 408	18 103	50 461	7 012
Depreciation for the year	24 638	575	9 080	3 589	9 488	1 906
Disposals	(2 620)	-	(709)	(1 504)	(415)	8
Balance at 30 June 2020	127 072	1 645	36 779	20 188	59 534	8 926
Carrying amounts						
At 30 June 2019	82 260	15 511	37 549	5 996	15 100	8 104
At 30 June 2020	100 398	37 937	33 022	7 638	12 513	9 288

11. Property, plant and equipment *(continued)*

11.1 Information in respect of land and buildings is contained in the register of fixed property, which is available for inspection at the company's registered office.

11.2 Certain items of property, plant and equipment have been pledged to secure certain interest bearing borrowings (see Annexure A).

11.3 Application of IFRS 16 from 1 July 2019:

The group and company have changed its accounting for lease contracts and has applied IFRS 16 with initial application from 1 July 2019, using the modified retrospective approach. The group previously capitalised leases that were only classified as finance' leases under IAS 17.

The details of the change in accounting policy is disclosed in note 37.

The group leases various assets under non-cancellable lease agreements, with lease terms ranging from 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leases assets may not be used as security for borrowing purposes.

The net book value of the assets leased and capitalised under IFRS 16 can be allocated as follows:

	Group 2020 R'000	Company 2020 R'000
Right of use assets (01 July 2019)	**333 090**	**314 059**
Property	217 822	210 026
Plant and Machinery	7 080	7 080
Motor Vehicles	64 047	64 047
Release of straight lining lease liability	(17 613)	(17 613)
Right of use asset (30 June 2020):	271 336	263 541

Lease liabilities are included within borrowings. Refer to note 22 for details of lease liabilities recognised.

Lease rentals amounting to R6 million are included in the income statement. These leases are leases of low value items.

These leases are not capitalised as the group has elected not to recognise right of use assets and lease liabilities for these leases. These low value items comprise mainly of IT and administrative equipment.

The amounts recognised in profit and loss in respect of the group's leases are as follows:

11. Property, plant and equipment *(continued)*

	Group 2020 R'000	Company 2020 R'000
Interest on lease liabilities	**34 896**	**33 183**
Depreciation charges on right of use assets*:	**115 602**	**104 366**
Property	72 187	60 951
Plant and Machinery	3 503	3 503
Motor Vehicles	39 912	39 912

***Right of use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.**

Total cash outflow of lease for the group in 2020 was R128 million and R116 million for the company.

The new accounting method for leases can be found within the groups accounting policies. Generally, leases are recognised as a right of use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Right of use assets are depreciated. Lease payments are allocated between the liability and finance costs.

12. Investments in subsidiaries

R thousand	Company 2020	Company 2019
Form-Scaff Proprietary Limited		
Balance as at 1 July	**11 137**	11 137
Purchase of shares	-	-
Impairment of investment	-	-
Balance as at 30 June	**11 137**	11 137
Form-Scaff Ghana Limited		
Balance as at 1 July	**2 343**	2 343
Impairment of investment	**(2 343)**	-
Effect of foreign exchange differences	-	-
Balance as at 30 June	-	2 343
Waco Mozambique Limitada		
Balance as at 1 July	**10**	10
Purchase of shares	-	-
Effect of foreign exchange differences	-	-
Balance as at 30 June	**10**	10
Total investments	**11 147**	13 490

Investments in Octorex (Pty) Ltd, Form-Scaff Ghana (Pty) Ltd, SGB-Cape Ghana (Pty) Ltd, Waco Mozambique Limitada, Kwikform Formwork and Scaffolding (Pty) Ltd, Waco Tanzania Ltd, Waco DRC Sarl, Kwikform Botswana (Pty) Ltd, Construction and Industrial Maintenance Services (Pty) Ltd, Kwikform Formwork and Scaffolding (Pty) Ltd, Waco (Mauritius) Limited, Waco Lesotho (Pty) Ltd, Kwikform Kenya (Pty) Ltd, SGB-Cape Offshore (Pty) Ltd, Mosadi Tiya Construction and scaffolding (Pty) Ltd, SGB-Cape Uthungulu (Pty) Ltd, Waco Engineering Services (Pty) Ltd and NC Sanitation Solutions (Pty) Ltd are less than one thousand cumulatively.

****Refer to Annexure B for an analysis of material subsidiary companies.**

13. Goodwill

	Group		Company	
R thousand	2020	2019	2020	2019
Cost				
Balance at 1 July	85 748	85 748	68 638	68 638
Acquisitions through business combinations	-	-	-	-
Effect of foreign exchange differences	-	-	-	-
Balance at 30 June	85 748	85 748	68 638	68 638
Accumulated impairment losses				
Balance at 1 July	(28 504)	(24 504)	(24 504)	(24 504)
Impairment losses recognised during the year	(1 400)	(4 000)	-	-
Balance at 30 June	(29 904)	(28 504)	(24 504)	(24 504)
Carrying amount				
At 1 July	57 244	61 244	44 134	44 134
At 30 June	55 844	57 244	44 134	44 134

Allocation of goodwill to cash-generating units

Goodwill has been allocated for impairment testing purposes to the following cash-generating units:

- Forming, shoring, scaffolding, motorised equipment and related services
- Modular buildings, sanitation and related services

Goodwill was allocated to cash-generating units as follows:

	Group		Company	
R thousand	2020	2019	2020	2019
Forming, shoring, scaffolding, motorised equipment and related services	6 536	6 536	2 803	2 803
Modular buildings, sanitation and related services	49 308	50 708	41 331	41 331
	55 844	57 244	44 134	44 134

13. Goodwill *(continued)*

Impairment testing for cash generating units containing goodwill.

The group and company tests whether goodwill has suffered any impairment on an annual basis. The standard defines the recoverable amount as the higher of an asset's or cash-generating unit's fair value less cost to sell or its value in use.

For the 2020 and 2019 reporting period, the recoverable amounts of the cash generating units (CGU's) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which the CGU operates.

A product-level summary of the goodwill allocation within the group and company is presented in R'000 below:

Group:

Product line	Division within the group	South Africa	Namibia	Mauritius	Total
Sanitation and hygiene	**Sanitech**	**41 331**	**7 977**	**-**	**49 308**
Forming, shoring and scaffolding	SkyJacks Form-Scaff	**2 803**	**-**	**3 733**	**6 536**
		44 134	**7 977**	**3 733**	**55 844**
Long-term growth rate		**2%**	**2%**	**2%**	
Pre-tax discount rate		**13.4%-16%**	**13.4%-16%**	**13.4%-16%**	

Company:

Product line	Division within the group	South Africa
Sanitation and hygiene	Sanitech	41 331
Forming, shoring and scaffolding	**SkyJacks** **FormScaff**	**2 803**
		44 134
Long-term growth rate		**2%**
Pre-tax discount rate		**13.4%-16%**

13. Goodwill *(continued)*

The following assumptions were used in the various values in use calculations:

- Management projected cash flows for a period of five years using the most recent budgets/forecasts. Cash flow projections beyond this period were determined by extrapolating the projections based on the budgets/forecasts using long-term growth rates. The rates are consistent with forecasts included in industry reports for each segment disclosed above.

- Earnings before depreciation, amortization, interest and tax (EBITDA) were used in the projected cash flows. EBITDA is based on past performance and management expectations for the future. Management applied retrospective review on EBITDA in prior years versus budgeted performance to ensure the reasonability and accuracy of the amount used in the projected cash flows. Further to this has management also applied a weighted scenario analysis to take into account any uncertainty in the current environment

- Annual capital expenditure - this is based on the historical experience of management and the planned refurbishment expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.

- Post-tax discount rates, which reflects specific risks relating to the relevant segments and the countries in which they operate were used.

- Management has also performed a sensitivity analysis on the key assumptions used in determining the value in use for the various identified CGU's. Based on the sensitivity analysis performed, it is evident that even if a reasonably possible change of 1-2% in the key assumptions (*key assumptions: post-tax discount rates, cash flows and growth rates*) were to occur it would not cause the aggregate of the units' (groups of units) carrying amounts to exceed the aggregate of their recoverable amounts, and therefore management is comfortable that there is not apparent risk of impairment on any of the identified CGU's.

- However, if the post-tax discount rate applied to the cash flow projections of all CGU 's other than South Africa had been 3% higher than management's estimates, the group would have had to recognise an impairment against the goodwill. In South Africa there is enough headroom and even if the pre-tax rate discount rate were to increase by 10% no indication of impairment would be evident. From a long-term growth rate perspective, for all CGU's other than South Africa, if the rate had to decrease by 3% it would result in an impairment against the goodwill, in South Africa even if the growth rate was set a 0% the value in use would still exceed the carrying amount of this CGU.

- In the prior year, there were no reasonably possible changes in any of the key assumptions that would have resulted in an impairment write-down on any of these CGU's.

14. Intangible assets

R thousand	Total	Software	Customer Contracts	Trademarks	Distribution Agreement
Group					
At 01 July 2019					
Cost	30 167	4 582	10 275	15 310	-
Accumulated amortisation and impairment	(29 944)	(4 582)	(10 275)	(15 087)	-
	223	-	-	223	-
Year ended 30 June 2020					
Opening net book amount	223	-	-	223	-
Exchange differences	13	-	-	-	13
Acquisition of business	1 718	-	-	-	1 718
Additions	-	-	-	-	-
Amortisation charge	(287)	-	-	(25)	(262)
Impairment charge	-	-	-	-	
Closing net book amount	1 666	-	-	198	1 468
At 30 June 2020					
Cost	31 897	4 582	10 275	15 310	1 731
Accumulated amortisation and impairment	(30 231)	(4 582)	(10 275)	(15 112)	(262)
	1 666	-	-	198	1 468
Remaining useful life		-	-	*2,5 years*	*5 years*
Company					
At 01 July 2019					
Cost	30 167	4 582	10 275	15 310	-
Accumulated amortisation and impairment	(29 944)	(4 582)	(10 275)	(15 087)	-
	223	-	-	223	-
Year ended 30 June 2020					
Opening net book amount	223	-	-	223	-
Exchange differences	-	-	-	-	-
Acquisition of business	1 273	-	-	-	1 273
Additions	-	-	-	-	-
Amortisation charge	(219)	-	-	(25)	(194)
Impairment charge	-	-	-	-	
Closing net book amount	1 276	-	-	198	1 079
At 30 June 2020					
Cost	31 440	4 582	10 275	15 310	1 273
Accumulated amortisation and impairment	(30 164)	(4 582)	(10 275)	(15 112)	(194)
	1 276	-	-	198	1 079
Remaining useful life		-	-	*2,5 years*	*5 years*

With the acquisition of Doka on 01 August 2019, Doka sold the assets and liabilities of its Sub-Saharan businesses to Waco Africa. As part of this transaction, a distribution agreement was signed, which appointed Waco Africa as the sole and exclusive distribution partner of the Doka products for this region. With the determination of the purchase price allocation of the Doka acquisition, the distribution agreement was value at R1 718 000 with a useful life of 6 years

15. Derivative liabilities

	Group		Company	
R thousand	2020	2019	2020	2019
Equity securities - designated as at fair value through profit or loss	6 528	7 102	6 528	7 102
Total derivative investments	6 528	7 102	6 528	7 102

The equity securities have been designated as fair value through profit or loss because they are managed on a fair value basis and their performance is actively monitored. To be noted that the contract expires on the 30th of September 2020 and will revert to zero on that date.

Information about the group's exposure to credit and market risks, and fair value measurement is included in note 33.

16. Joint operation

Tedoc SGB-Cape Kusile Joint Venture (Tedoc SGB) is the only joint operation in which the Group participates. Tedoc SGB is principally engaged in the supply of scaffolding, labor and related services on one project in South Africa. The Group provides all equipment and related managerial functions to Tedoc SGB whilst the other partner provides all labor and related managerial functions.

The Group holds 43% of the voting rights of Tedoc SGB and proportionally consolidates 43% of the assets and liabilities of Tedoc SGB. Both parties to the joint operation have joint control of the arrangement and have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The following table summarises the financial information of Tedoc SGB as included in its own financial statements. There are no fair value adjustments or differences in accounting policies between the financial statements of Tedoc SGB and the Group. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in Tedoc SGB.

	Group	
R thousand	2020	2019
Percentage ownership interest	43%	43%
Non-current assets	-	-
Current assets	19 608	80 574
Non-current liabilities	-	-
Current liabilities	(10 440)	(75 285)
Net (liabilities)/assets (100%)	9 168	5 289
Revenue	231 394	325 304
Finance expense	880	2 898
(Loss)/profit and total comprehensive income (100%)	5 379	11 653

17. Inventories

R thousand	Group 2020	Group 2019	Company 2020	Company 2019
Raw materials	5 455	7 128	5 454	7 128
Work-in-progress	15 720	22 267	3 320	7 832
Consumable stores	23 912	17 635	21 866	16 078
Finished goods	121 327	82 984	78 739	63 064
Total inventories	166 414	130 014	109 380	94 102

17.1 Certain inventories have been pledged to secure certain interest-bearing borrowings (see Annexure A).

18. Trade and other receivables

R thousand	Group 2020	Group 2019	Company 2020	Company 2019
Loans and receivables				
Trade receivables	399 053	448 510	286 442	347 428
Intercompany receivables	2 426	2 030	217 571	211 689
Unbilled revenue - Contract assets	176 351	246 563	94 304	87 212
Gross receivables	577 830	697 103	598 317	646 329
Other receivables	48 819	47 154	27 688	46 766
Less: impairment of trade and other receivables	(81 120)	(51 436)	(39 557)	(26 863)
	545 529	692 821	586 448	666 232
Other				
Prepayments	14 539	15 985	10 426	12 045
Total trade and other receivables	560 068	708 806	596 874	678 277

Certain trade and other receivables have been pledged to secure certain interest bearing borrowings (see Annexure A).

*Unbilled revenue/contract assets revenue that has been earned by the company but not yet invoiced to customer.

Receivables are classified within a "held-to-collect" business model as the group holds the trade receivables with the objective to collect the contractual cash flows. Further information about the group's exposure to credit and currency risk and impairment losses related to trade and other receivables (excluding construction work in progress) is disclosed in note 33.

19. Cash and cash equivalents

R thousand	Group 2020	Group 2019	Company 2020	Company 2019
Bank balances	360 328	90 026	226 026	-
Overdraft balances	-	(50 086)	-	(50 086)
Cash and cash equivalents per statement of cash flows	360 328	39 940	226 026	(50 086)

20. Stated ordinary share capital

R thousand	Group 2020	2019	Company 2020	2019
20.1 Stated ordinary share capital				
Authorised				
100 000 000 ordinary shares of no par value				
1 000 000 ordinary A shares of no par value				
2 000 000 ordinary B shares of no par value				
Issued and fully paid				
10 179 542 ordinary shares of no par value	1	1	1	1
535 765 ordinary A shares of no par value	-	-	-	-
20.2 Movement in stated ordinary share capital during the year				
Issued stated ordinary share capital at 1 July	1	1	1	1
Ordinary share capital issued during the year	-	-	-	-
Foreign currency on translation	-	-	-	-
Issued stated ordinary share capital at 30 June	1	1	1	1

20. Stated ordinary share capital ***(continued)***

20.3 In terms of the memorandum of incorporation, all unissued shares are placed under the control of the directors, to be issued to such persons on such terms and conditions as they deem fit.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

During October 2017 the Waco Africa ESOP trust subscribe for, and Waco Africa Proprietary Limited (Waco Africa) issued 535 765 A ordinary shares at a nominal price per share of R0,001.

The Waco Africa ESOP trust will be restricted from selling these shares and on winding up of the trust these shares will revert back to Waco Africa. Waco Africa therefore has the power over the relevant activities of the trust. Waco Africa therefore has control over the Waco Africa ESOP trust and therefore consolidates the trust.

As Waco Africa controls the Waco Africa ESOP trust, the issued A ordinary shares are treated as treasury shares and therefore does not effect the issued share capital of the company or group.

The subscription of these shares are funded through a discount of approximately 4.4% of the attributed value of the Waco Africa ESOP trust Shares and the balance through notional vendor funding (notional vendor finance; or NVF) from Waco Africa to the Waco Africa ESOP trust.

The special provisions applicable to these shares as regards to the NVF dividends and conversion is that these shares rank equally with the ordinary shares and confer on the holder the same rights as the holders of an ordinary share including:

1. The right to be entered in the securities register of Waco Africa;

2. The right to attend, participate in and speak at any meeting of shareholders;

3. The right on a poll to exercise one vote per A ordinary share;

4. Subject to such preferences as may be accorded to other classes of shares in the share capital from time to time (other than the ordinary shares), the right to receive a portion of the total net assets of Waco Africa remaining upon its liquidation; and

5. Any other rights attaching as a matter of law to the ordinary shares.

* To ensure that Bopa Moruo's 25,1% shareholding is not diluted as a result of the issue of the Waco Africa ESOP trust shares and the subsequent conversion thereof into ordinary shares, Bopa Moruo subscribed for an additional 179 542 ordinary shares (top-up shares) for a nominal consideration.

21. Stated preference share capital

R thousand	Group 2020	2019	Company 2020	2019
21.1 Stated preference share capital				
Authorised				
1 000 000 000 preference shares of no par value				
Issued and fully paid				
104 513 000 preference shares at R0.95 each	99 723	99 723	99 723	99 723
21.2 Movement in stated preference share capital during the year				
Stated preference share capital at 1 July	99 723	99 723	99 723	99 723
Preference share capital issued during the year	-	-	-	-
Stated preference share capital at 30 June	99 723	99 723	99 723	99 723

The preference shares have been classified as equity in the current year in accordance with IAS 32 Financial instruments: presentation.

The preference shares are cumulative redeemable preference shares where dividends are due and payable on the date on which the company's board determines. There is no contractual obligation to make payment until the board decides to do so. The company may redeem the preference shares at any time provided that the board, acting reasonably, has determined that there is sufficient value. Sufficient value means that after such distribution, there must be enough funds remaining, after settlement of all external liabilities (therefore subordinate to all other debts), to pay in full amounts due to all shareholders.

The preference shareholders have not been given any additional voting rights other than those set out in section 37(3)(a) of the Companies Act, namely:

Preference shareholders have the right to vote on any proposal to amend the preferences, rights, limitations and other terms associated with their shares.

22. Interest bearing borrowings and lease liabilities

R thousand	Group 2020	2019	Company 2020	2019
Borrowings				
Bank Borrowings	1 332 282	1 365 972	1 332 282	1 365 972
Doka Acquisition interest bearing loan	72 732	-	41 247	-
Lease liabilities	311 501	-	302 685	-
Total Borrowings	1 716 515	1 365 972	1 676 213	1 365 972
Bank Borrowings				
Balance at 1 July	1 365 972	1 473 047	1 365 972	1 473 047
Borrowings raised during the year	90 000	-	90 000	-
Capital debt raising fee	1 310	2 925	1 310	2 925
Borrowings repaid during the year	(125 000)	(110 000)	(125 000)	(110 000)
Effects of movements in exchange rates	-	-	-	-
Balance at 30 June	1 332 282	1 365 972	1 332 282	1 365 972

All facilities were renegotiated before the end of the financial year. The interest margin increased to 3,15% on all debt with a new expire date of 01 July 2021. Refer to note 1.23.10 for management judgement on the date of renegotiation of borrowing facilities.

Doka Acquisition interest bearing loan

Balance at 1 July 2019	-	-	-	-
Increase in borrowings during the year	106 885	-	78 183	-
Borrowings repaid during the year	(36 936)	-	(36 936)	-
Effects of movements in exchange rates	2 783	-	-	-
Balance at 30 June 2020	72 732	-	41 247	-

The Doka acquisition was funded through a loan with DOKA bearing interest of 5%. This loan is payable in three equal instalments on the 2 January 2020, 1 July 2020 and 1 October 2020.

Non-current interest-bearing borrowings	1 112 282	1 240 972	1 112 282	1 240 972
Current interest-bearing borrowings	292 731	125 000	261 247	125 000
Total	1 405 013	1 365 972	1 373 529	1 365 972

For an analysis of interest-bearing bank borrowings and securities given, refer to Annexure A.

Lease Liabilities

The Group applied IFRS 16 for the first time from 1 July 2019. Refer to note 38 for further details. Lease rental obligations are capitalised and lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of defaults.	311 501		302 685	-

Non-current interest-bearing lease liabilities	195 664	-	198 775	-
Current interest-bearing lease liabilities	115 837	-	103 909	-
Total	311 501	-	302 685	-

All lease liabilities are interest-bearing and the approximate annual interest rates per geography at year-end are as follows:

South Africa	10%		10%	

23. Deferred tax liability

Movement in deferred tax during the year

R thousand	Total	Property, plant, equipment and equipment for hire	Derivative financial instruments	Intangible assets	Provisions and payables	Receivables	Unused taxation losses	Other	Deferred tax asset not recognised
Group									
Balance at 1 July 2018	77 958	125 946	(6 885)	67	(49 000)	8 142	(4 178)	(1 083)	4 949
Recognised in profit or loss	506	31 247	(8 225)	(7)	(9 608)	(2 078)	(9 481)	-	(1 342)
Foreign exchange translation differences	(3)	(440)	(5)	-	226	-	319	-	(103)
Balance at 30 June 2019	78 461	156 753	(15 115)	60	(58 382)	6 064	(13 340)	(1 083)	3 504
Acquisition of business	481	-	-	481	-	-	-	-	-
Recognised in profit or loss	27 719	34 653	12 196	242	(10 716)	(8 750)	92	2	-
Foreign exchange translation differences	58	579	50	4	(638)	-	(917)	(5)	985
Balance at 30 June 2020	106 719	191 985	(2 869)	787	(69 736)	(2 686)	(14 165)	(1 086)	4 489
Company									
Balance at 1 July 2018	86 868	141 159	(7 377)	67	(49 000)	3 102	-	(1 083)	-
Recognised in profit or loss	13 002	26 714	(8 224)	(7)	(3 365)	(2 116)	-	-	-
Balance at 30 June 2019	99 870	167 873	(15 601)	60	(52 365)	986	-	(1 083)	-
Recognised in profit or loss	24 895	19 775	12 197	242	(8 089)	770	-	-	-
Acquisition of business	356	-	-	356	-	-	-	-	-
Balance at 30 June 2020	125 121	187 648	(3 404)	658	(60 454)	1 756	-	(1 083)	-

It is estimated that R16m of the R106m deferred tax liability of the group will be realised within the next 12months and R13m of the company.

23. Deferred tax liability ***(continued)***

Deferred tax assets and liabilities are attributable to the following:

	Group			
R thousand	**2020 Assets**	**Liabilities**	**2019 Assets**	**Liabilities**
Property, plant equipment and equipment for hire	692	192 641	3 830	160 583
Derivative financial instruments	-	(2 869)	-	(15 115)
Intangible assets	-	787	-	60
Provisions and payables	(4 400)	(74 136)	(4 665)	(63 047)
Receivables	38	(2 648)	-	6 064
Unused taxation losses	(5 955)	(8 210)	-	(13 340)
Other	3 688	2 602	-	(1 083)
Deferred tax asset not recognised	1 987	2 502	3 911	7 415
Balance at 30 June	(3 950)	110 669	3 076	81 537

Deferred tax by jurisdiction

South Africa	-	99 117	-	68 359
Other SSA countries	3 950	9 419	3 076	502
Namibia	-		-	8 623
Mauritius	-	2 133	-	4 053
	3 950	110 669	3 076	81 537

	Company			
R thousand	**2020 Assets**	**Liabilities**	**2019 Assets**	**Liabilities**
Property, plant equipment and equipment for hire	-	187 648	-	167 857
Derivative financial instruments	-	(3 404)	-	(15 601)
Intangible assets	-	658	-	60
Provisions and payables	-	(60 454)	-	(52 365)
Receivables	-	1 756	-	986
Other	-	(1 083)	-	(1 083)
Balance at 30 June	-	125 121	-	99 854

24. Trade and other payables

	Group		Company	
R thousand	**2020**	2019	**2020**	2019
Financial liabilities at amortised cost				
Trade payables	**84 538**	72 215	**64 392**	63 742
Other payables	**162 156**	81 962	**91 090**	33 784
Intercompany payable	**529**	1 190	**7 008**	3 006
	247 223	155 367	**162 490**	100 532
Other				
Accrued expenses	**74 973**	119 279	**63 969**	82 824
Contingent consideration	**5 000**	1 273	**-**	-
Deferred income -contract liabilities	**4 889**	8 546	**4 735**	7 248
Interest accruals	**2 380**	392	**1 069**	392
VAT payable	**1 516**	10 019	**8 511**	17 014
	88 758	139 509	**78 284**	107 478
Total trade and other payables	**335 981**	294 876	**240 774**	208 010

24.1 The group's exposure to liquidity and currency risk related to trade and other payables (excluding amounts due to customers under construction contracts) is disclosed in note 33.

25. Provisions

R thousand	**Provision for restructuring**
Group	
Balance at 1 July 2018	18 078
Provision raised during the year	902
Provision utilised during the year	(1 590)
Balance at 30 June 2019	17 390
Provision raised during the year	**797**
Provision utilised during the year	**-**
Balance at 30 June 2020	**18 187**
Non-current	**-**
Current	**18 187**
	18 187

25. Provisions *(continued)*

R thousand	**Provision for restructuring**
Company	
Balance at 1 July 2018	**17 094**
Provision raised during the year	**902**
Provision utilised during the year	**(1 590)**
Balance at 30 June 2019	**16 406**
Provision raised during the year	**797**
Provision utilised during the year	**-**
Balance at 30 June 2020	**17 203**
Non-current	**-**
Current	**17 203**
	17 203

25. Provisions *(continued)*

Restructuring provision

Maintenance Contract with Eskom:

The group has been the supplier of access scaffolding, insulation and related services, on four power stations, through a long-term maintenance contracts with Eskom for several years. During 2015 the contract was put out on tender. Our submission of bids through joint ventures with various BBBEE partners has been perceived by the customer as anti-competitive behaviour. The group was reported in 2016 to the South African Competitions Commission for a review and the contract was awarded to external parties. Management successfully challenged the unfair award of the contract and successfully won an interdict to this in court during the year. Management do not believe that the way the group submitted these tenders constitutes anti-competitive behaviour and has received legal advice that supports this stance.

The matter has yet to be heard by the competition court, despite Eskom withdrawing their complaint in 2017. The matter is currently set down for mid-October 2020 but due to the lack of progress and information from the Competition Commission we believe that this matter will be postponed to 2021. The financial impact of the outcome of this matter remains uncertain.

Eskom notified us of their intention not to award any power stations to SGB-Cape or any of the JV's which were formed to further Eskom's objectives. In response to this, the group successfully lodged an urgent interdict in 2016 against the customer to overturn the award to said external parties until Eskom was able to prove to the High Court that they applied their minds in making these awards and that these awards were fair as well as proving that the exclusion of all SGB-Cape bids was correct in law. If the review was unfavourable, the group will be forced to demobilise on these sites and to downsize the related division within the group.

The High Court Hearing was held in September 2019 and the ruling received in December. The verdict, in favour of Waco Africa, was that the CORP 3130 tender should be set aside together with any appointments made by Eskom under this tender and Eskom to pay the costs of the application.

As a result of the above the previous tender was extended up to 31 December 2020 which includes the maintenance by SGB-Cape on 4 power stations.

Management have developed a formal plan for the restructure and have raised an appropriate provision for the demobilisation of the sites for when the contract comes to an end and this matter has been formally communicated to all employees of the affected division.

Refer to note 30 for management assessment of a potential fine regarding this matter.

26. Employee benefits

		Group		Company	
	R thousand	2020	2019	2020	2019
26.1	Employee benefits	68 951	37 892	57 322	31 521
	Waco Africa ESOP trust bursaries	4 300	6 146	4 300	6 146
	Other long term employee benefits	14 948	12 000	14 948	12 000
		88 199	56 038	76 570	49 667
	Non-current	12 888	10 398	12 887	10 398
	Current	75 311	45 640	63 683	39 268
		88 199	56 038	76 570	49 666

26.2 *South Africa*

Waco growth appreciation rights scheme

The Waco growth appreciation rights scheme (WGARS) awards employees of the group for growth in the group's economic value added (EVA). EVA is a measure of the value added in excess of the return required by the group's shareholders. Non-executive senior management and middle management are allocated WGARs based on their seniority level and a predetermined allocation percentile. Vesting of the WGARs is staggered over a four year period with on-third vesting in years two, three and four. Rights are allocated at a new strike price on an annual basis.

Defined contributions plan

The group contributes between 17.5% and 23.1% of employee salaries to the Waco International Provident Fund depending on seniority.

Waco Africa ESOP trust bursaries

Waco Africa Proprietary Limited has an obligation to pay effectively 1.5% of all its attributable profits over 7 years up to the Waco Africa ESOP trust. 30% of this amount will be paid over to the beneficiaries. This obligation represents a non-forfeitable dividend right. The liability will be remeasured at the end of every financial year and any remeasurement will be recognised in profit or loss.

27. Operating cash flow before working capital changes

	Group		Company	
R thousand	2020	2019	2020	2019
Profit before income tax	242 118	150 369	86 093	150 931
Adjusted for -				
Net finance expense	128 286	159 668	112 930	149 853
Items not affecting the flow of funds	283 592	118 809	314 366	121 461
Depreciation of property, plant and equipment	33 648	32 279	24 638	22 971
Depreciation of equipment for hire	110 244	131 613	117 874	112 490
Depreciation on right of use asset	115 602	-	104 366	-
Loss/(Profit) on disposal of property, plant and equipment	(7 826)	(5 186)	(7 888)	(5 376)
Profit on disposal of equipment for hire	(8 645)	(4 976)	(932)	(14 470)
Gain on bargain purchase	(41 587)	-	(27 399)	-
Amortisation of intangible assets	287	25	219	25
Impairment of goodwill	1 400	4 000	-	-
Reversal of earn-out provision	(1 400)	(4 000)	-	-
Impairment on investment	-	-	2 344	-
Net reversal of impairment loss on equipment for hire	19 581	(5 021)	19 496	1 159
Recognition of impairment loss on trade receivables	-	-	-	-
	48 645	38 992	31 956	32 807
Deferred income	(3 657)	(23 783)	-	(17 906)
Non-cash movement in provisions	16 801	(44 375)	12 193	(38 499)
Recognition of impairment loss IFRS 9	-	-	40 075	24 985
Other non-cash items	499	(762)	(2 576)	3 272
	653 996	428 846	513 389	422 245

28. Working capital changes

	Group		Company	
R thousand	2020	2019	2020	2019
(Increase) / decrease in inventories	(8 760)	(9 051)	2 331	(4 167)
(Increase) / decrease in trade and other receivables	114 992	(29 707)	67 616	60 936
(Decrease) / increase in trade and other payables	51 753	(1 419)	34 416	(13 425)
	157 985	(40 177)	104 363	43 344

29. Income tax paid

	Group		Company	
R thousand	2020	2019	2020	2019
Amounts unpaid at 1 July	18 443	3 598	3 633	(20 593)
Amounts charged to profit or loss	(30 306)	(48 095)	(27 314)	(34 532)
Withholding tax	(3 713)	-	(1 730)	-
Effect of exchange rate changes	124	149	-	-
Amounts unpaid at 30 June	(49 691)	(18 443)	(30 082)	(3 633)
	(65 143)	(62 791)	(55 493)	(58 758)

30. Contingent liabilities and contingent assets

	Group		Company	
R thousand	2020	2019	2020	2019
Contingent liabilities: Guarantee contracts in progress -				
Next year	239 447	189 637	239 447	189 637
Two to five years	15 548	-	15 548	-
After five years	-	1 167	-	1 167
	254 995	190 804	254 995	190 804

Contingencies related to performance guarantees and lease guarantees

Guarantees for performance under contracts are issued by the group to customers. It is not expected that claims will arise out of the guarantees. The group issue guarantees in the normal course of business.

In terms of the supply contract between Octorex and Mitsubishi Hitachi Power Systems Africa Proprietary Limited, Octorex is required to provide a performance security / bond valued at R68,2 million for the due and faithful fulfilment of the contract. This performance guarantee is held with Absa Bank of South Africa Limited. Waco International Holdings Proprietary Limited, the ultimate holding company of Waco Africa, issued a parent guarantee on behalf of Octorex, a subsidiary of Waco Africa, in case of default by Octorex. Management has assessed the probability of default on this contract to be nil and therefore no financial liability has been raised in this regard.

In terms of the supply contract between Tedoc/SGB-Cape Kusile Joint Venture and Mitsubishi Hitachi Power Systems Africa Proprietary Limited, the Joint Venture is required to provide a performance security / bond valued at R10 million for the due and faithful fulfilment of the contract. This performance guarantee is held with Absa in favor of Mitsubishi Hitachi Power Systems Africa Proprietary Limited.

Potential fines due to Competition Commission Review

As disclosed in note 25, there is an ongoing Competition Commission review, should the review be unfavourable, the group may face fines from the Competition Commission. The amount and probability cannot reliably be estimated. Management and the company's legal representatives have stated that Waco has a sound case and they are confident in defending this matter.

31. Contingent Asset

Octorex, a subsidiary of Waco Africa Proprietary Limited has entered into Arbitration proceedings at Kusile Power Station for unpaid time related P&G's for the period April, May and June 2020 due to the National lock down period as a result of the Covid-19 pandemic – this with Mitsubishi Hitachi Power Systems Africa (Pty) Ltd. Although the recovery of such costs is possible, it was not practicable to reliably determine the financial impact on the 30 June 2020 financial statements due to the Arbitration proceedings.

32. Capital commitments

	Group		Company	
R thousand	2020	2019	2020	2019
Estimated Capital expenditure				
Doka Distribution agreement	60 000	-	60 000	-
Other capital commitments contracted but not provided	5 572	-	5 572	-
	65 572	-	65 572	-
The expenditure is expected to be incurred as follows:				
Within one year	25 572	-	25 572	-
Between one and five years	40 000	-	40 000	-
	65 572	-	65 572	-

32.1 Capital commitments for the year, other than Doka, refers to contracted future capital expenditure on property, plant and equipment and equipment for hire.

These will be financed through internally generated funds and borrowings.

The distribution agreement entered into with Doka stipulates that the distribution partner (Waco Africa) shall purchase a minimum value of products of R60 million from Doka, at ex works prices over a three-year period, commencing on the 1st of July 2020. Thereafter, the parties shall mutually agree upon new minimum purchase amounts applicable under the distribution agreement, provided that if no new minimum purchase amounts have been agreed by the parties, Waco Africa shall buy a minimum purchase amount of R20 million, each calendar year. This amount will include any equipment bought for sales stock after the foregoing three years.

33. Financial instruments

Financial risk management

Exposure to market risk, including currency risk and interest rate risk, liquidity risk and credit risk arises in the normal course of the group's business. This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk and the group's management of capital. The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the group's activities.

33.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the group's income and the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

33.1.1 *Currency risk*

Currency risk related to investments in foreign entities

The group has interests in entities which operate in various countries. A significant portion of the group's revenue is earned in the South African Rand. It is not the group's policy to hedge investments in foreign subsidiaries.

Currency risk related to foreign transactions

Each group entity operates predominantly within its own common monetary area and therefore the group has no significant currency risk with regards to operational activities. At year end, all group entities had no material foreign currency trade receivables or payables.

33.1.2 *Interest rate risk*

Financial assets and financial liabilities that are sensitive to interest rate risk are cash and cash equivalents, bank overdrafts, loans receivable/payable, and interest-bearing borrowings.

The group manages interest rate risk by borrowing and placing funds at an appropriate mix of both fixed and floating interest rates as well as entering into interest rate swaps.

Cash and cash equivalents are not materially affected by interest rate risk. Lease liabilities in terms of IFRS 16 are also not materially affected by interest rate risk, considering that the lease liability is measured using a fixed incremental borrowing rate on the day the lease was entered.

Group and Company Bank Borrowings per currency	Fixed rate '000	Floating rate '000	Total '000	Average interest rate
2019				
South African Rand	769 750	597 750	1 367 500	9.36%
2020				
South African Rand	698 000	634 500	1 332 500	7.74%

33 Financial instruments *(continued)*

Sensitivity analysis for variable-rate instruments

A change in 100 basis points (bp) in interest rates at the reporting date would have increased/(decreased) profit and equity by the amounts shown below for a period of one year compounded monthly. This analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

Sensitivity analysis

R thousand	Decrease in profit/ (loss) and equity from 100bp increase	Increase in profit/(loss) and equity from 100bp decrease
2019		
South African Rand	(5 978)	5 978
2020		
South African Rand	(6 345)	6 345

33.2 Credit risk

Credit risk is the risk of financial loss to the group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from trade and other receivables, cash and cash equivalents and loans to subsidiaries in the case of the company.

The group considers it has two types of credit risk; operational and financial. Operational credit risk relates to non-performance by customers in respect of trade and other receivables. Financial credit risk relates to non-performance by banks and similar institutions in respect of cash and deposits. Our credit risk arises principally from receivables due from customers.

The group has six types of financial assets that are subject to the expected credit loss model:

- A Trade receivables and other receivables;
- B Contract assets;
- C Short-term intercompany receivables;
- D Cash and cash equivalents;
- E Cross –guarantees within the group; and
- F Derivative financial instrument –Interest rate swap

Management has a credit risk policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount and by grading customers into different categories based on various characteristics. Credit guarantee insurance is taken where considered appropriate.

Detailed assessment of the impairment assessment on these financials assets 33.2.1

The maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position as follows:

33. Financial instruments ***(continued)***

33.2 Credit risk *(continued)*

R thousand

	Group		Company	
	2020	2019	2020	2019
Intercompany receivables	1 516 496	1 413 397	1 681 838	1 698 070
Trade and other receivables *	527 758	692 727	569 973	666 143
Cash and cash equivalents	360 328	90 026	226 026	-
	2 404 582	2 196 150	2 477 837	2 364 213

*** Excluding employee related receivables, value added tax and prepayments**

33. Financial instruments *(continued)*

33.2 Credit risk *(continued)*

Trade and other receivables

Gross trade receivables amounting to R578 million (2019 - R697 million) for group and R598 million (2019 - R646 million) for company represent the maximum credit exposure for trade receivables. Included in the gross receivables of R598 million is Intercompany Receivables of R218 million for the company and of the R578 million for group, R2 million relates to intercompany receivables.

The maximum exposure to credit risk for trade receivables at the reporting date by geographical region was:

R thousand

	Group		Company	
	2020	2019	2020	2019
South Africa	468 462	623 018	598 317	646 329
Sub Saharan Africa	109 368	74 085	-	-
	577 830	697 103	598 317	646 329

Gross receivables in the different regions are in respect of the international operations which are experienced in managing their own local credit risk. As regard to cross-border trade, credit risk is managed through the use of letters of credit as considered necessary, resulting in reduced credit exposure.

Impairment losses

The following table illustrates the relationship between aged debt (excluding intercompany receivables) and the impairment allowance:

R thousand

	Group		Company	
	Gross	Impairment allowance	Gross	Impairment allowance
2019				
Current	373 825	(4 349)	272 933	(4 248)
1 - 30 days	128 803	(2 825)	81 973	(2 248)
31 - 90 days	49 422	(4 403)	41 337	(3 753)
91 - 180 days	24 772	(12 678)	16 400	(4 114)
>180 days	118 251	(27 181)	21 998	(12 500)
	695 073	(51 436)	434 641	(26 863)
2020				
Current	311 473	(-)	224 775	(-)
1 - 30 days	58 481	(-)	43 154	(-)
31 - 90 days	59 639	(6 209)	51 024	(-)
91 - 180 days	37 692	(18 644)	24 860	(7 391)
>180 days	108 119	(56 267)	36 933	(32 166)
	575 404	(81 120)	380 746	(39 557)

33. Financial instruments *(continued)*

33.2 Credit risk *(continued)*

Impairment losses (continued)

Listings of overdue customer balances are reviewed monthly against their credit terms/limits by all the operations within the group. Customers exceeding their credit terms/limits must settle their overdue balances before any further credit is extended. Appropriate action is taken to recover long overdue debts.

The group generally deals with the larger corporates who have a sound credit standing. Collateral is generally not held for blue chip companies as their payment history does not warrant it, but collateral is obtained for other entities as security where possible.

Credit risk in respect of corporates and small, medium and micro enterprises is controlled through the use of credit vetting agencies and the setting of credit limits by experienced personnel. Credit limits are typically reviewed annually.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

R thousand

	Group		Company	
	2020	2019	**2020**	2019
Balance at 1 July	**51 436**	47 350	**26 863**	23 735
Amounts written off during the year	**(21 858)**	(33 369)	**(19 262)**	(29 679)
Impairment loss recognised in profit or loss	**48 645**	38 993	**31 956**	32 807
Effect of movement in exchange rates	**2 897**	(1 538)	**-**	-
Balance at 30 June	**81 120**	51 436	**39 557**	26 863

Other receivables

Other receivables amounting to R31 million (2019 – R47 million) for group and R11 million (2019 – R47 million) for company represent the maximum credit exposure for other receivables.

The maximum exposure to credit risks for gross other receivables at the reporting date by geographical region was:

R thousand

	Group		Company	
	2020	2019	**2020**	2019
South Africa	**14 665**	34 019	**11 213**	46 677
Africa excluding South Africa	**16 375**	13 041	**-**	-
Balance at 30 June	**31 040**	47 060	**11 213**	46 677

33. Financial instruments *(continued)*

33.2 Credit risk *(continued)*

33.2.1 Impairment assessment of financial assets subject to credit risk:

Cash and Cash equivalents:

Credit risk is mitigated by placing cash with different financial institutions to minimise risk.The group considers that its cash and cash equivalents have an immaterial credit risk. Deposits are readily convertible to cash and access is not restricted. There have been no historical losses and none is expected in the future. Below are the credit ratings as graded by Moody's and Fitch for the financial institutions with which the groups banks:

Standard Bank Group Limited			
	Short-Term	Long-Term	Outlook
Fitch Ratings			
Foreign currency issuer default rating	B	**BB**	Negative
Local currency issuer default rating		BB	Negative
National rating	F1+ (ZAF)	AA(ZAF)	Negative
Moody's Investor Services			
Issuer rating		Ba2	Negative

Cross-guarantees within the group:

Certain group companies have provided cross guarantees. The group has provided no guarantees to third parties. The credit quality of financial assets is based on historical counterparty default rates – which have always been expected to be nil.

The impact of the expected credit loss model on Trade receivables and other receivables, contract assets and short-term intercompany receivables:

Expected credit loss assessment using the 'simplified approach' under IFRS 9

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of time and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The group has identified the credit rating of the countries *(South Africa, Sub-Saharan Africa,)* in which we operate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

33. Financial instruments *(continued)*

33.2 Credit risk *(continued)*

On that basis, the loss allowance for 30 June 2020 was determined as follows for both trade receivables and contract assets:

R thousand

Group

30 June 2020	Current	0-30 days	31-90days	91-180days	181+	
Africa						Total
Gross carrying amount - trade receivables (excluding intercompany balances) including contract assets	242 026	58 481	59 639	21 440	64 709	446 295
Exposure at default *	210 457	50 853	51 860	18 644	56 269	388 083
Expected Credit Loss Rate	2%	3%	10%	59%	100%	
Change in credit risk due to Pre-Covid conditions	1%	2%	6%	33%	0%	N1
Increased risk due to Covid Pandemic	1%	2%	5%	30%	0%	N2
Expected Credit Loss Rate	4.9%	7.0%	21.3%	100.0%	100.0%	
Loss allowance	10 312	3 560	11 046	18 644	56 269	99 831
Eskom						
Gross carrying amount - trade receivables (excluding intercompany balances) including contract assets	69 447	-	-	16 252	43 410	129 110
Exposure at default	69 447	-	-	16 252	43 410	129 110
Expected Credit Loss Rate	-	-	-	-	-	
Loss allowance	-	-	-	-	-	-
Total loss allowance Africa (Provision for bad debt and provision for credit notes)	10 312	3 560	11 046	18 644	56 269	99 831

33. Financial instruments *(continued)*

33.2 Credit risk *(continued)*

Company

30 June 2020	**Current**	**0-30 days**	**31-90days**	**91-180days**	**181+**	
South Africa						Total
Gross carrying amount - trade receivables (excluding intercompany balances) including contract assets	172 559	43 154	51 024	24 860	36 933	328 530
Exposure at default *	150 052	37 525	44 369	21 617	32 116	285 679
Expected Credit Loss Rate	2%	3%	10%	29%	100%	
Change in credit risk due to pre-Covid conditions	1%	1%	5%	16%	0%	N1
Increased risk due to Covid Pandemic	1%	1%	5%	14%	0%	N2
Expected Credit Loss Rate	3%	4%	19%	58%	100%	
Loss allowance	3 751	1 313	8 430	12 430	32 116	58 040
Eskom						
Gross carrying amount - trade receivables (excluding intercompany balances) including contract assets	52 217	-	-	-	-	52 217
Exposure at default	52 217	-	-	-	-	52 217
Expected Credit Loss Rate	-	-	-	-	-	
Loss allowance						
Total loss allowance South Africa (Provision for bad debt and provision for credit notes)	3 751	1 313	8 430	12 430	32 116	58 040

More than 95% of the Group's contract assets relates to Eskom. These contract assets have the same risk characteristic as Eskom is one of the group's major customers, therefore the expected credit loss rate applied to contract assets is the same as applied to the trade receivable balance of Eskom.

**The exposure at default is calculated by excluding the VAT from the outstanding balance, as the VAT will be recovered upon default, resulting in a decrease in the exposure. Eskom portion is unbilled revenue which has not yet been billed, therefore no VAT component at this point in time.*

N1: South Africa's fiscal outlook have deteriorated markedly, with higher expected fiscal deficits, a larger debt burden, and still uncontained contingent liability risk largely tied to the problematic energy utility Eskom. The government faces the twofold challenge to restore its fiscal credibility while simultaneously jump-starting economic growth. Progress with structural reforms will be key to boost confidence, investment, and job creation.

We noted a similar decline in the other Sub-Saharan countries in which we operate, strongly linked to the weakening of local currencies in these jurisdictions.

33. Financial instruments *(continued)*

33.2 Credit risk *(continued)*

N2: The South African government stimulus package only provides limited benefit to large corporations and it's largely directed at relieving the direct financial impacts of COVID-19 on the unemployed and SMEs. We expect revenues for issuers in the retail, transportation, and chemical sectors to be under particular pressure given a sharp decline in business activity due to a prolonged lockdown, together with elevated health and safety risks associated with the pandemic. Stress in the retail sector and prolonged curtailment of operations in non-essential service sectors are also likely to bode poorly for companies in the real estate and construction sectors. While credit profiles of issuers in the precious metals mining, telecoms, and utilities sectors have benefited from resilient demand and pricing to date, broad economic weakness together with rising consumer affordability concerns may place additional pressures on companies with material exposure to domestic end markets, and ultimately affecting all the markets that we operate in. Foreign exchange remains a substantial risk for domestic corporations, given the volatility of the South African rand. Given the challenging operating conditions and limited fiscal support, many corporations have adopted cash-preservation strategies, including reducing operating costs, cutting capital expenditures, applying for covenant suspensions, and reducing dividend pay-outs, all of these factors point to a significant increase in the expected credit losses for at least the next 12 to 18 months.

The SARB recently published market-based indicators pointing to an increased credit risk in line with elevated indebtedness, with the expected default frequency increasing by 30% year on year. Consequently, the sector's average implied credit rating deteriorated from Caa2 to Caa3.

The SARB latest Leading Business Cycle Indicators (leading indicators measure economic activity in which shifts may predict the onset of a business cycle), also indicate that economic activity will be at least down by 8% over the past 12 months compared to previous periods, further compounding the problem.. The main contributing factors indicate that the average working hours per factory worker, the business confidence index and the volume of orders in manufacturing. This measure attempts to indicate future economic activity levels, and as a result reflect businesses' ability to generate income and cash to repay their current debts. As a result the movement in this index has been added as a risk increase factor to determine the ECL Rate.

For the other Sub-Saharan countries, we operate in, we expect to see a similar trend, compounded by even weaker currencies than before the pandemic.

Eskom

Credit rating probability of default (PD) (Limited to SA Sovereign Rating)	0.6%
Critical Path Risk Discount	0.5%

The services that Waco render to Eskom are considered to be part of the critical path when it comes to ongoing maintenance at the Eskom power stations, without these services Eskom would not be able to complete the necessary work, and therefore suffer immense operational issues. As a result, Waco have applied a risk discount, as Eskom is likely to ensure that payment is made (which is also shown by the payment history) on time to ensure ongoing access to the scaffolding and services. As the expected credit loss rate is clearly immaterial, and in managements judgement the outstanding balances carry virtually no credit risk, the ECL rate was reduced to 0%

Group

	Current	0-30 days	31-90days	91-180days	181+	Total
Gross carrying amount - trade receivables (excluding intercompany balances)	311 473	58 481	59 639	37 693	108 119	575 404
TOTAL LOSS ALLOWANCE GROUP	10 312	3 560	11 046	18 644	56 269	99 831

Trade and other receivables (Note 18)	81 120
Provision for credit notes (shown net against revenue)	18 711

Company

	Current	0-30 days	31-90days	91-180days	181+	Total
Gross carrying amount - trade receivables (excluding intercompany balances)	224 776	43 154	51 024	24 860	36 933	380 746
TOTAL LOSS ALLOWANCE COMPANY	3 751	1 313	8 430	12 430	32 116	58 040

Trade and other receivables (Note 18)	39 557
Provision for credit notes (shown net against revenue)	18 483

Credit risk – Company

Credit risk for the stand-alone company arises in the loans advanced to subsidiaries carried at amortised cost.

These are subject to the expected credit loss model. The company needs to apply the general approach for loans advanced to subsidiaries because loans do not fall within the scope of the simplified approach, as applied for trade receivables and contracts assets.

Under this approach, the company needs to determine whether or not there has been a significant increase in credit risk since origination of the loans and, hence, whether it needs to provide for 12-month ECL or lifetime ECLs. At initial recognition (note these loans were not credit impaired at that time) the company recognises a loss allowance based on the portion of the lifetime ECLs associated with the PD ('probability of default') in the 12 months after reporting date. If there is a significant increase in credit risk, the company should recognise a loss allowance based on lifetime ECLs.

The general model requires recognising impairment losses in line with the stage in which the financial asset currently is. ECLs are recognised in three stages:

1) For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that could result from default events that are possible within the next 12 months;

2) When the credit risk of financial assets significantly increased and the resultant credit quality is not low risk, then credit losses are provided for over the remaining life of the exposure; and

3) When financial assets have already become credit impaired (or default events have occurred), a lifetime approach is adopted on the net amount less allowances. These are individually assessed.

In simple terms, under the general approach, if there is no significant increase in credit risk ('SICR'), the loss allowance is based on 12 months ECL, alternatively the loss allowance is based on lifetime ECL. ECLs are probability weighted averages of credit losses with the respective defaults occurring as the weights.

There are three elements to consider:

- PD is the percentage likelihood of that the borrower will not be able to repay its debt within some period;
- LGD ('loss given default') is the percentage that could be lost in the event of a default by the borrower not paying its debt (principal and interest); and
- EAD ('exposure at default') is the outstanding balance of the loan - how much the company is owed at balance sheet date.

There is a rebuttable presumption that if a loan is more than 30 days past due, there has been a significant increase in credit risk.

There is a rebuttable presumption that if a loan is more than 30 days past due, there has been a significant increase in credit risk.

33. Financial instruments *(continued)*

33.2 Credit risk *(continued)*

Credit risk – Company *(continued)*

The above may sound 'theoretically' clear, however there are practical challenges when it comes to intercompany loans that are repayable on demand or have no fixed repayment terms, unsecured and interest free, which are common in the nature of SA group situations:

- past due information would be limited if the loan is interest free and has no fixed repayment terms;
- under the general approach, you need to apply the general 3-stage model for intercompany loans and not the simplified model. This means you have to assess at which stage the loan is first and then perform the calculations;
- it is difficult to get inputs into the calculations: loss given at default and probability of default, because intercompany loans (unlisted at least) are usually not credit rated like external loans with banks for example. Internal and external loans are not equal and would require judgemental adjustments;
- you usually pay external loans first, and then only to your holding company or family (fellow subsidiaries); and
- These loans are sometimes 'quasi equity' in substance, however the borrower does not have an unconditional right to defer payment unless agreed upon by the company.

The company has therefore also considered qualitative factors when assessing whether or not there has been a SICR:

- Adverse forecasts for the subsidiaries' operating results;
- Evidence of working capital deficiencies or liquidity problems in the subsidiaries, which could also be the result of financing or ash management decisions taken by the company (head office);
- Changes in credit spread in the major markets in which the group operates that may indicate an increase in credit risk or deterioration over time which may provide a general indicator of exposures to operating subsidiaries; and
- Changes in the enterprise values of the underlying operations and indicators of decline in values

A common feature of the group's loans to subsidiaries is that these have no fixed repayment terms, are interest free and therefore payable on demand. The company would allow subsidiaries a 'repayment over time' strategy to recover the loans due, as long as there is evidence that the subsidiary is able to raise the cash. If the loan is in stage 1 – a fully performing, healthy asset, then the loss allowance can be calculated at 12-month ECL.

Since the effective interest rate is 0%, and all strategies and qualitative factors indicate that the company would fully recover the outstanding balance of the loan, the impact of discounting has no effect.

However, forward looking information still needs to be taken into account in estimating ECLs (refer to *note 38* for further information).

If there are indicators of a raised credit risk, or if this cannot be determined and if the subsidiary may not be able to repay the loan immediately, after considering all strategies to repay, the loan is considered to then be in stage 2. The loss allowance for the loan is the calculated on a lifetime ECL basis using a probability weighted analysis described above.

33. Financial instruments *(continued)*

33.2 Credit risk *(continued)*

Credit risk – Company *(continued)*

The group has applied the following probability of default % to inter-company:

Class	Write off%	Actual NAV	Actual PBIT	Budget PBIT	Actual branch contribution
1	0%	+			
2	25%	-	+		
3	50%	-	-	+	+
4	75%	-	-	-	+
5	100%	-	-	-	-

The LGD applied is limited to the net deficit in the subsidiary.

The reconciliation for loss allowances (impairments) at 30 June 2019, under IFRS 9, is as follows:

	Loans to subsidiaries at amortised cost R'000
Opening loss allowance as at 1 July 2019	39 357
Loss allowance measured at:	
Additional Lifetime ECL –Increase in credit risk during year	40 075
Loss allowance as at 30 June 2020	79 432

33. Financial instruments *(continued)*

33.3 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due.

The group's approach to managing liquidity risk is to monitor cash flows and cash flow forecasts and ensuring that sufficient liquidity is available to meet its liabilities when due. The group ensures it has sufficient cash on demand or access to facilities to meet expected operational expenses for the next 12 months, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the group places significant focus on working capital management.

The group has approved committed borrowing facilities as at 30 June 2020 totalling R190 million (2019 - R190 million) in respect of which all conditions have been met. A breakdown of available working capital facilities on a regional basis at 30 June 2020 is as follows:

R thousand

Region	Currency	Amounts Approved	Total balance positive / (negative)
2019			
South Africa	South Africa Rands	190 000	(42 758)
Mauritius	Mauritian Rupees		4 492
Zambia	Zambian Kwatcha		16 962
Ghana	Ghanian Cedi		6 355
Mozambique	Mozambiquan Meticals		9 374
Tanzania	Tanzanian Shilling		3 201
DRC	United States Dollar		8 668
Botswana	Botswanan Pula		2 889
Namibia	Namibian Dollar		12 676
Kenya	Kenya Schilling		4 659
Swaziland	Swazi Emalangeni		13 422
		190 000	39 940
2020			
South Africa	South Africa Rands	190 000	238 243
Mauritius	Mauritian Rupees		6 114
Zambia	Zambian Kwatcha		17 920
Ghana	Ghanian Cedi		8 305
Mozambique	Mozambiquan Meticals		38 742
Tanzania	Tanzanian Shilling		9 298
DRC	United States Dollar		3 730
Botswana	Botswanan Pula		297
Namibia	Namibian Dollar		11 917
Kenya	Kenya Schilling		1 721
Swaziland	Swazi Emalangeni		9 465
Nigeria	Nigerian Naira		14 576
		190 000	360 328

33. Financial instruments *(continued)*

33.3 Liquidity risk *(continued)*

Maturity profile of financial instruments

The maturity profile of financial liabilities at 30 June can be summarised as follows:

Group

R thousand	**Carrying amount**	**0 – 12 months**	**2 - 5 years**	**Total contractual cash flow**
Financial liabilities				
2019				
Interest bearing borrowings	1 367 500	252 498	1 274 179	1 526 677
Trade and other payables*	276 056	276 056		276 056
Derivative investments	7 102	-	7 102	7 102
Intercompany payables	13 543	13 543	-	13 543
Bank overdraft	(50 086)	(50 086)	-	(50 086)
2020				
Interest bearing borrowings	**1 405 013**	**1 446 344**	**-**	**1 446 344**
Lease liabilities IFRS 16	**311 501**	**144 518**	**412 261**	**556 778**
Derivative investments	**6 528**	**6 528**	**-**	**6 528**
Trade and other payables*	**331 956**	**331 956**		**331 956**
Intercompany payables	**16 284**	**16 284**	**-**	**16 284**
Bank overdraft	**-**	**-**	**-**	**-**

Company

R thousand	**Carrying amount**	**0 – 12 months**	**2 - 5 years**	**Total contractual cash flow**
Financial liabilities				
2019				
Interest bearing borrowings	1 367 500	252 498	1 274 179	1 526 677
Deriviate Investments	7 102	-	7 102	-
Trade and other payables*	125 504	125 504	-	125 504
Intercompany payables	29 146	-	15 878	15 878
Bank overdraft	50 086	50 086	-	-
2020				
Interest bearing borrowings	**1 373 529**	**1 446 344**	**-**	**1 526 677**
Lease liabilities (IFRS 16)	**302 684**	**130 877**	**412 621**	**1 526 677**
Deriviate Investments	**6 528**	**6 528**	**-**	**-**
Trade and other payables*	**227 528**	**227 528**		**227 528**
Intercompany payables	**37 243**	**37 243**		**37 243**

*Trade and other payables exclude VAT payable, deferred income and employee related liabilities.

The group implements cash management procedures, and overdraft facilities are offset by debit balances where applicable.

33. Fair values of financial instruments

The items carried at fair value are the investment in equity instruments and the interest rate swap.

Fair value of the equity instrument is based on the quoted price per a registered stock exchange and as a consequence the financial instrument is designated as a category 1 financial instrument.

Fair value of the interest rate swap is based on market inputs other than the quoted price per a registered stock exchange and as a consequence the financial instrument is designated as a category 2 financial instrument.

Management is of the opinion that fair value approximates carrying value for the items carried at amortised cost.

33.5 Risk Management

Loan covenants

South Africa

Under the terms of the major borrowing facilities, the South African group is required to comply with the following financial covenants:

EBITDA must be equal to or greater than R312 612 000 (three hundred and twelve million six hundred and twelve thousand Rand) in respect of the Measurement Period ending on 30 June 2020; and

EBITDA to Total interest paid must not be more than 3.50 (three point five zero) times in respect of at 30 June 2020, with the exception of the Measurement Period ending on 30 June *2020* for which non-compliance of this ratio shall not be an Event of Default;

All covenants have been complied with at 30 June 2020.

34. Related party disclosure

34.1 Identity of related parties

The company is legally owned by Waco SA Securities Proprietary Limited (69.9%), Bopa Moruo Private Equity Fund 1 (Pty) Ltd (25.1%) and the Waco Employee Share Benefit Trust (ESOP trust) (5%).

The ESOP trust is consolidated into Waco Africa as the issued share capital to the trust is treated as treasury shares.
Refer to note 20 for more detail on this transaction.

Material subsidiary companies are listed in Annexure B.

34.2 Material group transactions

34.2.1 Transactions with shareholders

Waco Africa Proprietary Limited entered into the following transactions with related parties:

- Administration fees of R25,8 million (2019 - R24,7 million) were paid to Waco International Holdings Proprietary Limited.

These transactions were undertaken on normal commercial terms and conditions.

34.3 Material group transactions

	Group		Company	
R thousand	2019	2018	2019	2018
Administration fees received				
Form-Scaff Ghana Limited	-	-	2 079	1 985
Waco (Mauritius) Limited	-	-	2 051	1 981
Kwikform Formwork & Scaffolding (Pty) Ltd - Swaziland	-	-	2 981	2 496
Constructions and Industrial Maintenance Services Ltd - Zambia	-	-	10 363	7 944
Waco Mozambique Limitada	-	-	4 804	3 689
Form-Scaff Tanzania Limited	-	-	2 086	1 981
SGB-Cape Ghana Limited	-	-	2 935	1 686
SGB-Cape Kusile Joint Venture	-	-	49 893	45 900
Waco DRC s.a.r.l	-	-	-	264
Kwikform Formwork & Scaffolding (Pty) Ltd - Namibia	-	-	8 006	5 707
KwikForm (Kenya) Limited	-	-	2 090	1 980
SGB-Cape Uthungulu Proprietary Limtied			3 742	3 259
Kwikform Botswana Propietary Limited	-	-	249	
	-	-	91 278	78 872

R thousand	Group 2 020	Group 2 019	Company 2 020	Company 2 019
Intercompany receivables				
Form-Scaff Ghana Limited	-	-	28 566	22 642
Waco (Mauritius) Limited	-	-	-	2 018
Construction and Industrial Maintenance Services Limited - Zambia	-	-	28 694	30 078
Waco Mocambique Limitada	-	-	52 139	22 658
Form-Scaff Tanzania Limited	-	-	32 792	24 686
SGB-Cape Ghana Limited	-	-	22 693	16 785
SGB-Cape Kusile Joint Venture	-	-	2 307	163 875
Waco DRC s.a.r.l	-	-	8 276	6 745
Kwikform Nigeria	-	-	24 954	-
Kwikform Formwork & Scaffolding (Pty) Ltd - Namibia	-	-	764	3 533
KwikForm (Kenya) Limited	-		36 489	27 573
Kwikform Botswana Propietary Limited	-	-	1 846	227
Waco Kwikform Limited	97 757	-	93 701	-
SGB-Cape Uthungulu Proprietary Limtied	-	-	1 220	2 578
SGB-Cape Offshore Proprietary Limited	-	-	2 134	632
Waco Engineering services	-	-	5 956	-
Waco Africa Human Resources Development Proprietary Limited	- 16 339	- 12 652	- 16 339	- 12 652
Waco International Holdings Proprietary Limited	1 402 400	1 400 745	1 402 400	1 400 745
Intercompany receivables before impairment	1 516 496	1 413 397	1 761 270	1 737 427
Provision for impairment (ECL's) *refer to note 33*	-	-	(79 432)	(39 357)
Intercompany receivables after impairment	1 516 496	1 413 397	1 681 838	1 698 070

R thousand	Group 2020	Group 2019	Company 2020	Company 2019
Intercompany payables				
Waco UK Holdings	2 695	2 257	2 695	2 257
Waco (Mauritius) Limited	-	-	1 056	580
Kwikform Formwork & Scaffolding (Pty) Ltd - Swaziland	-	-	8 276	10 054
FormScaff Nambia Dormant	-	-	11 627	4 969
Kwikform Acquisition Holdings Limited	13 589	11 286	13 589	11 286
	16 284	13 543	37 243	29 146

34. Related party disclosures *(continued)*

34 3 Material group transactions *(continued)*

The loans to / (from) subsidiaries are interest free and repayable on demand. Terms of the loan state that the loans are only repayable 12 months and 1 day from the date of demand. At the reporting date, the company has the unconditional right to defer settlement of the loans payable for at least a period of more than 12 months after year end. The loans are therefore classified as non-current liabilities.

Waco Africa Proprietary Limited has subordinated its claim against Waco International Holdings Proprietary Limited in favour and for the benefit of other creditors of Waco International Holdings Proprietary Limited Further to the subordination agreement has Waco Africa Proprietary Limited also issued a letter of financial support on the 2nd of September 2020 to support Waco Internationals Holdings Proprietary Limited to meets its short-term obligations, until it is reported in any subsequent financial statements of the company that its assets exceeds its liabilities.
As at 30 June 2020 the company is also party to trade receivables with companies within the Waco International Holdings Proprietary Limited group. These trade receivable balances have been included in trade and other receivables. The amounts included in trade and other receivables are as follows:

	Group		Company	
R thousand	**2020**	**2019**	**2020**	**2019**
Short-term intercompany receivables				
Kwikform Limited	2 030	2 030	2 030	2 030
Kwikform Formwork & Scaffolding (Pty) Ltd - Namibia	-	-	9 162	38 297
Form-Scaff Ghana Limited	-	-	28 119	26 222
SGB-Cape Uthungulu Pty Ltd			141	2 095
Waco Mocambique Limitada	-	-	49 979	32 847
Form-Scaff Tanzania Limited	-	-	23 999	17 884
Construction and Industrial Maintenance Services Limited - Zambia	-	-	24 236	35 878
SGB-Cape Ghana Limited	-	-	7 148	6 893
SGB-Cape Kusile Joint Venture	-	-	13 074 -	-
Kwikform Botswana Proprietary Limited	-	-	6 121	2 920
Waco (Mauritius) Limited	-	-	-	2 500
KwikForm (Kenya) Limited	-	-	38 247	27 479
Kwikform Formwork & Scaffolding (Pty) Ltd - Swaziland	-	-	9 401	1 141
Waco Africa Human Resources Development Proprietary Limited	99		99	
SGB-Tedoc Joint Venture	12	-	12	7 941
NC Sanitation Solutions Proprietary Limited	-	-	5 518	7 562
Waco International Holdings Proprietary	-	-	-	-
Limited	285	-	285	-
	2 426	2 030	217 571	211 689

34. Related party disclosures *(continued)*

34.3 Material group transactions *(continued)*

As at 30 June 2020 the company is also party to trade payables with companies within the Waco International Holdings Proprietary Limited group. These trade payables balances have been included in trade and other payables. The amounts included in trade and other payables are as follows:

R thousand	Group 2020	Group 2019	Company 2020	Company 2019
Short term intercompany payables				
Construction and Industrial Maintenance Services Limited - Zambia	-	-	2 620	-
Kwikform Botswana Propietary Limited			213	
Kwikform Formwork & Scaffolding (Pty) Ltd - Namibia			1 100	
Waco Africa Human Resources Development Proprietary Limited	219	525	219	525
SGB-Cape Kusile Joint Venture	-	-	-	1 523
Waco (Mauritius) Limited	-	-	1 613	-
Waco Engineering Services			933	
SGB-Cape Offshore Proprietary Limited	-	-	-	293
Waco International Holdings Proprietary Limited	-	-	-	-
	310	665	310	665
	529	1 190	7 008	3 006

During 2020 the company was also party to intercompany transactions with companies within the Waco International Holdings Proprietary Limited group. These transactions have been included as part of profit and loss. The amounts included in profit after tax are as follows:

R thousand	Group 2020	Group 2019	Company 2020	Company 2019
Intercompany transactions				
Intercompany sales	-	-	48 656	106 613
Intercompany cost of sales	-	-	(28 719)	(82 309)
Interest received - SGB-Cape Kusile Joint Venture	-	-	7 546	12 523
	-	-	27 484	36 828

35. **Going concern**

Company

The company made a profit for the year of R 34 million (2019: R103 million). Current assets exceeded current liabilities by R 269 million (2019: R 335 million). Total assets exceeded total liabilities by R 1 845 million (2020: R 1 813 million).

Group

The Group made a profit for the year of R184 million (2019: R 102 million). Current assets exceeded current liabilities by R292 million (2019: R 412 million). Total assets exceeded total liabilities by R 1 971 million (2019: R 1 799 million). The external liabilities can be fully repaid by the total assets in the ordinary course of business.

The impacts of Covid-19 outbreak have caused a significant deterioration in economic conditions and an increase in economic uncertainty.

Although these are unfortunate times and the group did experience a decline in profits, management where able to negate this decline through a number of initiatives. The group is robust and has some exposure to essential service sectors. This assisted in softening the blow of the partial or full lockdown in the geographies in which the group operates.

The various initiatives and actions taken by management aimed at reducing spend and protecting liquidity included;

- ✓ A groupwide salary and wage cut for the three months ended 30 June 2020
- ✓ Successfully tapping into government initiatives
- ✓ Cost reduction through restructure of our Form-Scaff
- ✓ Successful renegotiation of South African facilities and covenant renegotiations in an environment that was heavily impacted upon by Covid-19
- ✓ Development of 4 new products focused on benefiting from challenges created due to the impact of Covid-19; and
- ✓ Introduced new service offering -decontaminations

The pandemic also resulted in the Group and Company implementing temporary extension of payment terms mainly applying to the income stream customers. This was applied on a case by case basis to the customers who have requested extended terms. Similarly, the Group and Company has been given extended payment terms on certain lease terms to relieve the short-term cashflow pressures.

Management has considered different scenarios, including a reasonably plausible downside scenario in assessing the 2021 budget and forecasts to carefully consider the impact of current events and conditions on the group operations and forecast cash flows. Even in the downside, the group still shows to have sufficient liquidity to continue to meet its obligations as they fall due and be compliant with financial covenants.

Per note 22 all borrowing facilities were renegotiated with the Group's and Company's debt providers *("Consortium of Banks")* before the end of the financial year to a new expire date of 01 July 2021. The refinance or roll over of these existing loan facilities will likely occur before the expire date of 01 July 2021 as per standard terms of negotiations on these facilities.

As such 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 have satisfied themselves that the Company and Group are in sound financial positions and that they have access to sufficient cash and borrowing facilities to meet their foreseeable cash requirements.

36. Dividends

No dividend was declared by the company or the group during the year (2019: R nil).

37. Subsequent events

There were no matters of significance that occurred subsequent to the financial year end up to the date of approval of the financial statements that may have affected the financial results of that date and require disclosure thereof.

38. Changes in accounting policies

Expect for the changes below, the group and company have consistently applied the accounting policies to all periods presented in these consolidated financial statements.

38 .1 IFRS 16 - Leases

The group and company applied IFRS 16 from 1 July 2019. As a result, the group and company have changed its accounting policy for lease contracts.

IFRS 16 was applied using the modified retrospective approach and there was no impact on retained earnings at 1 July 2019 as the right of use assets were measured at an amount equal to the remaining lease liabilities.

As a lessee, the group and company previously classified leases as operating, or finance leases based on its assessment of whether the leases transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the group.

Under IFRS 16, the group and company recognises right-of-use assets and lease liabilities for most leases, including operating leases. In other words, majority of leases are 'on-balance sheet'.

The group and company have applied recognition exemptions available for leases meeting the threshold for 'low value' items. The group has set a threshold of R100k as 'low value'. For all other leases, which were classified as operating under IAS 17, the group recognised right of use assets and lease liabilities.

On transition to IFRS 16, the group also applied the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease. Therefore, the definition of a lease under IFRS16 was applied only to contracts entered into or changed on or after 1 July 2019.

A. Leases classified as operating leases under IAS 17

At 1 July 2019 transition lease liabilities were measured at the present value of the remaining lease payments, discounted at the group's incremental borrowing rate at 1 July 2019. Right of use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The following practical expedients were used when applying IFRS 16 to leases previously classified as operating leases under

IAS 17:

• Applying a discount rate to a portfolio of leases

• excluded initial direct costs from measuring the right-of-use asset at the date of initial application

• use of hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

B. Impact on financial statements

On transition to IFRS 16, the group and company recognised right of use assets for R333 million and R314 million respectively and additional lease liabilities for R333 million and R314 million respectively. Right of use assets are included within property, plant and equipment and lease liabilities are included within non-current and current borrowings. Right of use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. On transition the right of use asset for both group and company were decreased by R17 million relating to the release of straight lining lease liability.

38. Changes in accounting policies *(continued)*

38.1 IFRS 16 - Leases *(continued)*

Depreciation for the current year increased by R116 million for the group and R104 million for the company because of IFRS 16.

When measuring the lease liabilities at present value, a weighted average incremental borrowing rate of 10% was applied in 2020 for South Africa and other African countries. The new rules did not have a material impact on operating profit, however interest expense increased by R35 million for the group and R33 million for the company and was directly expensed in the current year in terms of the recognition exemptions.

A reconciliation of the operating lease commitments capitalised at 1 July 2020 is as follows:

	Group	Company
Values at 01 July 2019	R'000	R'000
Operating lease commitments disclosed as at 30 June 2019	438 271	436 606
Discounted using the group's incremental borrowing rate of 10% less low-value leases recognised on a straight-line basis as expense	105 181	122 547
Lease liability recognised as at 1 July 2019	333 090	314 059

The impact of IFRS 16 can be summarised as follows:

	Group	Company
Values at 30 June 2020	R'000	R'000
Interest expense	34 896	33 183
Carrying value of Lease liability	311 501	302 684
Depreciation	115 602	104 366
Carrying value of Right to use asset	288 949	281 154
Lease expense	127 945	116 017
Forex (loss)	-	
Increase/(Decrease)		
Effect on EBITDA	127 945	116 017
Effect on EBIT	12 343	11 651
Effect of profit before tax	(22 553)	(21 532)

39. Standards and interpretations approved but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2020 and have not been applied in preparing these consolidated and separate financial statements. The Group and Company do not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated.

Those which may be relevant to the Group and Company are set out below:

Effective for the financial year commencing 1 July 2020

- IAS 1 - *Amendment to IAS 1, 'Presentation of financial statements' and IAS 8 -Definition of material;*

- IFRS 3 *Business Combinations*

- Amendment to IFRS 16 – Covid-19 Related rent concessions amending the standard to provide lessees with an exemption from assessing whether a Covid-19 related rent concession is a lease modification.

All standards and interpretations will be adopted at their effective date, except where stated otherwise and except for those standards and interpretations that are not applicable to the entity, as listed below.

The directors are of the opinion that the impact of the application of the above Standards and Interpretations will be as follows:

IAS 1 - Amendment to IAS 1, 'Presentation of financial statements' and IAS 8, 'Accounting policies, changes in accounting estimates and errors' on the definition of material.

The amendments to IAS 1 and IAS 8 will be implemented by the Waco International Group for the first time for the period ending 30 June 2021. This is in accordance with the effective date of this amendment in IAS 1 and IAS 8.

These amendments to IAS 1 and IAS 8 and consequential amendments to other IFRSs requires the group and company to:

- Use a consistent definition of materiality through IFRSs and the Conceptual Framework for Financial Reporting;
- clarify the definition of material; and
- incorporate some of the guidance in IAS 1 about immaterial information.

The amended definition of materiality:

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The Group and Company will apply the amended definition of materiality to ensure that complete and accurate information is presented to the users of the financial statements.

IFRS 3 Business Combinations

The amendments to IFRS 3 will be implemented by the Waco International Group for the first time for the period ending 30 June 2021. This is in accordance with the effective date of this amendment in IFRS 3.

This amendment revises the definition of a business. According to feedback received by the IASB, application of the current guidance is commonly thought to be too complex, and it results in too many transactions qualifying as business combinations. More acquisitions are likely to be accounted for as asset acquisitions.

To be considered a business, an acquisition would have to include an input and a substantive process that together significantly contribute to the ability to create outputs. The new guidance provides a framework to evaluate when an input and a substantive process are present (including for early stage companies that have not generated outputs). To be a business without outputs, there will now need to be an organised workforce.

39. Standards and interpretations approved but not yet effective ***(continued)***

The Group strategy is to defend and extend our core business, which includes investigating avenues of possible acquisition of businesses or in some case asset acquisitions. The group will apply the amendments to IFRS 3 in assessing whether these acquisitions falls within the revised definition of a business or if the acquisition is an asset acquisition.

Standards and interpretations not expected to have an impact on the entity:

The following Standards and Interpretations are not applicable to the business of the Waco group and will therefore have no impact on future financial statements.

Effective for the financial year commencing 1 July 2021

- IFRS 17 *Insurance Contracts*
- Amendments to IFRS 9, IAS 39 and IFRS 7 -Interest rate benchmark reform

Annexure A – Analysis of interest bearing borrowings

for the year ended 30 June 2020

2020

Country	Bank	Rates	Rate at 30 June	Description	Group and Company R'000
South Africa	Standard Bank of SA Limited & ABSA Bank Limited Consortium			Bill facilities, with quarterly rollover periods, secured by assets with a book value as disclosed below	1 332 282
	Amortising A	JIBAR+1,75%	0	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2015 and in a final single instalment on 01 July 2021	25 000
	Amortising B	JIBAR+3,15%	7.058%	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2016 and in a final single instalment on 01 July 2021	187 500
	Bullet	JIBAR+2,15%	6.058%	Bill facility with a floating interest rate, repayable in a final single instalment on 01 July 2021	400 000
	Acquisition facility	JIBAR+1,80%	5.708%	Bill facility with a floating interest rate, repayable in a final single instalment on 01 July 2021	90 000
	Revolver	JIBAR+1,80%	5.708%	Bill facility with a floating interest rate, repayable in a final single instalment on 01 July 2021	630 000
				Capitalised raising fee	(218)
Value of interest-bearing borrowings					1 332 282

Annexure A – Analysis of interest bearing borrowings

for the year ended 30 June 2020

2019

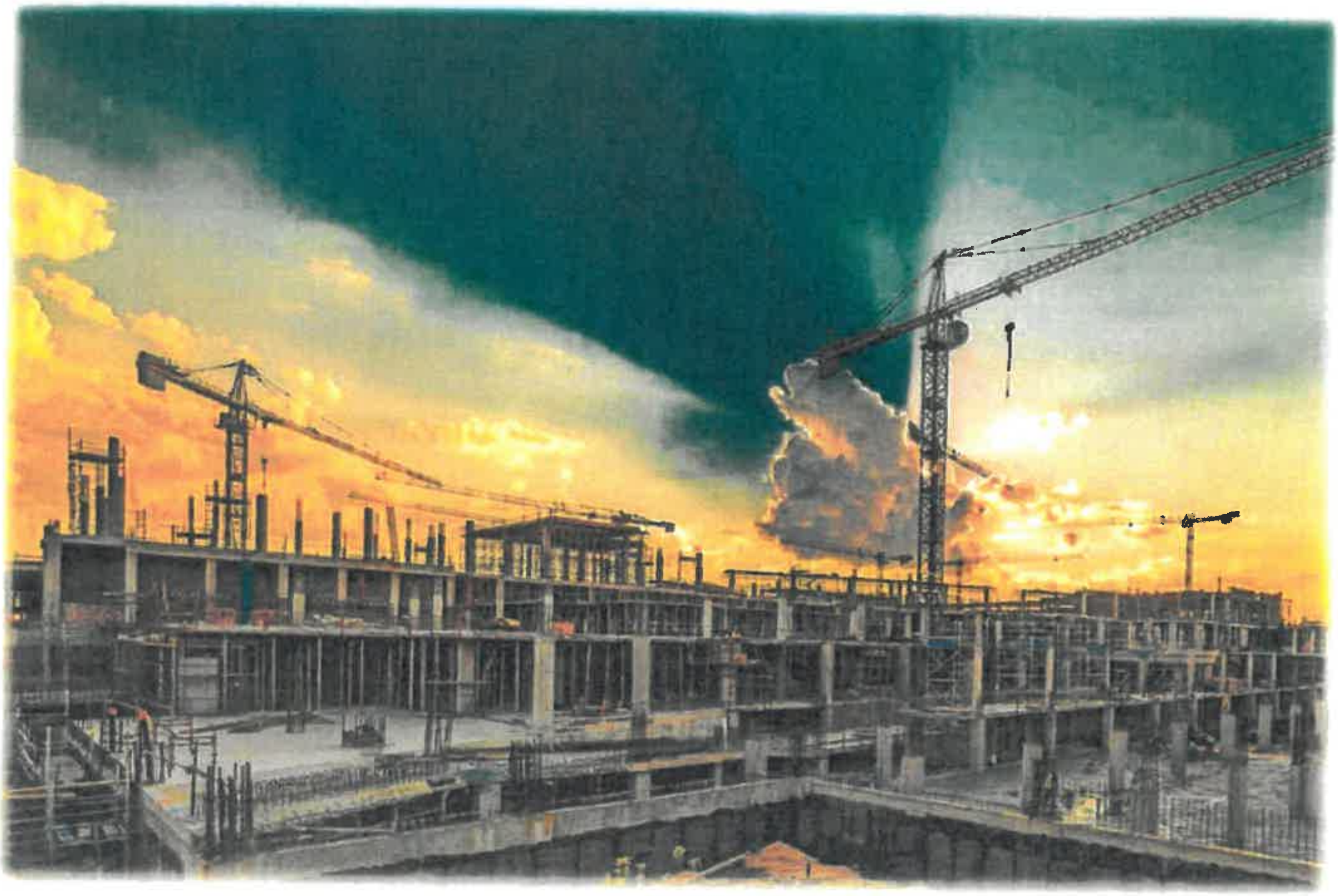
Country	Bank	Rates	Rate at 30 June	Description	Group and Company R'000
South Africa	Standard Bank of SA Limited & ABSA Bank Limited Consortium			Bill facilities, with quarterly rollover periods, secured by assets with a book value as disclosed below	1 365 972
	Amortising A	JIBAR+1,75%	8.775%	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2015 and in a final single instalment on 30 September 2020	120 000
	Amortising B	JIBAR+3,15%	10.175%	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2016 and in a final single instalment on 30 September 2020	217 500
	Bullet	JIBAR+2,15%	9.175%	Bill facility with a floating interest rate, repayable in a final single instalment on 30 September 2020	400 000
	Revolver	JIBAR+1,80%	8.825%	Bill facility with a floating interest rate, repayable in a final single instalment on 30 September 2019	630 000
				Capitalised raising fee	(1 528)
Value of interest-bearing borrowings					1 365 972

Annexure A – Analysis of interest bearing borrowings

for the year ended 30 June 2020

The following assets have been pledged as security for borrowings

R thousand	2020	2019
Property, plant and equipment	137 387	109 914
Equipment for hire	1 144 745	1 173 536
Current assets	1 086 810	928 846
Inventory	166 414	130 014
Trade and other receivables	560 068	708 806
Cash and cash equivalents	360 328	90 026
Total assets	2 368 942	2 212 296



WACO africa

Waco Africa Proprietary Limited

Annual Financial Statements

for the year ended 30 June 2019

Audited

Prepared by: B Cohn

Group Financial Manager CA (SA)

Waco Africa Proprietary Limited
(Registration number : 2012/000665/07)

Annual financial statements
for the year ended 30 June 2019

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The financial statements of Waco Africa Proprietary Limited have been audited in compliance with Section 30 of the Companies Act of South Africa and where published on 30 September 2019.

Directors' responsibility statement

for the year ended 30 June 2019

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements of Waco Africa Proprietary Limited, comprising the statements of financial position at 30 June 2019, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and the directors' report.

The directors are also responsible 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, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the company and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the consolidated and separate financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of consolidated and separate annual financial statements

The consolidated and separate annual financial statements of Waco Africa Proprietary Limited, as set out on page 10-97, were approved by the board of directors on 30 September 2019 and are signed by:

M G Eb
Authorised director

S J M Goodhern
Authorised director

Certificate of the company secretary

In my opinion as company secretary, I hereby confirm, in terms of the Companies Act, that for the year ended 30 June 2019, the company has lodged with the Companies and Intellectual Property Commission all such returns as are required of a company in terms of this Act and that all such returns are true, correct and up to date.

M R Towler
Company secretary

The directors have pleasure in presenting their report for the year ended 30 June 2019.

Overview

Waco Africa Proprietary Limited ("Waco Africa") is a subsidiary of Waco International Holdings Proprietary Limited ("Waco"). Waco is a diversified equipment hire and industrial services business operating in the following key geographies: South Africa; other Sub-Saharan Africa; Australasia (Australia and New Zealand); and the United Kingdom. The group has core product offerings in Forming, Shoring and Scaffolding (FSS), Relocatable and Modular Buildings (R&MB) and Portable Sanitation (PS), and it has growing businesses in Integrated Hygiene Services (IHS), rope access, suspended platforms and aerial work platforms (AWP). The group's hire fleet comprises more than 100,000 tonnes of scaffolding, approximately 42,000 tonnes of formwork, in excess of 6,000 relocatable modular buildings, approximately 32 000 toilets and 200 AWP's. The group's business operates through a network of more than 100 branches from which it services over 15,000 customers, including a significant number of "blue chip" multinational and national companies and government agencies in a wide variety of industries, such as infrastructure, mining and resources, oil and gas, power generation, construction and engineering, industrial maintenance, education, healthcare and events.

The scale, diversity and quality of the hire fleet, the branch footprint and human capital are Waco International's most valuable assets and represent a competitive advantage. The group is able to selectively pursue contracts in locations where conditions favour its product and service offering, and deploy resources from underperforming operations to areas of growth. It invests in research and development in new products, services and ways of operating to ensure it continually optimises, expands and innovates to attract new customers. Waco's established core businesses in South Africa and Australasia are market leaders, while Premier Modular in the UK has a niche, growing position. In these markets, the group grows profits by optimising the size and location of its branch network, leveraging operational efficiencies and managing the cost to serve.

Waco provides a range of products and services through its Africa and International business segments as set out below:

- the Africa segment consists of: (i) Form-Scaff, SGB-Cape and SkyJacks, Waco's African FSS business units; (ii) Abacus, Waco's African R&MB business unit; and (iii) Sanitech, Waco's PS and IHS business unit.
- the International segment consists of: (i) the Kwikform Group, comprised of Kwikform, Star Scaffolding and Hire West in Australia and APL and United Scaffolding in New Zealand, Waco's Australasian FSS business unit; and (ii) Premier, Waco's UK R&MB business unit;

Overview of Waco Africa's performance

Despite deterioration of the economies in which the group trades, Waco Africa remains a profitable business that has delivered attractive returns over the past five years.

Results for the current year are however down from prior year levels due to (1) the Kusile acceleration in South Africa in the financial year ended June 2018, (2) the deterioration of macroeconomic conditions in South Africa and the resultant depression of the South African construction industry.

The Group's track record of strong growth and good cash generation has however supported substantial historic investment into a diversification strategy that has grown a stronger and more robust business and results for the current year are still positive given the various challenges faced by the group.

Outlook

The current global economic outlook is mixed and volatile. After strong growth in 2017 and early 2018, global economic activity slowed notably in the second half of last year, reflecting a confluence of factors affecting major economies. Trade tensions increasingly took a toll on business confidence and financial market sentiment worsened, with financial conditions tightening for vulnerable emerging markets early in 2018 and then in advanced economies later in the year, weighing on global demand. Conditions eased early in 2019 as the US Federal Reserve signaled a more accommodative monetary policy stance and markets became more optimistic about a US–China trade deal, but recent developments between US-China are expected to erode these gains.

In the markets we serve, the outlook is mostly negative. Political instability and lack of policy reform in South Africa are clouding economic projections.

Waco generates most of its revenue from contracting and rental services that offer annuity type income over periods ranging from six months to two years. This to some extent provides a buffer against cyclical industries such as the struggling construction sector in South Africa. Currently, about 65% of the Waco International's group EBITDA is generated in South Africa, whose economy remains stagnant, with low growth projections on a macroeconomic scale and decreasing year on year investment in gross fixed capital formation.

Our long term strategy is to continue to diversify our group by taking advantage of opportunities in new and established markets and geographies where there is growing demand for our diversified equipment rental and industrial products and services, especially in Sub Saharan Africa, where real output growth is expected to accelerate in 2019 and 2020.

It is clear from the preceding information that in the main the economic environment will remain a challenge for at least the next 18 to 24 months and will we continue to focus on cash management, managing capex and ensuring our debt levels remain at manageable levels.

Nevertheless, the Doka acquisition concluded in August 2019, as well as existing growth initiatives and improvements in areas of our "business as usual", should contribute to the future growth prospects of Waco Africa. We will continue to look at further acquisitions and growth opportunities which meet our strategic objectives.

Update on Grayston bridge collapse

Almost four years have passed since the Grayston Bridge incident. The Section 32 Enquiry was completed in September 2018 with all closing arguments being submitted. We are waiting for the report to be issued by the commissioner. The insurer has already settled or is dealing with the personal injury claims arising from the collapse. The financial impact of the outcome of this matter remains uncertain.

Update on potential restructuring due to Competition Commission Review

The group has been the supplier of access scaffolding, insulation and related services, on four power stations, on long term maintenance contracts with Eskom for several years. During 2015 the contract was put out on tender. The submission of bids through joint ventures with various BBBEE partners has been perceived by the customer as anti-competitive behaviour. The group was reported to the South African Competitions Commission for a review and the contract was awarded to external parties. Management do not believe that the way the group submitted these tenders constitutes anti-competitive behaviour and has received legal advice that supports this stance.

The matter has yet to be heard by the competition court, despite Eskom withdrawing their complaint in 2017. We have however run two exception hearings and defended an appeal at the Constitutional Court. We are awaiting rulings in two of these matters. The financial impact of the outcome of this matter remains uncertain.

High Court Interdict against Eskom Award

Eskom notified us of their intention not to award any power stations to SGB-Cape or any of the JV's which were formed to further Eskom's objectives. In response to this, the group has successfully lodged an urgent interdict in 2016 against the customer to overturn the award to said external parties until Eskom has been able to prove to the High Court that they applied their minds in making these awards and that these awards were fair as well as proving that the exclusion of all SGB-Cape bids was correct in law. Should the review be unfavourable, the group will be forced to demobilise on these sites and to downsize the related division within the group.

The matter is set down to be heard at the end of September 2019.

Management have developed a formal plan for the restructure and have raised an appropriate provision. This matter has been formally communicated to all employees of the affected division.

Subsidiaries

Details of the company's material subsidiaries are set out in Annexure B of these financial statements.

Share capital

The Company has 10 179 542 issued ordinary shares of no par value and 535 765 ordinary A shares of no par value in issue as at 30 June 2019.

Dividends

No dividend was declared during the year (2018: R nil).

Subsequent events

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report which requires adjustment to or disclosure in these financial statements.

Directors

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

S J M Goodburn
M G Els
G M Slabbert (Alternate to M G Els)
S P Burnett
P D Ngcobo
B Tlhabanelo
N D Khoele
N Mothejoa

Prescribed officer

The prescribed officer in office at the date of this report is:

E D le Roux

Company secretary

The company secretary at the date of this report is M R Towler.

Registered address:

Woodmead Office Park
14 Stirrup Lane
Off Van Reenens Avenue
Woodmead
2191
South Africa

Postal address:

Postnet Suite # 108
Private bag X23
Gallo Manor
2052
South Africa

Holding company

The company's immediate holding company is Waco SA Security Proprietary Limited, a company incorporated in the Republic of South Africa. The company's ultimate holding company is Waco International Holdings Proprietary Limited, a company incorporated in the Republic of South Africa.

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Independent auditor's report

To the Shareholders of Waco Africa Proprietary Limited

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Waco Africa Proprietary Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Waco Africa Proprietary Limited's consolidated and separate financial statements set out on pages 10 to 97 comprise:

- the consolidated and separate statements of financial position as at 30 June 2019;
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended;
- the notes to the financial statements, which include a summary of significant accounting policies;
- annexure A - analysis of interest bearing borrowings;
- annexure B – company analysis of material subsidiary companies; and
- annexure C – key management and directors' remuneration.

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 consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The

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IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "*Waco Africa Proprietary Limited Annual Financial Statements For the year ended 30 June 2019*", which includes the Directors' report as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

The directors are responsible for the preparation and fair presentation of the consolidated and separate 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and 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 Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

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

pwc

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group's and 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 Group's and 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 consolidated and separate 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 Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.
Director: PDP Vermeulen
Registered Auditor
Waterfall City
30 September 2019

Waco Africa Proprietary Limited
(Registration number : 2012/000665/07)

Statements of profit or loss and other comprehensive income
for the year ended 30 June 2019

		Group		Company	
R thousand	*Note*	**2019**	2018	**2019**	2018
Revenue	2	**3 024 855**	3 361 495	**2 210 906**	2 496 561
Cost of sales	3	**(1 966 236)**	(2 097 299)	**(1 346 913)**	(1 473 694)
Gross profit		**1 058 619**	1 264 196	**863 993**	1 022 867
Other income	4	**2 258**	7 967	**2 258**	12 099
Distribution expenses		**(516 857)**	(535 530)	**(392 362)**	(415 126)
Administration expenses		**(227 998)**	(224 498)	**(142 135)**	(69 830)
Other operating expenses	5	**(5 985)**	(10 761)	**(30 970)**	(20 324)
Results from operating activities	6	**310 037**	501 374	**300 784**	529 686
Finance expense	7	**(142 778)**	(119 124)	**(142 446)**	(119 029)
Finance income	7	**5 123**	8 385	**16 458**	16 532
Foreign exchange loss	7	**(22 013)**	3 907	**(23 865)**	3 134
Net finance expense	7	**(159 668)**	(106 832)	**(149 853)**	(99 363)
Profit before income tax		**150 369**	394 542	**150 931**	430 323
Income tax	8	**(48 601)**	(134 400)	**(47 519)**	(129 648)
Profit for the year		**101 768**	260 142	**103 412**	300 675
Other comprehensive income					
Items that will be reclassified subsequently to profit and loss					
Foreign currency translation differences	7	**(18)**	(1 224)	**(2 716)**	(332)
Other comprehensive income for the year		**(18)**	(1 224)	**(2 716)**	(332)
Total comprehensive income for the year		**101 750**	258 918	**100 696**	300 343
Profit attributable to:					
Owners of the company		**121 101**	269 062	**103 412**	300 675
Non-controlling shareholders		**(19 333)**	(8 920)	**-**	-
		101 768	260 142	**103 412**	300 675
Total comprehensive income attributable to:					
Owners of the company		**121 083**	267 838	**100 696**	300 343
Non-controlling shareholders		**(19 333)**	(8 920)	**-**	-
		101 750	258 918	**100 696**	300 343

Statements of financial position
as at 30 June 2019

R thousand	Note	Group 2019	Group 2018	Company 2019	Company 2018
Assets					
Equipment for hire	9	1 173 536	1 220 080	1 034 265	1 045 967
Property, plant and equipment	10	109 914	132 437	82 260	97 995
Investments in subsidiaries	11	-	-	13 490	13 490
Goodwill	12	57 244	61 244	44 134	44 134
Intercompany receivables	34	1 413 397	1 416 915	1 698 070	1 643 609
Intangible assets	13	223	248	223	248
Deferred tax assets	23	3 076	-	-	-
Other investments	14	-	432	-	432
Total non current assets		2 757 390	2 831 356	2 872 442	2 845 875
Inventories	16	130 014	122 633	94 102	90 032
Trade and other receivables	17	708 806	727 677	678 277	779 380
Income tax assets		20 307	26 410	3 632	-
Cash and cash equivalents	18	90 026	107 316	-	30 120
		949 153	984 036	776 011	899 532
Assets classified as held for sale	10.3	4 826	-	4 826	-
Total current assets		953 979	984 036	780 837	899 532
Total assets		3 711 369	3 815 392	3 653 279	3 745 407
Equity					
Stated ordinary share capital	19	1	1	1	1
Stated preference share capital	20	99 723	99 723	99 723	99 723
Foreign currency translation reserve	21	17 402	17 420	(2 808)	(92)
Retained earnings		1 711 673	1 590 572	1 715 909	1 626 869
Total equity attributable to equity holders of the group		1 828 799	1 707 716	1 812 825	1 726 501
Non-controlling interest		(30 049)	(10 716)	-	-
Total equity		1 798 750	1 697 000	1 812 825	1 726 501
Interest bearing borrowings	22	1 240 972	1 363 047	1 240 972	1 363 047
Deferred tax liability	23	81 537	77 958	99 854	86 868
Intercompany payables	34	13 543	13 446	29 146	15 878
Long term straight line lease accrual		14 211	17 108	14 211	17 108
Employee benefits	26	10 398	38 745	10 399	38 745
Long term contingent consideration		10 000	12 500	-	-
Total non current liabilities		1 370 661	1 522 804	1 394 582	1 521 646
Bank overdraft	18	50 086	-	50 086	-
Trade and other payables	24	294 876	386 631	208 010	298 058
Derivative investments		7 102	2 992	7 102	2 992
Employee benefits	26	45 640	55 075	39 268	48 523
Provisions	25	17 390	18 078	16 406	17 094
Current portion of interest bearing borrowings	22	125 000	110 000	125 000	110 000
Income tax payable		1 864	22 812	-	20 593
Total current liabilities		541 958	595 588	445 872	497 260
Total liabilities		1 912 619	2 118 392	1 840 454	2 018 906
Total equity and liabilities		3 711 369	3 815 392	3 653 279	3 745 407

Waco Africa Proprietary Limited
(Registration number : 2012/000665/07)

Statements of changes in equity

for the year ended 30 June 2019

R thousand

Group	Stated ordinary share capital	Stated preference share capital	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 30 June 2017	1	99 723	18 644	1 321 510	1 439 878	1 204	1 441 082
Total comprehensive income for the year							
Profit for the year	-	-	-	269 062	269 062	(8 920)	260 142
Other comprehensive income							
Foreign currency translation	-	-	(1 224)	-	(1 224)	-	(1 224)
Total comprehensive income for the year	-	-	(1 224)	269 062	267 838	(8 920)	258 918
Transactions with owners recorded directly in equity							
Contributions by and distributions to owners	-	-	-	-	-	-	-
Ordinary shares issued during the year	*	-	-	-	-	-	-
Treasury shares issued during the year	*	-	-	-	-	-	-
Dividends paid to minority shareholders	-	-	-	-	-	(3 000)	(3 000)
Balance at 30 June 2018	1	99 723	17 420	1 590 572	1 707 716	(10 716)	1 697 000
Adjustment to retained earnings with the implementation of IFRS 9 and IFRS 15	-	-	-	-	-	-	-
Total comprehensive income for the year							
Profit for the year	-	-	-	121 101	121 101	(19 333)	101 768
Other comprehensive income							
Foreign currency translation	-	-	(18)	-	(18)	-	(18)
Total comprehensive income for the year	-	-	(18)	121 101	121 083	(19 333)	101 750
Balance at 30 June 2019	1	99 723	17 402	1 711 673	1 828 799	(30 049)	1 798 750

* *Less than a R'000*

Waco Africa Proprietary Limited
(Registration number : 2012/000665/07)

Statements of changes in equity
for the year ended 30 June 2019

R thousand

Company	Stated ordinary share capital	Stated preference share capital	Foreign currency translation reserve	*Retained earnings	*Total
Balance at 30 June 2017	1	99 723	240	1 326 194	1 426 158
Total comprehensive income for the year					
Profit for the year	-	-	-	300 675	300 675
Other comprehensive income					
Foreign currency translation	-	-	(332)	-	(332)
Total comprehensive income for the year	-	-	(332)	300 675	300 343
Balance at 30 June 2018	1	99 723	(92)	1 626 869	1 726 501
Adjustment to retained earnings with the implementation of IFRS 9 and IFRS 15 (note 38)	-	-	-	(14 372)	(14 372)
Total comprehensive income for the year					
Profit for the year	-	-	-	103 412	103 412
Other comprehensive income					
Foreign currency translation	-	-	(2 716)	-	(2 716)
Total comprehensive income for the year	-	-	(2 716)	103 412	100 696
Balance at 30 June 2019	1	99 723	(2 808)	1 715 909	1 812 825

Statements of cash flows

for the year ended 30 June 2019

		Group		Company	
R thousand	*Note*	2019	2018	2019	2018
Cash flows from operating activities					
Operating cash flow before working capital changes	27	428 846	699 334	422 245	657 441
Working capital changes	28	(40 177)	(104 002)	43 344	(103 042)
Finance income received		3 277	7 867	16 458	16 218
Finance expense paid		(140 668)	(119 124)	(168 635)	(119 029)
Income tax paid	29	(62 791)	(106 618)	(58 758)	(91 051)
Net cash from operating activities		188 487	377 457	254 654	360 537
Cash flows from investing activities					
Additions of property, plant and equipment	10	(20 466)	(18 829)	(16 031)	(14 446)
Additions of equipment for hire	9	(126 174)	(281 317)	(147 619)	(253 923)
Proceeds from disposal of property, plant and equipment		10 084	2 367	9 343	2 367
Proceeds from disposal of equipment for hire		39 917	77 802	59 558	124 668
Additions of intangible assets		-	-	-	-
Dividends paid		-	(4 500)	-	-
Acquisition of business		-	(21 305)	-	(9 084)
Disposal of investment		432	6 054	432	6 054
Net cash used in investing activities		(96 207)	(239 728)	(94 317)	(144 364)
Cash flows from financing activities					
Interest bearing borrowings raised	22	-	427 528	-	427 528
Interest bearing borrowings repaid	22	(110 000)	(110 000)	(110 000)	(110 000)
Other long term liabilities (repaid)/raised		-	(4 007)	-	(4 007)
companies		(46 386)	(351 760)	(130 543)	(469 379)
Net cash used in financing activities		(156 386)	(38 239)	(240 543)	(155 858)
Net increase/(decrease) in cash and cash equivalents		(64 106)	99 490	(80 206)	60 315
Cash and cash equivalents at 1 July		107 316	6 106	30 120	(30 195)
Effect of exchange rate fluctuations on cash held		(3 270)	1 720	-	-
Cash and cash equivalents at 30 June	18	39 940	107 316	(50 086)	30 120

1. Significant accounting policies

The accounting policies set out below have been applied consistently by all group entities to all periods presented in these financial statements.

The group has also implemented the application of IFRS 15 *Revenue from contracts with customers* and IFRS 9 *Financial Instruments adoption.* The group had to change its accounting policies following the adoption of IFRS 15 and IFRS 9, this is disclosed in *note 38.* The implementation of IFRS 15 and IFRS 9 did not have a material impact on the amounts recognised in prior or current periods and are not expected to significantly affect the future periods.

The group adopted the amendments to IFRIC 22 *Foreign Currency Transactions and Advance Considerations* during the year. The adoption of these amendments did not result in any changes in the company's accounting policies and had no effect on the results of the group.

Reporting entity

Waco Africa Proprietary Limited (the "company") is a company domiciled in South Africa. The address of the company's registered office is disclosed in the directors' report included in the front of the annual report. The consolidated financial statements as at and for the year ended 30 June 2019 comprises the company and its subsidiaries (together referred to as the "group" and individually as "group entities").

1.1 Basis of preparation

1.1.1 *Statement of compliance*

The group and company financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS's"), its interpretations adopted by the International Accounting Standards Board, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and requirements of the Companies Act of South Africa. The group and company financial statements of Waco Africa Proprietary Limited were approved by the board of directors on 30 September 2019 and are signed by M G Els and S J M Goodburn, authorised directors.

1.1.2 *Basis of measurement*

The group and company financial statements are prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as detailed in the accounting policies below.

1.1.3 *Functional and presentation currency*

The group and company financial statements are presented in South African Rands, which is the presentation currency of the company. The functional currency of the company is South African Rands. All the financial information presented in South African Rands has been rounded to the nearest thousand unless indicated otherwise.

1.1.4 *Use of estimates and judgements*

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Areas where estimates and judgement are applied by management in applying accounting policies are set out in note 1.21.

1. Significant accounting policies *(continued)*

1.2 Basis of consolidation

Business combinations

The group accounts for business combinations using the acquisition method when control is transferred to the group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Subsidiaries

Subsidiaries are entities controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The results of subsidiaries acquired or disposed of during the year are included in the group financial statements from the effective date of acquisition and up to the effective date of loss of control, as appropriate.

Investments in subsidiaries are accounted for in the financial statements of the company at cost less accumulated impairment losses.

Non-controlling interest

Non-controlling interest (NCI) are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interest in equity-accounted investees

The group's interests in equity-accounted investees relate to interests in associates and a joint venture.
Associates are those entities in which the group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the roup has joint control, whereby the group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

1. Significant accounting policies *(continued)*

Joint arrangements

A joint arrangement is where the parties are bound by a contractual arrangement which gives of those parties joint control of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The accounting treatment in the financial statements of the joint controller (venture or operator) depends on the type of joint arrangement (joint venture or joint operation):

Joint Ventures

Joint ventures are accounted for using the equity method in IAS 28 (the same as for associates discussed in above) unless the entity is exempted from applying the equity method as specified in IAS 28.

The assets, liabilities and transactions arising from joint operations are accounted for using other IFRSs usual but are included at the joint operator's proportionate share of those assets, liabilities and transactions (revenue and expenses) for those items incurred jointly (referred to as "proportionate consolidation").

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.2.1 *Goodwill*

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired. Goodwill is measured as the excess of the sum of the fair value of the consideration transferred, the recognised amount of any non-controlling shareholder interest and the fair value of the acquirer's previously held equity interest in the acquiree over the net amounts (generally fair value) of the identifiable assets acquired and the liabilities assumed as recognised on the date of acquisition.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units expected to benefit from the synergies of the business combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to other assets on a pro-rata basis, based on the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.2.2 *Acquisition from entities under common control*

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the group are accounted for as transactions with equity holders. As a result, no gain or loss on such changes is recognised in profit or loss but rather in equity. In addition no change in the carrying amounts of assets including goodwill or liabilities is recognised as a result of such transactions.

1. Significant accounting policies *(continued)*

1.2.3 *Foreign operations*

The separate financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the group financial statements, the results and financial position of each group entity are presented in South African Rands, which is the presentation currency of the group.

For the purpose of presenting group financial statements, the assets and liabilities of the group's foreign operations are translated to South African Rands using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless significant transactions occurred during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity.

On the disposal of a foreign operation all of the accumulated exchange differences in respect of that operation attributable to the group are reclassified to profit or loss. In the case of a partial disposal (not loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange difference is reclassified to non-controlling shareholder interest and is not reclassified in profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate at the end of the reporting period.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in the group financial statements in other comprehensive income, and presented in the foreign currency translation reserve in equity.

1.3 Equity

1.3.1 *Ordinary stated share capital*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

1.3.2 *Preference shareholder capital*

Preference shareholder capital is classified as equity if it is non-redeemable, or redeemable only at the company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity upon approval by the group's shareholders.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognised as finance expense in profit or loss as accrued.

1.3.3 *Treasury shares*

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity..

1.4 Property, plant and equipment

Items of property, plant and equipment are measured at historical cost, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the present value of the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

1. Significant accounting policies *(continued)*

1.4 Property, plant and equipment *(continued)*

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised within other operating expense or other income in profit or loss.

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Subsequent expenditure is capitalised only if it is probably that the future economic benefits associated with the expenditure will flow to the group.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the group will obtain ownership by the end of the lease term in which case they are depreciated over the expected useful life. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Property	50	years
Plant and machinery	5–10	years
Motor vehicles	4–5	years
Computers, furniture and office equipment	3–7	years
Leasehold improvements	5–10	years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

1.5 Equipment for hire

Equipment for hire is treated in the same manner as property, plant and equipment (refer to 1.4).

Scaffolding, shoring and formwork, modular buildings, motorised equipment and other equipment held for hire are depreciated using the straight-line method at rates determined by conditions in the relevant industries and considered appropriate to reduce the value of the assets to their residual values over their estimated remaining useful lives.

The following current estimated useful lives are used to depreciate the assets:

Scaffolding, shoring and formwork	5–40	years
Modular buildings	15	years
Sanitation equipment	2–10	years
Motorised equipment	10–15	years

Scaffolding, shoring and formwork equipment, modular buildings, sanitation equipment and motorised equipment are constantly refurbished and maintained, with the resulting expense charged to profit or loss.

The residual values, depreciation methods and useful lives of equipment for hire are reassessed annually.

In the course of the Group's ordinary activities, high volumes of hire equipment are required to be regularly moved to and from construction sites. Furthermore the Group routinely sells items of equipment for hire that it has held for rental to others and transfers such assets to inventories at their carrying amount when they cease to be rented and become held for sale.

1. Significant accounting policies *(continued)*

1.6 Leases

1.6.1 *Operating leases as lessee*

Leases where the lessor retains the risks and rewards of ownership of the underlying asset are classified as operating leases and the leased assets are not recognised on the group's statement of financial position. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the period of the lease.

1.6.2 *Finance leases as lessee*

Leases that transfer substantially all the risks and rewards of ownership of the underlying asset to the group are classified as finance leases. Assets acquired in terms of finance leases are capitalised at the lower of fair value and the present value of the minimum lease payments at inception of the lease, and depreciated over the estimated useful life of the asset. Finance lease assets are treated in accordance with the accounting policy applicable to that asset. The capital element of future obligations under the leases is included as a liability in the statement of financial position. Lease payments are allocated using the effective interest method to determine the lease finance cost, which is recognised in profit or loss over the lease period, and the capital repayment, which reduces the liability to the lessor.

1.7 Intangible assets

1.7.1 *Intangible assets acquired in a business combination*

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at fair value at the acquisition date. Subsequent to initial recognition, intangible assets acquired in a business combination are measured at cost less accumulated amortisation and accumulated impairment losses.

Other intangible assets not acquired through business combinations, includes customer relationships, patents and trademarks that are acquired by the group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

The group also has internally generated software that is capitalised as development cost and amortised from the point at which the asset is ready for use. Directly attributable costs that are also capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

1.7.2 *Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated intangible assets are recognised in profit or loss.

1.7.3 *Amortisation*

For other intangible assets with finite useful lives amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives for current periods are as follows:

Customer relationships:	5 years
Internally generated software:	3 years

1. Significant accounting policies *(continued)*

1.8 Impairment

1.8.1 *Financial assets*

Policy applicable from 1 July 2018

The group recognises loss allowances for Expected Credit Losses (ECLs) on financial assets at amortised cost. Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. *See note 1.12.3* on trade receivables for further information.

Loss allowances for advances to subsidiaries are calculated using a probability weighted basis for lifetime ECLs.

Policy applicable before 1 July 2018

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that they are impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. Individually significant financial assets that are not found to be impaired are grouped with remaining financial assets and are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in profit or loss.

1.8.2 *Non-financial assets*

The carrying amounts of the group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. The recoverable amount is the higher of its fair value less costs to sell and its value in use. For goodwill, the recoverable amount is estimated at each reporting date.

In assessing value in use, the expected future cash flows from the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

For an asset that does not generate cash inflows that are largely independent of those from other assets the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is recognised in profit or loss whenever the carrying amount of the cash-generating unit exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

For goodwill, a recognised impairment loss is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount, and there is an indication that the impairment loss may have reversed, but not to an amount higher than the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years.

1. Significant accounting policies *(continued)*

1.9 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition, and is determined using the first-in, first-out method. The cost of work-in-progress, finished goods and contracts-in-progress includes direct costs and an appropriate allocation of overheads based on normal production levels. Obsolete, redundant and slow moving inventories are identified on a regular basis and are written-down to their estimated net realisable values.Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

1.10Contract assets and contract liabilities

The timing of revenue recognition, billings and cash collections results in billed, accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the Consolidated Statement of financial position.

Contract revenue amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., biweekly or monthly) or upon achievement of contractual milestones.

Generally, billing occurs after revenue recognition, resulting in contract assets. However, the group sometimes receives advances or deposits from customers, particularly on larger and longer-term contracts, before revenue is recognised, resulting in contract liabilities presented within trade and other payables.

Construction assets are presented as part of trade and other receivables in the statement of financial position. If payments received from customers exceed the revenue recognised, then the difference is presented as deferred income within trade and other payables.

1.11 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments, net of bank overdrafts, all of which are available for use by the group and have maturities of three months or less from the date of acquisition.

1.12 Financial instruments

1.12.1 Recognition and initial Measurement

Financial instruments, consisting of financial assets and financial liabilities, carried at the reporting date by the group include cash and cash equivalents, trade receivables, trade payables, borrowings, bank overdrafts and derivative instruments such as an interest rate swap. Trade receivables and trade payables exclude prepayments and certain statutory and employee-related payables for the purposes of financial instruments.

Trade receivables are initially recognised when the right to consideration is unconditional, in conjunction with IFRS 15. All other financial assets and liabilities are recognised on the Statement of financial position when the group and company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

1. Significant accounting policies *(continued)*

1.12.2 Classification and subsequent measurement of Financial Assets

Financial assets – Policy applicable from 1 July 2018

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

The group does not hold any debt or equity investments and therefore these items are not considered or dealt with further.

Assessing the solely payments of principal and interest (SPPI) criterion

In order for a financial asset to qualify for amortised cost or FVOCI it needs to give rise to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding. This assessment is colloquially referred to as the SPPI test. It is performed at an instrument level.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

The trade receivables of the group only involve a single cash flow - the payment of the amount resulting from a transaction in the scope of IFRS 15, which is deemed to be the principal, as stated above.

Therefore, the cash flows resulting from the receivables meet the SPPI test of payments of principal and interest despite the interest component being zero in most cases.

Bank and cash is short term in nature and interest income is earned on amounts deposited with the bank. The group recognises these balances at its contractual par amount.

The bank balances involves one single cash flow which is the repayment of the principal plus interest accrued at the effective rate. Therefore, the cash flows resulting from these deposits meet the SPPI test of payments of principal and interest.

The contractual cash flows for trade receivables and bank and cash consists solely of principal and interest.

1. Significant accounting policies *(continued)*

IFRS 9 "Business model" assessment

In addition to the results from the SPPI test, the classification is dependent on the business model under which the group holds the financial assets. An entity's business model for managing financial assets refers to how an entity manages its financial assets in order to generate cash flows. That is, the entity's business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both.

A business model is typically observable through particular activities undertaken by an entity to achieve its objective, such as how its performance is evaluated, how its managers are remunerated and how its risks are managed, plus the frequency and magnitude of sales.

Amortised cost business model

The group operates an amortised cost business model for financial assets other than derivatives. Trade and other receivables as well as bank and cash are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

The group's business model is to hold these assets in order to collect contractual cash flows, provided they pass the SPPI test mentioned above.

Receivables, arising from the revenue generated, are collected from customers and are based on the agreed contractual terms. This forms an integral component of working capital and credit risk management as well as cash generation for the group.

In re-affirming our assessment we considered:
- the time value of money
- credit risk
- terms that limit the group's claim to cash flows
- liquidity risk
- administration costs and
- profit margins applied

The group's policy for trade receivables is therefore to hold the receivables to collect the contractual cash flows. Therefore they are classified at amortised cost.

The group also holds bank and cash deposits in order to collect the contractual cash flows. These are also classified as measured at amortised cost.

Amortised cost financial assets are subsequently measured using the effective interest method and are subject to the impairment requirements in IFRS 9.

Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Gains and losses are recognised in profit or loss when the instrument is derecognised or impaired.

Other business models

IFRS 9 requires financial assets to be measured at FVTPL if they are not held within either a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. The group holds derivative financial instrument – Interest rate swap.

The interest rate swap (derivative instrument) failed the SPPI test. Therefore this derivative financial instrument continues to be FVTPL.

On initial recognition, the group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. This was not applicable for the year.

Financial assets are classified as current assets if they are expected to be realised within 12 months of the reporting date.

1. Significant accounting policies *(continued)*

Financial assets policy applicable ***before 1 July 2018***

There has been no real change in the recognition and measurement of financial assets from the previous policy under IAS 39. *Refer to note 38* for further details.

There have been changes in the calculation of trade receivable provisions (impairments) which is discussed further below.

Previously the group classified its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depended on the purpose for which the financial assets were acquired. Management determined the classification of its financial assets at initial recognition.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the group's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables comprise cash and cash equivalents, loans to subsidiaries and trade and other receivables.

Such assets are recognised initially at fair value plus any directly attributable transactions costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

1.12.3 *Trade Receivables*

Trade receivables are recognised at the transaction price as measured and defined in IFRS 15, Revenue from contracts with customers and subsequently measured at amortised cost using the effective interest method, less provision for impairment as explained above.

From 1 July 2018 the group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires lifetime credit losses to be recognised from initial recognition of all receivables and contract assets.

Credit risk is the risk of financial loss to the group if a customer fails to pay their debt or counterparty to a financial instrument fails to meet its contractual obligations i.e. recovering our cash from deposits held with banks. The group considers it has two types of credit risk; operational and financial.

Operational credit risk relates to non-performance by customers in respect of trade and other receivables.

Financial credit risk – is assessed in further detail in *note 33.*

The group's credit risk arises principally from receivables due from customers.

Impairments prior to 1 July 2018 (IAS 39)

A provision for impairment of trade receivables was established when there is objective evidence that the group will not collect the amount as per the original terms of receivables. The amount of the provision is the difference between the asset's carrying value and the present value of future cash flows, discounted at the original effective interest rate. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivables are impaired. The amount of the provision is recognised in profit or loss. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

Subsequent recoveries of amounts previously written off are credited in profit or loss.

1. Significant accounting policies *(continued)*

1.12.4 *Financial Liabilities*

The only change introduced by IFRS 9 in respect of financial liabilities is related to liabilities designated as at fair value through profit or loss (FVTPL) using the fair value option. The previous policies, as described below, are still applicable.

Non-Derivative Financial Liabilities

The group classifies non-derivative financial liabilities into the following categories: financial liabilities at fair value through profit or loss and financial liabilities measured at amortised cost.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognitions as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities measured at amortised cost

The group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities measured at amortised cost comprise interest bearing borrowings, bank overdrafts, other long term liabilities, loans from subsidiaries and trade and other payables.

1.12.5 *Derivative financial instruments*

Derivative financial instruments are accounted for in the same manner as non-derivative financial assets and liabilities held for trading at fair value through profit or loss.

The group makes use of interest rate swap contracts as described above. The interest rate swap contract fair values are calculated using the effective yield curve valuation method.

Gains and losses arising from a change in the fair value of derivative instruments are included in finance expense or income in profit and loss in the period in which the change arises.

11.12.6 *Offset*

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the group or company has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.13 Revenue

Revenue comprises rentals, sales of goods, contract revenue and services to customers, and excludes Value Added Tax. Sales within the group are eliminated on consolidation.

The group has initially applied IFRS 15 from 1 July 2018. The accounting policies for the group's main types of revenue are explained in *note 2. The effect of initially applying IFRS 15 is described in note 38.*

1. Significant accounting policies *(continued)*

1.14 Finance income and expense

1.14.1 *Finance income*

Finance income comprises interest income on funds invested and changes in the fair value of financial assets and liabilities at fair value through profit or loss. Finance income is recognised as it accrues in profit or loss, using the effective interest method.

1.14.2 *Finance expense*

Finance expense comprises interest expense on borrowings and changes in the fair value of financial assets and liabilities at fair value through profit or loss and is recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis and included in finance income or expense.

1.15 Income tax

Income tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investment in subsidiaries and equity-accounted investees to the extent that they will probably not reverse in the foreseeable future and the group is able to control the timing of the reversal of the temporary difference. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the reporting date. The effect on deferred tax of any changes in tax rates is recognised in profit or loss, except to the extent that it relates to items previously charged or credited directly to equity or other comprehensive income.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Dividends withholding tax is a tax on shareholders receiving dividends and is applicable to all dividends declared on or after 1 April 2012. The company withholds dividends tax on behalf of its shareholders at a rate of 20% on dividends declared. Amounts withheld are not recognised as part of the company's tax charge but rather as part of the dividend paid recognised directly in equity. Where withholding tax is withheld on dividends received, the dividend is recognised at the gross amount with the related withholding tax recognised as part of tax expense unless it is otherwise reimbursable in which case it is recognised as an asset.

1.16 Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Other exchange differences are recognised net in the finance expense or finance income line of profit or loss in the period in which they arise.

1. Significant accounting policies *(continued)*

1.17 Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will occur, and where a reliable estimate can be made of the amount of the obligation. Where the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for restructuring is recognised when the group has approved a detailed and formal restructuring plan, and raised a valid expectation that it will carry out the restructuring. Future operating losses are not provided for.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. An impairment loss on the assets associated with the contract is recognised before a provision is established.

1.18 Contingencies

Contingent liabilities are not recognised in the financial statements. Contingent liabilities are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities associated with acquired businesses are however recognised at fair value on acquisition. After initial recognition the contingent liabilities recognised separately as a result of a business combination are recognised at the higher of the amount that would be recognised in accordance with provisions (see note 1.17) and the initial amount recognised less cumulative amortisation recognised in terms of the revenue recognition principles.

Contingent assets are not recognised in the financial statements but disclosed when they are material and an inflow of economic benefits is probable.

1.19 Employee benefits

1.19.1 Short term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service.

The accruals for employee entitlements to wages, salaries, bonuses, and annual leave represent the amount, which the group has a present obligation to pay as a result of employees' services provided until the reporting date. The accruals have been calculated at undiscounted amounts based on current wage and salary rates. Leave pay accrual is calculated based on total cost to company.

1.19.2 Other long term employee benefits

Other long-term employee benefits are defined as all employee benefits other than short term employee benefits, post-employment benefits or termination benefits and include items such as long-service leave and profit-sharing based remuneration, provided the benefit is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

The group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

1.19.3 Post-employment benefits

1.19.3.1 *Defined contribution plans*

A defined contribution plan is a post-employment plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

1. Significant accounting policies *(continued)*

1.19.4 Share based payments

The fair value of the amount payable to employees in respect of share appreciation rights (SARs) and weighted growth appreciation rights (WGARs), which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs and WGARs. Any changes in the liability are recognised in profit or loss.

1.20 Non-current assets (or disposal groups) held-for-sale and discontinued operations

Non-current assets (or disposal groups) are classified as held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held-for-sale continue to be recognised.

Non-current assets classified as held-for-sale and the assets of a disposal group classified as held-for-sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held-for-sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held-for-sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

1.21 Estimations and judgements applied by management in applying accounting policies

The following estimations or judgements which could have a significant effect on the 2019 results were made by management in applying the accounting policies at 30 June 2019.

1.21.1 *Impairment of obsolete inventory*

Management identifies obsolete inventory on a continuing basis. The identification is based on the age and condition of the specific inventory items. Once identified the inventory is impaired to reflect the lower of cost and net realisable value. This estimate could however change based on market conditions.

1.21.2 *Impairment of trade receivables*

Trade receivables are recognised at the transaction price as measured and defined in IFRS 15, Revenue from contracts with customers and are subsequently measured at amortised cost using the effective interest method, less provision for impairment as explained above.

From 1 July 2018 the group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires lifetime credit losses to be recognised from initial recognition of all receivables and contract assets. *Refer back to note 1.12.3 for detail on assumptions applied in assessing the impairment of trade receivables as well as note 33.2 credit risk assessment.*

1.21.3 *Impairment of goodwill*

Management reviews the carrying value of goodwill at each reporting date with reference to both the underlying net asset value of the operation to which the goodwill relates and the estimated recoverable amount, being the higher of the value in use and the fair value less costs to sell. Management believe that the basis used and assumptions upon which the recoverable amount is calculated are reasonable.

1. Significant accounting policies *(continued)*

1.21.4 *Impairment of intangibles*

Management reviews the carrying value of intangible assets if there is an indication of impairment, using the approximate revenue streams that are derived from that asset or the cash generating unit of which that asset forms a part.

1.21.5 *Property, plant and equipment, hire equipment and intangible assets*

The Group reviews and tests the carrying value of hire-equipment when events or changes in circumstances suggest that the carrying amount may not be recoverable by comparing the recoverable amounts to these carrying values.
Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of recoverable amounts of each group of assets.

The recoverable amounts of cash-generating units ("CGU") and individual assets have been determined based on the higher of value-in-use and fair value less cost of disposal ("FVLCOD") calculations. Expected future cash flows used to determine the value in use or FVLCOD of hire equipment is inherently uncertain and could materially change over time.

When determining the value in use, management applies significant judgement to forecasting future cash flows and determining the appropriate discount and growth rates to be applied.

1.21.6 *Taxation*

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain. The group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcomes of these matters are different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The group recognises the net future tax benefit related to deferred tax assets to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Assessing the recoverability of deferred tax assets requires the group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets recorded at the reporting date could be impacted.

2. Revenue

	Group		Company	
R thousand	**2019**	**2018**	**2019**	**2018**
Hire and hire related services *(IAS17 & IFRS 15)*	1 332 673	1 360 581	1 165 080	1 234 282
Sale of goods *(IFRS 15)*	203 450	254 020	227 645	322 909
Contract revenue *(IFRS 15)*	1 488 732	1 746 894	818 181	939 370
	3 024 855	3 361 495	2 210 906	2 496 561

As disclosed above the Group and the Company's revenue can be disaggregated into the following main revenue streams:

Hire and Hire related services: Hire is still accounted for under IAS 17 and is recognised in profit and loss on a straight-line basis over the term of the rental. Revenue generated from hire relates services is recognised under IFRS 15 and is disclosed with rental income as the revenue is generated from one contract agreement and seen to be one performance obligation. Revenue from hire related services is only as a result of the rental of the related equipment and therefore not disclosed separately in the financial statements.

Sale of goods: Sales of goods are recognised under IFRS 15, sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion of the usage of the projects, and there is no unfulfilled obligation which could affect the customers' acceptance of the products and when the entity has a present right to payment for the asset.

Delivery occurs when the products are either shipped to a specific location or collected by the customer, the risks have been transferred and the customer has accepted the products in accordance with the sales agreement.

A receivable is recognised when control transfers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Contracts with customers: Contracts with customer are also accounted for under IFRS 15 and are to be billed as work progresses using an output method in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., biweekly or monthly) or upon achievement of contractual milestones. The recognised amount includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably.

The group has applied the modified retrospective method, as selective in IFRS 15 and effectively measures the recognition of sale of goods and contracts with customers under IFRS 15 from 1 July 2018. The comparative information has not been restated and continues to be reported under IAS 18. The effect of initially applying IFRS 15 on the group's revenue streams is fully explained in *note 38* – IFRS 15 *Revenue from contracts with customers*.

The group and company has also presented significant accounting policies related to revenue from contracts with customers within *note 38*, rather than together with other accounting policies.

A. Disaggregation of revenue

In the following tables, all revenue streams as disclosed above are disaggregated by primary geographical region according to their timing and according to their nature and also includes a reconciliation of the disaggregated revenue with the group's different product lines for the year ended 30 June 2019.

	Group		Company	
	30 June 2019	30 June 2018	**30 June 2019**	**30 June 2018**
	Revenue as reported R'000	Revenue as reported R'000	Revenue as reported R'000	Revenue as reported R'000
Primary geographical markets				
South Africa	2 591 761	2 909 223	2 210 906	2 496 561
Sub-Saharan Africa	433 094	452 272	-	-
	3 024 855	3 361 495	2 210 906	2 496 561

2. Revenue *(continued)*

	Group		Company	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018
	Revenue as reported R'000	Revenue as reported R'000	Revenue as reported R'000	Revenue as reported R'000
Timing of revenue recognition				
At a point in time (*Sale of goods*)	203 450	254 020	227 645	322 909
Over time (*Renting of hire equipment and contract revenue*)	2 821 405	3 107 475	1 983 261	2 173 652
	3 024 855	3 361 495	2 210 906	2 496 561

Group

30 June 2019

	Revenue as reported R'000	Forming, shoring, scaffolding and related services	Modular buildings, sanitation and related services
Product lines			
Africa	3 024 855	2 165 561	859 294

30 June 2018

	Revenue as reported R'000	Forming, shoring, scaffolding and related services	Modular buildings, sanitation and related services
Product lines			
Africa	3 361 495	2 552 667	808 828

Company

30 June 2019

	Revenue as reported R'000	Forming, shoring, scaffolding and related services	Modular buildings, sanitation and related services
Product lines			
Africa	2 210 906	1 412 074	798 832

30 June 2018

	Revenue as reported R'000	Forming, shoring, scaffolding and related services	Modular buildings, sanitation and related services
Product lines			
Africa	2 496 561	1 728 510	768 051

Revenue comprises rental and related services to customers, sales of goods and contract revenue and excludes Value Added Tax. Sales within the group are eliminated on consolidation.

2. **Revenue** ***(continued)***

B. Assets and liabilities related to contracts with customers

The following section provided information about receivables, contract assets and contract liabilities:

Group

Receivables, which are included in trade and other receivables *(note 17 &24)*	30 June 2019 R'000	1 July 2018 R'000
Contract assets*	246 563	174 884
Contract liabilities	8 546	32 329

Company

Contract assets and liabilities *(note 17&24)*	30 June 2019 R'000	1 July 2018 R'000
Contract assets*	87 212	76 880
Contract liabilities	7 248	25 154

**Unconditional rights to consideration are presented separately as a receivable. A right to consideration is unconditional if only the passage of time is required before payment is due. Although the group has an enforceable right to payment for performance completed to date, it does not necessarily have a present unconditional right to consideration until goods are actually delivered and invoiced.*

B.1 Changes in contract assets and liabilities

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the Statement of Financial Position.

For the group contract revenue amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., biweekly or monthly) or upon achievement of contractual milestones.

Generally, billing occurs subsequent to revenue recognition, resulting in contract assets. However, the group sometimes receives advances or deposits from customers, particularly on larger and longer-term contracts, before revenue is recognized, resulting in contract liabilities.

These assets and liabilities are reported on the Statement of Financial Position on a contract-by-contract basis at the end of each reporting period.

For our hire and shorter-term contracts, the group generally receives deposits from customers upon contract execution and upon achievement of contractual milestones. These deposits are returned when revenue is recognized.

With the implementation of IFRS 15 there have not been significant changes in the recognition and measurement of contract assets and liabilities during the period.

C. Contract costs

No such incremental costs were incurred that may qualify for capitalisation under IFRS 15.

D. Performance obligations and revenue recognition policies

For an extended description of the nature and timing of the satisfaction of performance obligations in contracts with customers including the group's accounting policies and assessments regarding the timing of and method adopted for revenue recognition transaction price and variability, payment terms, warranties and significant judgements when applying IFRS 15, refer to *note 38.*

3. Cost of sales

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Hire and hire related services	(701 884)	(694 640)	(649 636)	(642 404)
Cost of goods sold	(131 800)	(169 372)	(156 663)	(221 784)
Cost of sales - contract revenue	(1 132 552)	(1 233 287)	(540 614)	(609 506)
	(1 966 236)	(2 097 299)	(1 346 913)	(1 473 694)

4. Other income

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Insurance claim proceeds	423	7 967	423	7 967
Dividend income	-	-	-	4 132
Other	1 835	-	1 835	-
	2 258	7 967	2 258	12 099

5. Other operating expenses

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Amortisation of intangible assets	(25)	(87)	(25)	(87)
Impairment of goodwill	(4 000)	(24 504)	-	(24 504)
Investment impairment *(Form-Scaff (Pty) Ltd)*	-	-	-	(9 863)
Reversal of earn-out provision	4 000	21 619	-	21 619
Legal fees	(5 499)	(7 789)	(5 499)	(7 489)
Impairment of intercompany loans *(BCL)*	-	-	(24 985)	-
Other	(461)	-	(461)	-
	(5 985)	(10 761)	(30 970)	(20 324)

6. Results from operating activities

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
The following items were charged (credited) to results from operating activities:				
Depreciation				
- property, plant and equipment	32 279	33 278	22 972	23 830
- equipment for hire	131 613	127 072	112 490	112 591
Amortisation of intangible assets	25	87	25	87
Loss/(Profit) on disposal of				
- property, plant and equipment	(5 186)	309	(5 376)	(26)
- equipment for hire	(4 976)	(35 392)	(14 470)	(73 081)
Operating lease expense	143 390	127 677	140 036	125 421
Impairment of equipment for hire	19 485	14 179	23 049	10 242
Reversal of impairment on equipment for hire	(24 506)	(7 195)	(21 890)	(7 887)
Professional fees	6 345	21 950	6 247	21 924
Auditors remuneration	5 004	3 022	4 301	2 611
Audit fee	4 243	3 022	3 540	2 611
Tax services	761	-	761	-
Employee costs	1 356 553	1 465 472	1 339 982	1 458 455
Salaries and wages	1 291 695	1 397 415	1 275 124	1 390 398
Defined contribution expense	63 910	60 180	63 910	60 180
Remeasurement of provision for ESOP trust bursaries	(518)	6 665	(518)	6 665
Social security expense	-	-	-	-
Long term employee benefit scheme	1 466	1 212	1 466	1 212
Other expenses not separately disclosed *(of which the majority relates to cost of sales not shown above)*	1 051 065	1 106 868	274 044	284 483
Total Cost of Sales, Administration and distribution expenses	2 711 091	2 857 327	1 881 410	1 958 650

7. Net finance (expense)/income

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Interest expense on financial liabilities measured at amortised cost	(131 438)	(109 689)	(131 438)	(109 689)
Interest expense on interest rate swaps	(3 781)	(3 694)	(3 781)	(3 694)
Interest expense on bank overdraft	(2 375)	(5 542)	(2 374)	(5 638)
Early settlement fee	-	(1)	-	(1)
Other interest expense	(1 601)	(198)	(1 270)	(7)
Fair value loss on financial instrument at fair value through profit and loss	(3 583)	-	(3 583)	-
Finance expense	(142 778)	(119 124)	(142 446)	(119 029)
Interest income on bank deposits	3 277	1 441	843	407
Interest income on intercompany trade receivables	-	-	12 523	6 732
Fair value loss on financial instrument at fair value through profit and loss	-	3 448	-	3 448
Other interest income	1 846	3 496	3 092	5 945
Finance income	5 123	8 385	16 458	16 532
Net foreign exchange loss	(22 013)	3 907	(23 865)	3 134
Net finance expense	(159 668)	(106 832)	(149 853)	(99 363)
The above financial income and expense include the following in respect of assets (liabilities) not at fair value through profit and loss:				
Total interest income on financial assets	5 123	4 937	16 458	13 084
Total interest expense on financial liabilities	(139 195)	(119 124)	(138 863)	(119 029)
Recognised directly in other comprehensive income				
Foreign currency translation differences from the translation of foreign operations	(18)	(1 224)	(2 716)	(332)

8. Income tax

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Current tax	48 095	112 041	34 533	102 579
- Current year	44 752	109 190	31 007	99 728
- Prior year under/(over) provision	3 343	2 851	3 526	2 851
Deferred tax	506	22 359	12 986	27 069
- Current year	4 110	22 359	16 312	20 262
- Change in unrecognised temporary differences	(1 342)	-	-	-
- Prior year under provision	(2 262)	-	(3 326)	6 807
	48 601	134 400	47 519	129 648

8.1 The reconciliation of the effective rate of tax with the statutory tax rate is as follows:

	Group 2019 %	Group 2018 %	Company 2019 %	Company 2018 %
Effective tax rate	32.32	34.06	31.48	30.12
Adjusted for:				
Permanent differences:				
Impairment of Goodwill	(0.01)	(1.74)	-	(1.63)
Reversal of earn-out provision	0.01	1.53	-	1.44
Impairment of intercompany loans (ECL)	-	-	(4.64)	-
Other non-deductible expenses	0.96	(3.40)	1.29	0.30
Prior year adjustment	(0.70)	(0.72)	(0.13)	(2.24)
Recognition of previously unrecognised deferred tax asset	(5.90)	(1.20)	-	-
Foreign tax expense	1.32	(0.60)	-	-
Statutory tax rate	28.00	28.00	28.00	28.00

9. Equipment for hire

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Group					
Cost					
Balance at 1 July 2017	1 411 170	879 891	170 245	228 786	132 248
Additions	281 317	153 818	30 766	42 111	54 622
Reclassifications	(252)	-	-	-	(252)
Disposals	(73 053)	(53 011)	(3 612)	(8 602)	(7 828)
Disposal of business	-	-	-	-	-
Acquisition of business	10 308	-	-	10 308	-
Effect of movements in exchange rates	3 636	3 615	8	(3)	16
Balance at 30 June 2018	1 633 126	984 313	197 407	272 600	178 806
Balance at 1 July 2018	1 633 126	984 313	197 407	272 600	178 806
Additions	126 174	76 766	10 374	31 945	7 289
Reclassifications	-	-	-	-	-
Disposals	(77 315)	(49 892)	(3 173)	(22 217)	(2 033)
Transfer to inventory	(1 308)	-	(1 267)	-	(41)
Effect of movements in exchange rates	(12 028)	(10 104)	(1 649)	(278)	-
Balance at 30 June 2019	1 668 649	1 001 083	201 492	282 053	184 021

Certain equipment for hire has been pledged to secure certain interest bearing borrowings (see Annexure A).

9. Equipment for hire *(continued)*

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Group *(continued)*					
Accumulated depreciation and impairment losses					
Balance at 1 July 2017	309 122	153 962	30 732	101 757	22 671
Depreciation for the year	127 072	55 189	13 543	43 363	14 977
Impairment loss	6 984	6 984	-	-	-
Disposals	(30 643)	(20 833)	(207)	(7 929)	(1 674)
Reclassifications	(5)	-	-	-	(5)
Effect of movements in exchange rates	516	511	(6)	9	2
Balance at 30 June 2018	413 046	195 813	44 062	137 200	35 971
Balance at 1 July 2018	413 046	195 813	44 062	137 200	35 971
Depreciation for the year	131 613	54 085	15 073	45 939	16 516
Impairment loss	(5 021)	(5 037)	16	-	-
Disposals	(42 375)	(20 512)	(1 396)	(20 029)	(438)
Reclassifications	(42)	-	(42)	-	-
Effect of movements in exchange rates	(2 108)	(1 762)	(191)	(155)	-
Balance at 30 June 2019	495 113	222 587	57 522	162 955	52 049
Carrying amounts					
At 30 June 2018	1 220 080	788 500	153 345	135 400	142 835
At 30 June 2019	1 173 536	778 496	143 970	119 098	131 972

9. **Equipment for hire** *(continued)*

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Company					
Cost					
Balance at 1 July 2017	1 239 994	722 945	163 674	224 285	129 090
Additions	253 923	133 221	24 713	41 367	54 622
Reclassifications	-	-	-	-	-
Disposals	(79 100)	(64 919)	(1 946)	(7 932)	(4 283)
Disposal of business	-	-	-	-	-
Acquisition of business	1 753	-	-	1 753	-
Balance at 30 June 2018	1 416 570	791 227	186 441	259 473	179 429
Balance at 1 July 2018	1 416 570	791 227	186 441	259 473	179 429
Additions	147 619	101 254	7 958	31 118	7 289
Reclassifications	-	-	-	-	-
Disposals	(89 845)	(64 596)	(2 664)	(20 552)	(2 033)
Transfer to inventory	(233)	-	(192)	-	(41)
Balance at 30 June 2019	1 474 111	827 885	191 543	270 039	184 644

9. **Equipment for hire** *(continued)*

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Company *(continued)*					
Accumulated depreciation and impairment losses					
Balance at 1 July 2017	283 171	129 934	30 063	100 872	22 302
Depreciation for the year	112 591	43 832	13 259	40 705	14 795
Impairment loss	2 355	2 355	-	-	-
Disposals	(27 514)	(18 490)	(163)	(7 697)	(1 164)
Disposal of business	-	-	-	-	-
Effect of movements in exchange rates	-	-	-	-	-
Balance at 30 June 2018	370 603	157 631	43 159	133 880	35 933
Depreciation for the year	112 490	39 149	14 073	42 752	16 516
Impairment loss	1 159	1 159	-	-	-
Disposals	(44 435)	(23 210)	(1 350)	(19 437)	(438)
Transfer to inventory	29	-	29	-	-
Balance at 30 June 2019	439 846	174 729	55 911	157 195	52 011
Carrying amounts					
At 30 June 2018	1 045 967	633 596	143 282	125 593	143 496
At 30 June 2019	1 034 265	653 156	135 632	112 844	132 633

10. Property, plant and equipment

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Group						
Cost						
Balance at 1 July 2017	225 178	23 633	67 409	41 444	61 440	31 252
Additions	18 829	-	7 646	2 476	6 818	1 889
Disposals	(5 634)	-	(419)	(3 589)	(1 194)	(432)
Acquisition of business	6 321	-	133	5 988	200	-
Effect of movements in exchange rates	(254)	-	(27)	3	(213)	(17)
Balance at 30 June 2018	244 440	23 633	74 742	46 322	67 051	32 692
Balance at 1 July 2018	244 440	23 633	74 742	46 322	67 051	32 692
Additions	20 466	2 091	4 144	3 091	7 084	4 136
Disposals	(8 718)	(4 034)	(133)	(2 699)	(1 607)	(245)
Reclassification as asset held for sale	(5 106)	(5 106)	-	-	-	-
Effect of movements in exchange rates	(3 050)	-	(282)	(1 777)	(165)	(826)
Balance at 30 June 2019	248 032	16 584	78 471	44 937	72 283	35 757

10. **Property, plant and equipment** *(continued)*

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Group *(continued)*						
Accumulated depreciation and impairment losses						
Balance at 1 July 2017	81 488	1 116	18 252	20 063	33 969	8 088
Depreciation for the year	33 278	239	8 970	7 918	12 110	4 041
Disposals	(2 959)	-	(226)	(2 311)	(264)	(158)
Effect of movements in exchange rates	196	-	41	71	33	51
Balance at 30 June 2018	112 003	1 355	27 037	25 741	45 848	12 022
Balance at 1 July 2018	112 003	1 355	27 037	25 741	45 848	12 022
Depreciation for the year	32 279	232	8 657	7 500	11 703	4 187
Disposals	(3 841)	(259)	(48)	(1 333)	(2 127)	(74)
Reclassification as asset held for sale	(260)	(260)	-	-	-	-
Effect of movements in exchange rates	(2 063)	-	(179)	(1 419)	(177)	(288)
Balance at 30 June 2019	138 118	1 068	35 467	30 489	55 247	15 847
Carrying amounts						
At 30 June 2018	132 437	22 278	47 705	20 581	21 203	20 670
At 30 June 2019	109 914	15 516	43 884	14 441	17 836	19 910

10. **Property, plant and equipment** *(continued)*

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Company						
Cost						
Balance at 1 July 2017	172 989	23 631	56 947	25 900	55 726	10 785
Additions	14 446	-	5 677	1 317	5 770	1 682
Disposals	(4 925)	-	(287)	(3 104)	(1 102)	(432)
Acquisition of business	988	-	-	988	-	-
Balance at 30 June 2018	183 498	23 631	62 337	25 101	60 394	12 035
Additions	16 031	2 091	3 722	871	6 566	3 081
Disposals	(7 109)	(4 035)	(102)	(1 573)	(1 399)	-
Reclassification to asset held for sale	(5 106)	(5 106)	-	-	-	-
Balance at 30 June 2019	187 314	16 581	65 957	24 399	65 561	15 116

10 Property, plant and equipment *(continued)*

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Company *(continued)*						
Accumulated depreciation and impairment losses						
Balance at 1 July 2017	64 258	1 115	15 050	12 297	31 489	4 307
Depreciation for the year	23 830	239	6 940	4 594	10 758	1 299
Disposals	(2 585)	-	(168)	(2 016)	(243)	(158)
Effect of movements in exchange rates	-	-	-	-	-	-
Balance at 30 June 2018	85 503	1 354	21 822	14 875	42 004	5 448
Depreciation for the year	22 972	232	6 642	4 098	10 436	1 564
Disposals	(3 141)	(236)	(56)	(870)	(1 979)	-
Reclassification to asset held for sale	(280)	(280)	-	-	-	-
Balance at 30 June 2019	105 054	1 070	28 408	18 103	50 461	7 012
Carrying amounts						
At 30 June 2018	97 995	22 277	40 515	10 226	18 390	6 587
At 30 June 2019	82 260	15 511	37 849	5 996	16 100	8 104

10. Property, plant and equipment ***(continued)***

10.1 Information in respect of land and buildings is contained in the register of fixed property, which is available for inspection at the company's registered office.

10.2 Certain items of property, plant and equipment have been pledged to secure certain interest bearing borrowings (see Annexure A).

10.3 Reclassification to asset held for sale

In April 2019 the directors of Waco Africa Proprietary Limited decided to sell the Kya-Sands property. There is a current sales agreement in place with a committed party and the sale is expected to be completed before the end of June 2020.

11. Investments in subsidiaries

R thousand	Company 2019	2018
Form-Scaff Proprietary Limited		
Balance as at 1 July	**11 137**	21 000
Purchase of shares	-	-
Impairment of investment *	-	(9 863)
Balance as at 30 June	**11 137**	11 137
Form-Scaff Ghana Limited		
Balance as at 1 July	**2 343**	2 343
Purchase of shares	-	-
Effect of foreign exchange differences	-	-
Balance as at 30 June	**2 343**	2 343
Waco Mozambique Limitada		
Balance as at 1 July	**10**	10
Purchase of shares	-	-
Effect of foreign exchange differences	-	-
Balance as at 30 June	**10**	10
Total investments	**13 490**	13 490

Investments in Octorex (Pty) Ltd, Form-Scaff Ghana (Pty) Ltd, SGB-Cape Ghana (Pty) Ltd, Waco Mozambique Limitada, Kwikform Formwork and Scaffolding (Pty) Ltd, Waco Tanzania Ltd, Waco DRC Sarl, Kwikform Botswana (Pty) Ltd, Construction and Industrial Maintenance Services (Pty) Ltd, Kwikform Formwork and Scaffolding (Pty) Ltd, Waco (Mauritius) Limited, Waco Lesotho (Pty) Ltd, Kwikform Kenya (Pty) Ltd, SGB-Cape Offshore (Pty) Ltd, Mosadi Tiya Construction and scaffolding (Pty) Ltd, SGB-Cape Uthungulu (Pty) Ltd, Waco Engineering Services (Pty) Ltd and NC Sanitation Solutions (Pty) Ltd are less than one thousand cumulatively.

* As a result of a strategic restructuring of its African investments, FormScaff (Pty) Ltd (a South African registered company with a branch in Mauritius) sold its assets and liabilities to Waco Mauritius Ltd (Mauritian registered business) at a net book value of R11,1 million resulting in the business ceasing trading. As a result, the business has not been able to achieve the expected earnings as calculated in the 2012 purchase price allocation and management have impaired the investment by R9,8 million in the prior year.

**Refer to Annexure B for an analysis of material subsidiary companies.

12. Goodwill

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Cost				
Balance at 1 July	85 748	68 344	68 638	64 611
Acquisitions through business combinations	-	17 404	-	4 027
Effect of foreign exchange differences	-	-	-	-
Balance at 30 June	85 748	85 748	68 638	68 638
Accumulated impairment losses				
Balance at 1 July	(24 504)	-	(24 504)	-
Impairment losses recognised during the year	(4 000)	(24 504)	-	(24 504)
Balance at 30 June	(28 504)	(24 504)	(24 504)	(24 504)
Carrying amount				
At 1 July	61 244	68 344	44 134	64 611
At 30 June	57 244	61 244	44 134	44 134

Allocation of goodwill to cash-generating units

Goodwill has been allocated for impairment testing purposes to the following cash-generating units:

- Forming, shoring, scaffolding, motorised equipment and related services
- Modular buildings, sanitation and related services

Goodwill was allocated to cash-generating units as follows:

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Forming, shoring, scaffolding, motorised equipment and related services	6 536	6 536	2 803	2 803
Modular buildings, sanitation and related services	50 708	54 708	41 331	41 331
	57 244	61 244	44 134	44 134

12. Goodwill *(continued)*

Impairment testing for cash generating units containing goodwill.

The group and company tests whether goodwill has suffered any impairment on an annual basis. The standard defines the recoverable amount as the higher of an asset's or cash-generating unit's fair value less cost to sell or its value in use.

For the 2019 and 2018 reporting period, the recoverable amount of the cash generating units (CGU's) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which the CGU operates.

A product-level summary of the goodwill allocation within the group and company is presented in R'000 below:

Group:

Product line	Division within the group	South Africa	Namibia	Mauritius
Sanitation and hygiene	Sanitech	41 331	9 377	-
Forming, shoring and scaffolding	SkyJacks FormScaff	2 803	-	3 733
		44 134	9 377	3 733
Long-term growth rate		2%	2.1%	2.1%
Pre-tax discount rate		17.3%-18%	18%-18.5%	18%

Company:

Product line	Division within the group	South Africa
Sanitation and hygiene	Sanitech	41 331
Forming, shoring and scaffolding	SkyJacks	2 803
		44 134
Long-term growth rate		2%
Pre-tax discount rate		17.3%-18%

12. Goodwill *(continued)*

The following assumptions where used in the various values in use calculations:

- Management projected cash flows for a period of five years using the most recent budgets/forecasts. Cash flow projections beyond this period were determined by extrapolating the projections based on the budgets/forecasts using long-term growth rates. The rates are consistent with forecasts included in industry reports for each segment disclosed above.

- Earnings before interest and tax (EBITDA) were used in the projected cash flows. EBITDA is based on past performance and management expectations for the future. Management applied retrospective review on EBITDA in prior years versus budgeted performance to ensure the reasonability and accuracy of the amount used in the projected cash flows.

- Annual capital expenditure, expected costs in the CGU's. This is based on the historical experience of management and the planned refurbishment expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.

- Pre-tax discount rates, which reflects specific risks relating to the relevant segments and the countries in which they operate were used.

- Management has also performed a sensitivity analysis on the key assumptions used in determining the value in use for the various identified CGU's. Based on the sensitivity analysis performed, it is evident that even if a reasonably possible change of 1-2% in the key assumptions (*key assumptions: pre-tax and growth rates*) were to occur it would not cause the aggregate of the units' (groups of units) carrying amounts to exceed the aggregate of their recoverable amounts, and therefore management is comfortable that there is not apparent risk of impairment on any of the identified CGU's.

- However if the pre-tax discount rate applied to the cash flow projections of all CGU 's other than South Africa had been 3% higher than management's estimates, the group would have had to recognise an impairment against the goodwill. In South Africa there is enough headroom and even if the pre-tax rate discount rate were to increase by 10% no indication of impairment would be evident. From a long-term growth rate perspective, for all CGU's other than South Africa, if the rate had to decrease by 3% it would result in an impairment against the goodwill, in South Africa even if the growth rate was set a 0% the value in use would still exceed the carrying amount of this CGU.

- In the prior year, there were no reasonably possible changes in any of the key assumptions that would have resulted in an impairment write-down on any of these CGU's.

13. Intangible assets

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Cost				
Balance at 1 July	4 917	4 917	4 917	4 917
Acquisition of business	-	-	-	-
Disposal of business	-	-	-	-
Additions from internal development	-	-	-	-
Effect of foreign exchange differences	-	-	-	-
Balance at 30 June	4 917	4 917	4 917	4 917
Accumulated amortisation and impairment				
Balance at 1 July	(4 669)	(4 582)	(4 669)	(4 582)
Amortisation for the year	(25)	(87)	(25)	(87)
Impairment losses charged	-	-	-	-
Disposal of business	-	-	-	-
Effect of foreign exchange differences	-	-	-	-
Balance at 30 June	(4 694)	(4 669)	(4 694)	(4 669)
Carrying amount				
1 July	248	335	248	335
30 June	223	248	223	248

Intangible assets within the group consist of customer contracts and internally generated computer software.

14. Other investments

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Equity securities - designated as at fair value through profit or loss	-	432	-	432
Total derivative investments	-	432	-	432

The equity securities have been designated as fair value through profit or loss because they are managed on a fair value basis and their performance is actively monitored.

Information about the group's exposure to credit and market risks, and fair value measurement is included in note 33.

15. Joint operation

Tedoc SGB-Cape Kusile Joint Venture (Tedoc) is the only joint operation in which the group participates. Tedoc is principally engaged in the supply of scaffolding, labor and related services on one project. The group provides all equipment and related managerial functions to Tedoc whilst the other partner provides all labor and related managerial functions.

The group holds 43% of the voting rights of Tedoc and proportionally consolidates 43% of the assets and liabilities of Tedoc as both parties to the joint operation have joint control of the arrangement and have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The following table summarises the financial information of Tedoc SGB as included in its own financial statements. There are no fair value adjustments or differences in accounting policies between the financial statements of Tedoc and the group. The table also reconciles the summarised financial information to the carrying amount of the group's interest in Tedoc.

R thousand	Group 2019	2018
Percentage ownership interest	43%	43%
Non-current assets	-	-
Current assets	80 574	55 091
Non-current liabilities	-	-
Current liabilities	(75 285)	(61 455)
Net (liabilities)/assets (100%)	5 289	(6 364)
Revenue	325 304	418 976
Finance expense	2 898	5 695
(Loss)/profit and total comprehensive income (100%)	11 653	(6 760)

16. Inventories

	Group		Company	
R thousand	2019	2018	2019	2018
Raw materials	7 128	8 971	7 127	8 971
Work-in-progress	22 268	27 660	7 832	12 951
Consumable stores	17 635	19 717	16 078	17 198
Finished goods	82 983	66 285	63 065	50 912
Total inventories	130 014	122 633	94 102	90 032

16.1 Certain inventories have been pledged to secure certain interest bearing borrowings (see Annexure A).

17. Trade and other receivables

	Group		Company	
R thousand	2019	2018	2019	2018
Loans and receivables				
Trade receivables	448 510	524 195	347 428	377 071
Intercompany receivables	2 030	10 853	211 689	288 365
Unbilled revenue - Contract assets	246 563	174 884	87 212	76 880
Gross receivables	697 103	709 932	646 329	742 316
Other receivables	47 154	45 797	46 766	44 489
Less: impairment of trade and other receivables	(51 436)	(47 350)	(26 863)	(23 735)
	692 821	708 379	666 232	763 070
Other				
Prepayments	15 985	19 298	12 045	16 310
Total trade and other receivables	708 806	727 677	678 277	779 380

Certain trade and other receivables have been pledged to secure certain interest bearing borrowings (see Annexure A).

*Unbilled revenue/contract assets signifies money received for the goods or services, which are yet to be delivered. Unbilled revenue is recorded as on the statement of financial position until it is converted to Revenue upon delivery of goods or services

The effect of initially applying IFRS 15 and IFRS 9 is described in *note 38*. Receivables are classified within a "held-to-collect" business model as the group holds the trade receivables with the objective to collect the contractual cash flows. Further information about the group's exposure to credit and currency risk and impairment losses related to trade and other receivables (excluding construction work in progress) is disclosed in note 33.

18. Cash and cash equivalents

	Group		Company	
R thousand	2019	2018	2019	2018
Bank balances	90 026	107 316	-	30 120
Overdraft balances	(50 086)	-	(50 086)	-
Cash and cash equivalents per statement of cash flows	39 940	107 316	(50 086)	30 120

19. Stated ordinary share capital

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
19.1 Stated ordinary share capital				
Authorised				
100 000 000 ordinary shares of no par value				
1 000 000 ordinary A shares of no par value				
2 000 000 ordinary B shares of no par value				
Issued				
10 179 542 ordinary shares of no par value	1	1	1	1
535 765 ordinary A shares of no par value	-	-	-	-
19.2 Movement in stated ordinary share capital during the year				
Issued stated ordinary share capital at 1 July	1	1	1	1
Ordinary share capital issued during the year	*	-	*	-
Foreign currency on translation	-	-	-	-
Issued stated ordinary share capital at 30 June	1	1	1	1

19. Stated ordinary share capital ***(continued)***

19.3 In terms of the memorandum of incorporation, all unissued shares are placed under the control of the directors, to be issued to such persons on such terms and conditions as they deem fit.

The holder of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

During October 2017 the Waco Africa ESOP trust subscribe for, and Waco Africa Proprietary Limited (Waco Africa) issued 535 765 A ordinary shares at a nominal price per share of R0,001.

The Waco Africa ESOP trust will be restricted from selling these shares and on winding up of the trust these shares will revert back to Waco Africa. Waco Africa therefore has the power over the relevant activities of the trust. Waco Africa therefore has control over the Waco Africa ESOP trust and therefore consolidates the trust.

As Waco Africa controls the Waco Africa ESOP trust, the issued A ordinary shares are treated as treasury shares and therefore does not effect the issued share capital of the company or group.

The subscription of these shares are funded through a discount of approximately 4.4% of the attributed value of the Waco Africa ESOP trust Shares and the balance through notional vendor funding (notional vendor finance; or NVF) from Waco Africa to the Waco Africa ESOP trust.

The special provisions applicable to these shares as regards to the NVF dividends and conversion is that these shares rank equally with the ordinary shares and confer on the holder the same rights as the holders of an ordinary share including:

1. The right to be entered in the securities register of Waco Africa;

2. The right to attend, participate in and speak at any meeting of shareholders;

3. The right on a poll to exercise one vote per A ordinary share;

4. Subject to such preferences as may be accorded to other classes of shares in the share capital from time to time (other than the ordinary shares), the right to receive a portion of the total net assets of Waco Africa remaining upon its liquidation; and

5. Any other rights attaching as a matter of law to the ordinary shares.

* To ensure that Bopa Moruo's 25,1% shareholding is not diluted as a result of the issue of the Waco Africa ESOP trust shares and the subsequent conversion thereof into ordinary shares, Bopa Moruo subscribed for an additional 179 542 ordinary shares (top-up shares) for a nominal consideration.

20. Stated preference share capital

R thousand	Group 2019	2018	Company 2019	2018
20.1 Stated preference share capital				
Authorised				
1 000 000 000 preference shares of no par value				
Issued				
104 513 000 preference shares at R0.95 each	99 723	99 723	99 723	99 723
20.2 Movement in stated share capital during the year				
Stated preference share capital at 1 July	99 723	99 723	99 723	99 723
Preference share capital issued during the year	-	-	-	-
Stated preference share capital at 30 June	99 723	99 723	99 723	99 723

The preference shares have been classified as equity in the current year in accordance with IAS 32 Financial instruments: presentation.

The preference shares are cumulative redeemable preference shares where dividends are due and payable on the date on which the company's board determines. There is no contractual obligation to make payment until the board decides to do so. The company may redeem the preference shares at any time provided that the board, acting reasonably, has determined that there is sufficient value. Sufficient value means that after such distribution, there must be enough funds remaining, after settlement of all external liabilities (therefore subordinate to all other debts), to pay in full amounts due to all shareholders.

The preference shareholders have not been given any additional voting rights other than those set out in section 37(3)(a) of the Companies Act, namely: Preference shareholders have the right to vote on any proposal to amend the preferences, rights, limitations and other terms associated with their shares.

21. Foreign currency translation reserve

R thousand	Group 2019	2018	Company 2019	2018
Balance at 1 July	17 420	18 644	(92)	240
Exchange differences arising on translating the net assets of foreign operations	(18)	(1 224)	(2 716)	(332)
Balance at 30 June	17 402	17 420	(2 808)	(92)

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of financial statements of foreign operations and branches into the presentation currency.

22. Interest bearing borrowings

R thousand	Group 2019	2018	Company 2019	2018
Balance at 1 July	1 473 047	1 153 130	1 473 047	1 153 130
Borrowings raised during the year	-	429 917	-	429 917
Capital debt raising fee	2 925	-	2 925	-
Borrowings repaid during the year	(110 000)	(110 000)	(110 000)	(110 000)
Balance at 30 June	1 365 972	1 473 047	1 365 972	1 473 047
Non-current interest bearing borrowings	1 240 972	1 363 047	1 240 972	1 363 047
Current interest bearing borrowings	125 000	110 000	125 000	110 000
Total	1 365 972	1 473 047	1 365 972	1 473 047

For an analysis of interest bearing borrowings and security given, refer to Annexure A.

23. Deferred tax liability

Movement in deferred tax during the year

R thousand	Total	Property, plant, equipment and equipment for hire	Derivative financial instruments	Intangible assets	Provisions and payables	Receivables	Unused taxation losses	Other	Deferred tax asset not recognised
Group									
Balance at 1 July 2017	55 392	107 383	(9 084)	91	(47 427)	8 406	(4 178)	-	201
Recognised in profit or loss	22 359	18 398	2 170	(24)	(1 573)	(264)	-	(1 083)	4 735
Foreign exchange translation differences	207	165	29	-	-	-	-	-	13
Balance at 30 June 2018	77 958	125 946	(6 885)	67	(49 000)	8 142	(4 178)	(1 083)	4 949
Recognised in profit or loss	506	31 247	(8 225)	(7)	(9 608)	(2 078)	(9 481)	-	(1 342)
Foreign exchange translation differences	(3)	(440)	(5)	-	226	-	319	-	(103)
Balance at 30 June 2019	78 461	156 753	(15 115)	60	(58 382)	6 064	(13 340)	(1 083)	3 504
Company									
Balance at 1 July 2017	59 799	113 315	(9 547)	91	(47 427)	3 367	-	-	-
Recognised in profit or loss	27 069	27 844	2 170	(24)	(1 573)	(265)	-	(1 083)	-
Balance at 30 June 2018	86 868	141 159	(7 377)	67	(49 000)	3 102	-	(1 083)	-
Recognised in profit or loss	12 986	26 698	(8 224)	(7)	(3 365)	(2 116)	-	-	-
Balance at 30 June 2019	99 854	167 857	(15 601)	60	(52 365)	986	-	(1 083)	-

23. Deferred tax liability *(continued)*

Deferred tax assets and liabilities are attributable to the following:

	Group			
	2019		2018	
R thousand	Assets	Liabilities	Assets	Liabilities
Property, plant equipment and equipment for hire	3 830	160 583	-	125 946
Derivative financial instruments	-	(15 115)	-	(6 885)
Intangible assets	-	60	-	67
Provisions and payables	(4 665)	(63 047)	-	(49 000)
Receivables	-	6 064	-	8 142
Unused taxation losses	-	(13 340)	-	(4 178)
Other	-	(1 083)	-	(1 083)
Deferred tax asset not recognised	3 911	7 415	-	4 949
Balance at 30 June	3 076	81 537	-	77 958
Deferred tax by jurisdiction				
South Africa	-	68 359	-	68 807
Other SSA countries	3 076	502	-	-
Namibia	-	8 623	-	5 061
Mauritius	-	4 053	-	4 090
	3 076	81 537	-	77 958

	Company			
	2019		2018	
R thousand	Assets	Liabilities	Assets	Liabilities
Property, plant equipment and equipment for hire	-	167 857	-	141 159
Derivative financial instruments	-	(15 601)	-	(7 377)
Intangible assets	-	60	-	67
Provisions and payables	-	(52 365)	-	(49 000)
Receivables	-	986	-	3 102
Other	-	(1 083)	-	(1 083)
Balance at 30 June	-	99 854	-	86 868

24. Trade and other payables

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Financial liabilities at amortised cost				
Trade payables	**72 215**	95 762	**63 742**	91 087
Other payables	**81 962**	89 826	**33 784**	38 582
Intercompany payables	**1 190**	52 571	**3 006**	67 201
	155 367	238 159	**100 532**	196 870
Other				
Accrued expenses	**119 279**	112 469	**82 824**	65 724
Contingent consideration	**1 273**	4 000	**-**	-
Deferred income -contract liabilities	**8 546**	32 329	**7 248**	25 154
Interest accruals	**392**	-	**392**	-
VAT payable	**10 019**	(326)	**17 014**	10 310
	139 509	148 472	**107 478**	101 188
Total trade and other payables	**294 876**	386 631	**208 010**	298 058

24.1 The group's exposure to liquidity and currency risk related to trade and other payables (excluding amounts due to customers under construction contracts) is disclosed in note 33.

25. Provisions

R thousand	Provision for restructuring
Group	
Balance at 1 July 2017	24 142
Provision raised during the year	1 654
Provision utilised during the year	(7 718)
Balance at 30 June 2018	18 078
Provision raised during the year	902
Provision utilised during the year	(1 590)
Balance at 30 June 2019	17 390
Non-current	-
Current	17 390
	17 390

25. Provisions *(continued)*

R thousand	Provision for restructuring
Company	
Balance at 1 July 2017	23 158
Provision raised during the year	1 654
Provision utilised during the year	(7 718)
Balance at 30 June 2018	17 094
Provision raised during the year	902
Provision utilised during the year	(1 590)
Balance at 30 June 2019	16 406
Non-current	-
Current	16 406
	16 406

Restructuring provision

The group has been the supplier of access scaffolding, insulation and related services, on four power stations, in a long term maintenance contracts with Eskom for several years. During 2015 the contract was put out on tender. The submission of bids through joint ventures with various BBBEE partners has been perceived by the customer as anti-competitive behavior. The group has been reported to the South African Competitions Commission for a review and the contract has been awarded to external parties. Management do not believe that the way the group submitted these tenders constitutes anti-competitive behavior and has received legal advice that supports this stance.

The matter has yet to be heard by the competition count, despite Eskom withdrawing their complaint in 2017. We have however run two exception hearings and defended an appeal at the Constitutional Court. We are awaiting rulings in two of these matters

Eskom notified us of their intention not to award any power stations to SGB-Cape or any of the JV's which were formed to further Eskom's objectives. In response to this, the group has successfully lodged an urgent interdict in 2016 against the customer to overturn the award to external parties until Eskom has been able to prove to the High Court that they applied their minds in making these awards and that these awards were fair as well as proving that the exclusion of all SGB-Cape bids was correct in law. Should the review be unfavorable, the group will be forced to demobilise on these sites and to downsize the related division within the group.

The matter is set down to be heard at the end of September 2019.

Management have developed a formal plan for the restructure and have raised an appropriate provision. This matter has been formally communicated to all employees of the affected division.

Refer to note 30 for management assessment of a potential fine regarding this matter.

26. Employee benefits

		Group		Company	
	R thousand	**2019**	**2018**	**2019**	**2018**
26.1	**Employee benefits**	**37 892**	54 155	**31 521**	47 603
	Waco Africa ESOP trust bursaries	**6 146**	6 665	**6 146**	6 665
	Other long term employee benefits	**12 000**	33 000	**12 000**	33 000
		56 038	93 820	**49 667**	87 268
	Non-current	**10 398**	38 745	**10 399**	38 745
	Current	**45 640**	55 075	**39 268**	48 523
		56 038	93 820	**49 667**	87 268

26.2 South Africa

Waco growth appreciation rights scheme

The Waco growth appreciation rights scheme (WGARS) awards employees of the group for growth in the group's economic value added (EVA). EVA is a measure of the value added in excess of the return required by the group's shareholders. Non-executive senior management and middle management are allocated WGARs based on their seniority level and a predetermined allocation percentile. Vesting of the

WGARs is staggered over a four year period with on-third vesting in years two, three and four. Rights are allocated at a new strike price on an annual basis.

Defined contributions plan

The group contributes between 17.5% and 23.1% of employee salaries to the Waco International Provident Fund depending on seniority.

Waco Africa ESOP trust bursaries

Waco Africa Proprietary Limited has an obligation to pay effectively 1.5% of all its attributable profits over 7 years up to June 2024 to the Waco Africa ESOP trust. 30% of this amount will be paid over to the beneficiaries. This obligation represents a non-forfeitable dividend right. The liability will be remeasured at the end of every financial year and any remeasurement will be recognised in profit or loss.

32. Operating leases

32.1 The group has various operating lease agreements for machinery, vehicles, office buildings, office equipment and other facilities.

32.2 Future minimum lease payments under non-cancellable operating leases:

	Group		Company	
R thousand	2019	2018	2019	2018
Next year	107 653	125 426	106 397	124 978
Two to five years	227 383	290 913	226 974	290 852
After five years	103 235	64 219	103 235	64 219
	438 271	480 558	436 606	480 049

33. Financial instruments

The effect of initially applying IFRS 9 on the group's financial instruments is described in *note 38*. Due to the transition method adopted, comparative information has not been restated. The accounting policies for financial instruments have been applied to the line items below:

Financial risk management

Exposure to market risk, including currency risk and interest rate risk, liquidity risk and credit risk arises in the normal course of the group's business. This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk and the group's management of capital. The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the group's activities.

33.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the group's income and the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

33.1.1 *Currency risk*

Currency risk related to investments in foreign entities

The group has interests in entities which operate in various countries. A significant portion of the group's revenue is earned in the South African Rand. It is not the group's policy to hedge investments in foreign subsidiaries.

Currency risk related to foreign transactions

Each group entity operates predominantly within its own common monetary area and therefore the group has no significant currency risk with regards to operational activities. At year end, all group entities had no material foreign currency trade receivables or payables.

It is the group's policy that when currency risk is incurred as a result of transactions which are denominated in a currency other than the entities' functional currency, which mainly occurs with purchases, that the foreign currency cash flows are economically hedged with forward exchange contracts.

33.1.2 *Interest rate risk*

Financial assets and financial liabilities that are sensitive to interest rate risk are cash and cash equivalents, bank overdrafts, loans receivable/payable, and interest bearing borrowings.

The group manages interest rate risk by borrowing and placing funds at an appropriate mix of both fixed and floating interest rates as well as entering into interest rate swaps.

Cash and cash equivalents are not materially affected by interest rate risk.

Borrowings per currency	Fixed rate '000	Floating rate '000	Total '000	Average interest rate
2018				
South African Rand	527 500	950 000	1 477 500	9.01%
2019				
South African Rand	769 750	597 750	1 367 500	9.36%

33. Financial instruments *(continued)*

Sensitivity analysis for variable-rate instruments

A change in 100 basis points (bp) in interest rates at the reporting date would have increased/(decreased) profit and equity by the amounts shown below for a period of one year compounded monthly. This analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

Sensitivity analysis

R thousand	Decrease in profit/ (loss) and equity from 100bp increase	Increase in profit/(loss) and equity from 100bp decrease
2018		
South African Rand	(9 500)	9 500
2019		
South African Rand	(5 978)	5 978

33.2 Credit risk

Credit risk is the risk of financial loss to the group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from trade and other receivables, cash and cash equivalents and loans to subsidiaries in the case of the company.

The group considers it has two types of credit risk; operational and financial. Operational credit risk relates to non-performance by customers in respect of trade and other receivables. Financial credit risk relates to non-performance by banks and similar institutions in respect of cash and deposits. Our credit risk arises principally from receivables due from customers.

The group has six types of financial assets that are subject to the expected credit loss model:

- A Trade receivables and other receivables;
- B Contract assets;
- C Short-term intercompany receivables; and
- D Cash and cash equivalents
- E Cross –guarantees within the group
- F Derivative financial instrument –Interest rate swap

Management has a credit risk policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount and by grading customers into different categories based on various characteristics. Credit guarantee insurance is taken where considered appropriate.

Detailed assessment of the impairment assessment on these financials assets 33.2.1

33. Financial instruments *(continued)*

33.2 Credit risk *(continued)*

The maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position as follows:

R thousand

	Group		Company	
	2019	**2018**	**2019**	**2018**
Intercompany receivables	**1 413 397**	1 416 915	**1 698 070**	1 643 609
Trade and other receivables *	**692 727**	708 379	**666 143**	763 070
Cash and cash equivalents	**90 026**	107 316	**-**	30 120
	2 196 150	2 232 610	**2 364 213**	2 436 799

*** Excluding employee related receivables, value added tax and prepayments**

33. Financial instruments ***(continued)***

33.2 Credit risk *(continued)*

Trade and other receivables

Gross trade receivables amounting to R697 million (2018 - R710 million) for group and R646 million (2018 - R742 million) for company represent the maximum credit exposure for trade receivables. Included in the gross receivables of R646 million is Intercompany Receivables of R212 million for the company and of the R697 million for group, R2 million relates to intercompany receivables.

The maximum exposure to credit risk for trade receivables at the reporting date by geographical region was:

R thousand

	Group		Company	
	2019	**2018**	**2019**	**2018**
South Africa	**623 018**	599 674	**646 329**	742 316
Africa excluding South Africa	**74 085**	110 258	**-**	-
	697 103	709 932	**646 329**	742 316

Gross receivables in the different regions are in respect of the international operations which are experienced in managing their own local credit risk. As regard to cross-border trade, credit risk is managed through the use of letters of credit as considered necessary, resulting in reduced credit exposure.

Impairment losses

The following table illustrates the relationship between aged debt (excluding intercompany receivables) and the impairment allowance:

R thousand

	Group		Company	
	Gross	**Impairment allowance**	**Gross**	**Impairment allowance**
2018				
Current	446 769	(10 184)	257 904	(6 703)
1 - 30 days	91 251	(4 673)	73 643	(2 940)
31 - 90 days	80 713	(8 353)	65 109	(4 752)
91 - 180 days	34 711	(3 938)	28 157	(2 415)
>180 days	45 635	(20 202)	29 138	(6 925)
	699 079	(47 350)	453 951	(23 735)
2019				
Current	**373 825**	**(4 349)**	**272 932**	**(4 248)**
1 - 30 days	**128 803**	**(2 825)**	**81 973**	**(2 248)**
31 - 90 days	**49 422**	**(4 403)**	**41 337**	**(3 753)**
91 - 180 days	**24 772**	**(12 678)**	**16 400**	**(4 114)**
>180 days	**118 251**	**(27 181)**	**21 998**	**(12 500)**
	695 073	**(51 436)**	**434 640**	**(26 863)**

33. Financial instruments *(continued)*

33.2 Credit risk *(continued)*

Impairment losses (continued)

Listings of overdue customer balances are reviewed monthly against their credit terms/limits by all the operations within the group. Customers exceeding their credit terms/limits must settle their overdue balances before any further credit is extended. Appropriate action is taken to recover long overdue debts.

The group generally deals with the larger corporates who have a sound credit standing. Collateral is generally not held for blue chip companies as their payment history does not warrant it, but collateral is obtained for other entities as security where possible.

Credit risk in respect of corporates and small, medium and micro enterprises is controlled through the use of credit vetting agencies and the setting of credit limits by experienced personnel. Credit limits are typically reviewed annually.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

R thousand

	Group		Company	
	2019	2018	**2019**	2018
Balance at 1 July	**47 350**	33 264	**23 735**	12 272
Amounts written off during the year	**(33 369)**	(38 203)	**(29 679)**	(31 804)
Impairment loss recognised in profit or loss	**38 992**	51 679	**32 807**	43 267
Effect of movement in exchange rates	**(1 537)**	610	**-**	-
Balance at 30 June	**51 436**	47 350	**26 863**	23 735

Other receivables

Other receivables amounting to R47 million (2018 – R46 million) for group and R47 million (2018 – R44 million) for company represent the maximum credit exposure for other receivables.

The maximum exposure to credit risks for gross other receivables at the reporting date by geographical region was:

R thousand

	Group		Company	
	2019	2018	**2019**	2018
South Africa	**34 019**	29 991	**46 677**	44 489
Africa excluding South Africa	**13 841**	15 806	**-**	-
Balance at 30 June	**47 860**	45 797	**46 677**	44 489

33. **Financial instruments *(continued)***

33.2 Credit risk *(continued)*

33.2.1 Impairment assessment of financial assets subject to credit risk:

Cash and Cash equivalents:

Credit risk is mitigated by placing cash with different financial institutions to minimise risk.The group considers that its cash and cash equivalents have an immaterial credit risk. Deposits are readily convertible to cash and access is not restricted. There have been no historical losses and none is expected in the future. Below are the credit ratings as graded by Moody's and Fitch for the financial institutions with which the groups banks:

Standard Bank Group Limited	Short-Term	Long-Term	Outlook
Fitch Ratings			
Foreign currency issuer default rating	**B**	**BB+**	**Stable**
Local currency issuer default rating		**BB+**	**Stable**
National rating	**F1+(ZAF)**	**AA(ZAF)**	**Stable**
Moody's Investor Services			
Issuer rating		**Ba1**	**Stable**

Cross-guarantees within the group:

Certain group companies have provided cross guarantees. The group has provided no guarantees to third parties. The credit quality of financial assets is based on historical counterparty default rates – which have always been expected to be nil.

Derivative financial instrument –interest rate swap:

The derivative is entered into with banks and financial counterparties of strong investment grades *(refer above for Moody's investor rating for Standard Bank)*. The group does not expect any financial counterparties to fail to meet their obligations –therefore no expected losses.

The impact of the expected credit loss model on Trade receivables and other receivables, contract assets and short-term intercompany receivables:

Comparative information under IAS 39 – Impairments

Provisions for doubtful debts were determined based upon the customer's ability to pay and other factors in the group's relationship with the customer. A provision for impairment of trade receivables was established when there was objective evidence that the group would not collect the amount as per the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor would enter bankruptcy and default or delinquency in payments were considered as indicators of possible impairment.

An analysis of the credit quality of trade receivables that were neither past due nor impaired and the ageing of trade receivables that were past due but not impaired is disclosed earlier in *note 33.2.*

Expected credit loss assessment using the 'simplified approach' under IFRS 9

IFRS 9 introduces a theoretic impairment model for financial assets (such as trade receivables and loans receivable) and replaces the 'incurred loss' model in IAS 39 with a forward looking 'expected credit loss' (ECL) model. This model focuses on the risk that a debtor will default rather than whether a loss has or will be incurred (objective evidence of impairment).

33. **Financial instruments** ***(continued)***

33.2 Credit risk *(continued)*

Credit losses are recognised earlier in IFRS 9 than under IAS 39 because every loan and receivable 'has some risk of defaulting in the future' and has an 'expected' credit loss associated with it, from the moment of its origination or acquisition.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 15 months before 30 June 2019 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The group has identified the credit rating of the countries *(South Africa and Sub-Saharan Africa)* in which we operate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance for 30 June 2019 was determined as follows for both trade receivables and contract assets:

Group

R thousand

30 June 2019	Current	0-30 days	31-90days	91-180days	181+	Total
Sasfin						
Gross carrying amount - trade receivables (excluding intercompany balances) including contract assets	241 613	97 263	49 351	24 583	39 579	452 389
Exposure at default *	210 098	84 577	42 914	21 377	34 417	393 382
Expected Credit Loss Rate	2.07%	3.34%	10.26%	59.31%	100%	
Loss allowance	4 349	2 825	4 403	12 678	34 417	58 672
Eskom						
Gross carrying amount - trade receivables (excluding intercompany balances) including contract assets	132 212	31 540	71	189	78 672	242 684
Exposure at default *	114 967	27 426	62	166	68 409	211 030
Expected Credit Loss Rate	0%	0%	0%	0%	0%	0%
Loss allowance	-	-	-	-	-	-
Total loss allowance Africa (Provision for bad debt and provision for credit notes)	4 349	2 825	4 403	12 678	34 417	58 672

More than 95% of the Group's contract assets relates to Eskom. These contract assets have the same risk characteristic as the trade receivable with Eskom. Eskom is one of the group's major customers, therefore the expected credit loss rate applied to contract assets is the same as applied to the trade receivable balance of Eskom. Included in these amounts are amounts owned by Mitsubishi Hitachi Power Systems Africa Proprietary Limited , which the contracts are entered into but with Eskom being the ultimate customer..

33. **Financial Instruments *(continued)***

33.2 Credit risk *(continued)*

Company

R thousand

30 June 2019	Current	0-30 days	31-90days	91-180days	181+	Total
South Africa						
Gross carrying amount - trade receivables (excluding intercompany balances) including contract assets	221 039	81 803	41 265	16 211	21 998	382 316
Exposure at default *	192 209	71 132	35 883	14 097	19 129	332 450
Expected Credit Loss Rate	2.21%	3.16%	10.46%	29.18%	100%	
Loss allowance	4 248	2 248	3 753	4 114	19 129	33 492
Eskom						
Gross carrying amount - trade receivables (excluding intercompany balances) including contract assets	51 893	170	72	189	0	52 324
Exposure at default *	45 124	148	63	164	0	45 499
Expected Credit Loss Rate	0%	0%	0%	0%	0%	0%
Loss allowance	-	-	-	-	-	-
Total loss allowance Company (Provision for bad debt and provision for credit notes)						

More than 95% of the Group's contract assets relates to Eskom. These contract assets have the same risk characteristic as the trade receivable with Eskom. Eskom is one of the group's major customers, therefore the expected credit loss rate applied to contract assets is the same as applied to the trade receivable balance of Eskom. Included in these amounts are amounts owned by Mitsubishi Hitachi Power Systems Africa Proprietary Limited, which the contracts are entered but with Eskom being the ultimate customer.

*The exposure at default is calculated by excluding the VAT from the outstanding balance, as the VAT will be recovered upon default, resulting in a decrease in the exposure

	Credit Rating (SA)	Swaziland	Namibia	Mauritius
All other customers excluding Eskom				
	BB	B2(B)	Ba1(BB+)	Baa1(BBB+)
Risk premium adjustment		3.04%	0.57%	0.13%

We have decided to apply the sovereign rating for each country for our customers Africa, who are mainly Corporates, as the customers own credit ratings would be limited to the country's sovereign rating and by using the Emerging Markets default rate for 1 year debt, per S&P, it gives us a conservative risk premium adjustment from a forward looking perspective.

33. **Financial instruments *(continued)***

33.2 Credit risk *(continued)*

Eskom	
Credit rating probability of default *(Limited to SA Sovereign Rating)*	0.57%
Critical Path Risk Discount	0.50%

The services that Waco render to Eskom are considered to be part of the critical path when it comes to ongoing maintenance at the Eskom power stations, without these services Eskom would not be able to complete the necessary work, and therefore suffer immense operational issues.

As a result Waco have applied a risk discount, as Eskom is likely to ensure that payment is made (which is also shown by the payment history) on time to ensure ongoing access to the scaffolding and services. As the excepted credit loss rate is clearly immaterial, and in managements judgement the outstanding balances carry virtually no credit risk, the ECL rate was reduced to 0%.

Group

	Current	0-30 days	31-90days	91-180days	181+	Total
Gross carrying amount - trade receivables (excluding intercompany balances)	373 825	128 803	49 422	24 772	118 251	695 073
TOTAL LOSS ALLOWANCE GROUP	4 349	2 825	4 403	12 678	34 417	58 672

Trade and other receivables (Note 17)	51 436
Provision for credit notes (included under revenue)	7 236

Company

	Current	0-30 days	31-90days	91-180days	181+	Total
Gross carrying amount - trade receivables (excluding intercompany balances)	272 932	81 973	41 337	16 400	21 998	434 640
TOTAL LOSS ALLOWANCE GROUP	4 248	2 248	3 753	4 114	19 129	33 492

Trade and other receivables (Note 17)	26 863
Provision for credit notes (included under revenue)	6 629

33. Financial instruments *(continued)*

33.3 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due.

The group's approach to managing liquidity risk is to monitor cash flows and cash flow forecasts and ensuring that sufficient liquidity is available to meet its liabilities when due. The group ensures it has sufficient cash on demand or access to facilities to meet expected operational expenses for the next 12 months, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the group places significant focus on working capital management.

The group has approved committed borrowing facilities as at 30 June 2019 totalling R190 million (2018 - R190 million) in respect of which all conditions have been met. A breakdown of available working capital facilities on a regional basis at 30 June 2019 is as follows:

R thousand

Region	Currency	Amounts Approved	Total balance positive / (negative)
2018			
South Africa	South Africa Rands	190 000	33 907
Mauritius	Mauritian Rupees		7 874
Zambia	Zambian Kwatcha		9 969
Ghana	Ghanian Cedi		1 130
Mozambique	Mozambiquan Meticals		516
Tanzania	Tanzanian Shilling		3 983
DRC	United States Dollar		12 233
Botswana	Botswanan Pula		1 732
Namibia	Namibian Dollar		19 111
Kenya	Kenya Schilling		1 885
Swaziland	Swazi Emalangeni		14 976
		190 000	107 316
2019			
South Africa	South Africa Rands	**190 000**	**(42 758)**
Mauritius	Mauritian Rupees		**4 492**
Zambia	Zambian Kwatcha		**16 962**
Ghana	Ghanian Cedi		**6 355**
Mozambique	Mozambiquan Meticals		**9 374**
Tanzania	Tanzanian Shilling		**3 201**
DRC	United States Dollar		**8 668**
Botswana	Botswanan Pula		**2 889**
Namibia	Namibian Dollar		**12 676**
Kenya	Kenya Schilling		**4 659**
Swaziland	Swazi Emalangeni		**13 422**
		190 000	**39 940**

33. Financial instruments *(continued)*

33.3 Liquidity risk *(continued)*

Maturity profile of financial instruments

The maturity profile of financial liabilities at 30 June can be summarised as follows:

Group

R thousand	Carrying amount	0 – 12 months	2 - 5 years	Total contractual cash flow
Financial liabilities				
2018				
Interest bearing borrowings	1 473 047	236 459	1 461 323	1 697 782
Trade and other payables*	303 339	303 339	-	303 339
Intercompany payables	13 446	-	13 446	13 446
Bank overdraft	-	-	-	-
2019				
Interest bearing borrowings	**1 367 500**	**252 498**	**1 274 179**	**1 526 677**
Trade and other payables*	**276 056**	**276 056**		**276 056**
Intercompany payables	**13 543**	**13 543**	-	**13 543**
Bank overdraft	**50 086**	**50 086**	-	**50 086**

Company

R thousand	Carrying amount	0 – 12 months	2 - 5 years	Total contractual cash flow
Financial liabilities				
2018				
Interest bearing borrowings	1 473 047	236 459	1 461 323	1 697 782
Trade and other payables*	217 239	217 239	-	217 239
Intercompany payables	15 878	-	15 878	15 878
Bank overdraft	-	-	-	-
2019				
Interest bearing borrowings	**1 367 500**	**252 498**	**1 274 179**	**1 526 677**
Trade and other payables*	**125 112**	**125 112**		**125 112**
Intercompany payables	**29 146**	**29 146**		**29 146**
Bank overdraft	**50 086**	**50 086**		**50 086**

*Trade and other payables exclude VAT payable, deferred income and employee related liabilities.

The group implements cash management procedures, and overdraft facilities are offset by debit balances where applicable.

33. Financial instruments *(continued)*

33. Fair values of financial instruments

The items carried at fair value are the investment in equity instruments and the interest rate swap.

Fair value of the equity instrument is based on the quoted price per a registered stock exchange and as a consequence the financial instrument is designated as a category 1 financial instrument.

Fair value of the interest rate swap is based on market inputs other than the quoted price per a registered stock exchange and as a consequence the financial instrument is designated as a category 2 financial instrument.

Management is of the opinion that fair value approximates carrying value for the items carried at amortised cost.

33.5 Risk Management

Loan covenants

South Africa

Under the terms of the major borrowing facilities, the South African group is required to comply with the following financial covenants:

- Total debt to EBITDA ratio of not more than 3x; and
- Total interest cover ratio of not less than 3,5x

All covenant ratios were complied with at 30 June 2019.

34. Related party disclosure

34.1 Identity of related parties

The company is legally owned by Waco SA Securities Proprietary Limited (69.9%), Bopa Moruo Private Equity Fund 1 (Pty) Ltd (25.1%) and the Waco Employee Share Benefit Trust (ESOP trust) (5%).

The ESOP trust is consolidated into Waco Africa as the issued share capital to the trust is treated as treasury shares.
Refer to note 19 for more detail on this transaction.

Material subsidiary companies are listed in Annexure B.

34.2 Material group transactions

34.2.1 Transactions with shareholders

Waco Africa Proprietary Limited entered into the following transactions with related parties:

- Administration fees of R24,7 million (2018 - R21 million) were paid to Waco International Holdings Proprietary Limited.

These transactions were undertaken on normal commercial terms and conditions.

34. Related party disclosures ***(continued)***

34.3 Material group transactions

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Administration fees received				
Form-Scaff Ghana Limited	-	-	1 985	2 263
Waco (Mauritius) Limited	-	-	1 981	2 257
Kwikform Formwork & Scaffolding (Pty) Ltd - Swaziland	-	-	2 496	3 017
Constructions and Industrial Maintenance Services Ltd - Zambia	-	-	7 944	8 735
Waco Mozambique Limitada	-	-	3 689	2 025
Form-Scaff Tanzania Limited	-	-	1 981	2 242
SGB-Cape Ghana Limited	-	-	1 686	1 472
SGB-Cape Kusile Joint Venture	-	-	45 900	117 791
Waco DRC s.a.r.l	-	-	264	1 489
Kwikform Formwork & Scaffolding (Pty) Ltd - Namibia	-	-	5 707	7 820
KwikForm (Kenya) Limited	-	-	1 980	2 239
SGB-Cape Uthungulu Proprietary Limtied			3 259	-
Kwikform Botswana Propietary Limited	-	-		503
	-	-	78 872	151 853

34. **Related party disclosures** *(continued)*

34.3 Material group transactions *(continued)*

R thousand	Group 2 019	Group 2 018	Company 2 019	Company 2 018
Intercompany receivables				
Form-Scaff Ghana Limited	-	-	22 642	22 848
Waco (Mauritius) Limited	-	-	2 018	7 801
Construction and Industrial Maintenance Services Limited - Zambia	-	-	30 078	9 764
Waco Mocambique Limitada	-	-	22 658	19 099
Form-Scaff Tanzania Limited	-	-	24 686	22 103
SGB-Cape Ghana Limited	-	-	16 785	15 195
SGB-Cape Kusile Insulation (Octorex)	-	-	163 875	99 526
Waco DRC s.a.r.l	-	-	6 745	4 939
Kwikform Formwork & Scaffolding (Pty) Ltd - Namibia	-	-	3 533	7 867
KwikForm (Kenya) Limited			27 573	17 390
Kwikform Botswana Propietary Limited	-	-	227	162
SGB-Cape Uthungulu Proprietary Limtied			2 578	-
SGB-Cape Offshore Proprietary Limited			632	-
Waco Africa Human Resources Development Proprietary Limited	12 652	8 705	12 652	8 705
Waco International Holdings Proprietary Limited	1 400 745	1 408 210	1 400 745	1 408 210
Intercompany receivables before impairment	**1 413 397**	1 416 915	**1 737 427**	1 643 609
Provision for impairment (ECL's) *refer to note 33*	-	-	(39 357)	-
Intercompany receivables after impairment	**1 413 397**	1 416 915	**1 698 070**	1 643 609

34. Related party disclosures *(continued)*

34.3 Material group transactions *(continued)*

The loans to / (from) subsidiaries are interest free and repayable on demand. Terms of the loan state that the loans are only repayable 12 months and 1 day from the date of demand. At the reporting date, the company has the unconditional right to defer settlement of the loans payable for at least a period of more than 12 months after year end. The loans are therefore classified as non-current liabilities.

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Intercompany payables				
Waco UK Holdings	2 257	1 825	2 257	1 825
Waco (Mauritius) Limited			580	
Kwikform Formwork & Scaffolding (Pty) Ltd - Swaziland	-	-	10 054	2 432
FormScaff Nambia Dormant	-	-	4 969	-
Kwikform Acquisition Holdings Limited	11 286	11 621	11 286	11 621
	13 543	13 446	29 146	15 878

As at 30 June 2019 the company is also party to trade receivables with companies within the Waco International Holdings Proprietary Limited group. These trade receivable balances have been included in trade and other receivables. The amounts included in trade and other receivables are as follows:

R thousand	Group 2019	Group 2018	Company 2019	Company 2018
Short term intercompany receivables				
Waco Kwikform Limited	2 030	8 217	2 030	8 217
Kwikform Formwork & Scaffolding (Pty) Ltd - Namibia	-	-	38 297	66 621
Form-Scaff Ghana Limited	-	-	26 222	28 291
SGB-Cape Uthungulu Pty Ltd			2 095	-
Waco Mocambique Limitada	-	-	32 847	16 598
Form-Scaff Tanzania Limited	-	-	17 884	18 411
Construction and Industrial Maintenance Services Limited - Zambia	-	-	35 878	49 648
SGB-Cape Ghana Limited	-	-	6 893	7 647
SGB-Cape Kusile Joint Venture	-	-	-	4 888
Kwikform Botswana Proprietary Limited	-	-	2 920	2 978
Waco (Mauritius) Limited	-	-	2 500	-
KwikForm (Kenya) Limited	-	-	27 479	19 172
Kwikform Formwork & Scaffolding (Pty) Ltd - Swaziland	-	-	1 141	63 258
SGB-Tedoc Joint Venture	-	-	7 941	-
NC Sanitation Solutions Proprietary Limited	-	-	7 562	-
Waco International Holdings Proprietary	-	-	-	-
Limited	-	2 636	-	2 636
	2 030	10 853	211 689	288 365

34. Related party disclosures *(continued)*

34.3 Material group transactions *(continued)*

As at 30 June 2019 the company is also party to trade payables with companies within the Waco International Holdings Proprietary Limited group. These trade payables balances have been included in trade and other payables. The amounts included in trade and other payables are as follows:

	Group		Company	
R thousand	**2019**	**2018**	**2019**	**2018**
Short term intercompany payables				
Construction and Industrial Maintenance Services Limited - Zambia	-	-	-	3 792
Waco Africa Human Resources Development Proprietary Limited	**525**		**525**	-
SGB-Cape Kusile Joint Venture	-	-	**1 523**	9 213
Waco (Mauritius) Limited	-	-	-	1 625
SGB-Cape Offshore Proprietary Limited	-	-	**293**	-
Waco International Holdings Proprietary Limited	**665**	52 571	**665**	52 571
	1 190	52 571	**3 006**	67 201

During 2019 the company was also party to intercompany transactions with companies within the Waco International Holdings Proprietary Limited group. These transactions have been included as part of profit and loss. The amounts included in profit after tax are as follows:

	Group		Company	
R thousand	**2019**	**2018**	**2019**	**2018**
Intercompany transactions				
Intercompany sales	-	-	**106 613**	126 113
Intercompany cost of sales	-	-	**(82 309)**	(91 530)
Interest received - SGB-Cape Kusile Joint Venture	-	-	**12 523**	6 732
	-	-	**36 827**	41 316

35. Going concern

Company
The company made a profit for the year of R103 million (2018: R300,6 million). Current assets exceeded current liabilities by R335 million (2018: R402 million). Total assets exceeded total liabilities by R1 813 million (2018: R1 726 million).

As such 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.

Group
The Group made a profit for the year of R102 million (2018: R260 million). Current assets exceeded current liabilities by R412 million (2018: R388 million). Total assets exceeded total liabilities by R1 799 million (2018: R1 697million). The external liabilities can be fully repaid by the total assets in the ordinary course of business.

As such 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 have satisfied themselves that the Company and Group are in sound financial positions and that they have access to sufficient cash and borrowing facilities to meet their foreseeable cash requirements.

36. Dividends

No dividend was declared by the company or the group during the year (2018: R nil).

37. Subsequent events

On 1 August 2019 Waco Africa Proprietary Limited acquired the assets and liabilities of Doka South Africa Proprietary Limited (Doka) and its subsidiaries, Nigeria and Mozambique.

Doka and its subsidiaries operate as concrete formwork equipment suppliers via rental and sale.

The acquisition is expected to increase the group's market share through access to technologically advanced products and reduce costs through economies of scale.

The financial effects of this transaction have not been recognised at 30 June 2019. The operating results and assets and liabilities of the acquired companies will be consolidated from 1 August 2019 which is the effective date of the acquisition.

Acquisition related costs of R6m have been included in the reporting period ended 30 June 2019 and further expected acquisition related costs are expected to be included in the reporting period ending 30 June 2020.

At the time the financial statements were authorised for issue, the group had not yet completed the accounting for the acquisition of Doka and its subsidiaries. In particular the fair value of assets and liabilities has only been determined provisionally as the independent valuations have not been finalized.

Other than the acquisition of Doka there was no matters of significance that occurred subsequent to the financial year end up to the date of approval of the financial statements that may have affected the financial results of that date and require disclosure thereof.

38. Changes in accounting policies

The group has applied IFRS 15 and IFRS 9 from 1 July 2018. Other new standards are also effective from 1 July 2018 but they do not have an effect on the group's financial statements.

Due to the transition methods chosen by the group in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards. A detailed explanation of the changes in accounting policy and the impact resulting from the new standards can be found in section 38.1 *(IFRS 15)* and 38.2 *(IFRS 9)* further below.

The effect of initially applying these standards, at 1 July 2018, is attributed to the following:

- Based on the current policies being applied under IAS 18, the new standards and resultant new accounting policies do not have a significant impact on how revenue is recognised in the group, this is explained in further detail below by comparing the current accounting policies and the proposed draft accounting policies.

The reason for no significant difference is due to the way most of the current revenue is being recognised which is on a stage of completion/milestone basis which will be the same under the new standard;

- The earlier recognition using an 'expected credit loss' approach did not result in an increase in impairment losses on trade receivables under IFRS 9, and

- The earlier recognition using an 'expected credit loss' approach did not result in an increase in impairment losses on short-term inter-company (IC) receivables under IFRS 9.

The reason for no significant difference is due to the conservative way in which impairment losses were previously recognised and assessed by management. Previously management provided for credit risk based on historical payment behavior and extensive analysis of customer credit risk, and the quality of the respective customers.

The following table summarises the impact, net of tax, of transition to IFRS 15 and IFRS 9 on retained earnings and NCI at 1 July 2018 as discussed above:

Retained earnings	Impact of adopting IFRS 15 and IFRS 9 at 1 July 2018 (loss)/gain			
	IFRS 9	IFRS 15	IFRS 9	IFRS 15
	Group		Company	
Additional impairment recognised on trade receivables at 30 June 2018	0	0	0	0
Additional impairment recognised short-term IC receivables at 30 June 2018	0	0	0	0
Net Impact, post tax, at 1 July 2018	0	0	0	0

38. 1 IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS

IFRS 15 establishes a comprehensive '5 step' framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement.

The IFRS 15 transition approach was applied retrospectively, which means that the group and company recognised the cumulative effect of applying the standard at the start of the earliest comparative period where practical expedients, as allowed by the Standard was applied.

38. Changes in accounting policies *(continued)*

38.2 IFRS 9 FINANCIAL INSTRUMENTS

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces new requirements for the classification and measurement of financial instruments, new rules for hedge accounting and a new impairment model for financial assets.

The group has taken an exemption not to restate comparative information for prior periods with respect to the classification and measurement (*including impairment of trade receivables*) requirements of IFRS 9. Differences in the carrying amounts of financial assets, specifically trade receivables and contract assets, resulting from the adoption of IFRS 9, are recognised in retained earnings as at 1 July 2018.

D) Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI (fair value through other comprehensive income) and FVTPL (fair value through profit or loss). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. The adoption of IFRS 9 did have an effect on the group's accounting policies related to financial liabilities and derivative financial instruments. The group does not apply hedge accounting and derivative financial instruments (which is only the interest rate swap agreement) continue to be carried at FVTPL.

The following table *(applicable to group and company)* and the accompanying notes explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the group's financial assets as at 1 July 2018. Classification has remained the same for financial liabilities at amortised cost.

Group

R'000 Financial asset	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Trade and other receivables	Loans and receivables	Amortised cost	697 526	697 526
Intercompany short- and long term receivables	Loans and receivables	Amortised cost	1 427 768	1 427 768
Cash and Cash equivalents	Loans and receivables	Amortised cost	107 316	107 316
Total Financial assets				

Company

R'000 Financial asset	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Trade and other receivables	Loans and receivables	Amortised cost	474 705	474 705
Intercompany short- and long term receivables	Loans and receivables	Amortised cost	1 931 974	1 931 974
Cash and Cash equivalents	Loans and receivables	Amortised cost	30 120	30 120
Total Financial assets				

38. **Changes in accounting policies *(continued)***

38.1 **IFRS 9 FINANCIAL INSTRUMENTS *(continued)***

Our trade receivables 'contractual cash flows' consists solely of principal and interest and the business model remains that of 'hold to collect'. Trade receivables continue to be held at amortised cost. The group doesn't hold debt or equity securities other than investments in subsidiaries (which are carried at cost).

The effect of adopting IFRS 9 on the carrying amounts of financial assets at 1 July 2018 relates mainly to the new impairment requirements.

On transition to IFRS9 the allowance for impairment on receivables did not have an impact on opening retained earnings at 1 July 2018 (before tax) for the group – as the effect was not deemed material. *Impact on changes in accounting policies on the company is disclosed below.*

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new model average default rate over total trade receivables, was in line with the % default rate on the previous method. Contract assets were not impaired as the majority (>95% of contract assets) of the group contract assets relates to one customer that has a 0% default rate – the remaining portion of the contract assets was not material and wasn't assessed in further detail.

Under IFRS 9, credit losses are recognised earlier than under IAS 39. For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. Additional information on how the group measures the allowance for impairment is described in note 33.2. There were no other classification or measurement adjustments to other financial assets.

1) **Transition**

The group has used an exemption not to restate comparative information for prior periods with respect to classification and measurement (including impairment) requirements. Therefore, comparative periods have not been restated. There were no material differences in the carrying amounts of financial assets resulting from the adoption of IFRS 9 consequently no adjustment has been recognised in retained earnings and reserves as at 1 July 2018. There were no changes to the group's accounting for financial liabilities and derivative financial instruments. Accordingly, the information presented for 2018 does not generally reflect the requirements of IFRS 9, but rather those of IAS 39.

E) **Impact of changes in accounting policies on the company**

The introduction of IFRS 9 had an impact on the company's intergroup loans/advances to subsidiaries. There is no impact on financial liabilities and these continue to be held at amortised cost, within current liabilities as short term loans payable to subsidiaries.

Classification of intercompany loans at 1 July 2018

Under the rules of IFRS 9, all loans to subsidiaries, that were accounted for by the respective subsidiary as a liability are now under the scope of IFRS 9. All these advances had no fixed repayment terms but payable in cash upon demand and are non-interest bearing.

The fact that these loans earn no interest does not mean that they fail the SPPI test. For the purposes of the SPPI test, the fair value at initial recognition is considered as 'the principal' for the SPPI test. Intercompany loans which are interest free and repayable on demand (have no formal terms) have an effective interest rate of 0%. Accordingly, for such loans, discounting over the recovery period will have no effect. The company intends to hold the loans to ultimately collect the cash flows. These loans are therefore classified and subsequently measured at 'amortised cost' under IFRS 9.

Measurement of intercompany loans and loss allowances (impairments) at 1 July 2018

The company is required to recognise expect credit losses (ECLs) for financial assets measured at amortised cost. The company has applied the general approach to loans advanced to subsidiaries on 1 July 2018. These loans do not fall within the scope of the simplified approach for trade receivables and contracts assets, as adopted by the group.

38. Changes in accounting policies *(continued)*

38.1 IFRS 9 FINANCIAL INSTRUMENTS *(continued)*

The impact of applying the general approach to these loans is as follows:

Company (R'000)	Actual NAV	Actual PBIT	BU PBIT	Actual BC	Expected Class	Manual adjustment	Class	Write off percentage	NAV	Impairment Provision (1 July 2018)
Kwikform Namibia	Positive	Positive	Positive	Positive	1		1	0%	38 079	
Kwikform Botswana	Positive	Negative	Negative	Negative	1		1	0%	1385	
Kwikform Swaziland	Positive	Positive	Positive	Positive	1		1	0%	63 430	
Waco Mauritius	Positive	Positive	Positive	Positive	1		1	0%	9 928	
Construction and Industrial Maintenance Services	Positive	Positive	Positive	Positive	1		1	25%	1 485	
FS Ghana (company)	Negative	Positive	Positive	Positive	2		2	25%	-13 755	3 439
Waco Mozambique	Negative	Negative	Negative	Positive	4	2*	2	50%	-18 981	4 745
Kwikform Kenya	Negative	Negative	Positive	Negative	5	2*	3	50%	-9 267	4 633
Waco Tanzania	Negative	Negative	Negative	Negative	5		5	100%	-18 561	18 561
SGB Ghana (Company)	Negative	Negative	Positive	Positive	3		3	100%	-11 698	5 849
Waco DRC s.a.r.l	Negative	Negative	Negative	Negative	5		5	100%	-2 130	2 130
Total										**39 357**
ECL (1 July 2018) Opening Retained earnings										**14 372**
ECL for the financial year ended 30 June 2019										**24 985**

***Waco Mozambique - 2 point adjustment**

Waco Mozambique has seen an improvement in performance since FY17 on the back of the LNG Project in Palma receiving the go ahead from the World Bank. As a result of this project, large corporations are moving in to Northern Mozambique and the economy is starting to show signs of recovery. the current infrastructure in the region is not sufficient to accommodate a project of this magnitude and we are seeing the beginnings of improvements through projects awarded.

Waco have therefore taken the approach that this is a growth area for the group and in essence is effectively a new start up. The FS division has grown from a 2 person branch to having 2 branches in the country with 10 employees. Abacus have begun moving in to the country and plan to have a fully functioning branch in Palma by the end of FY19. SGB-Cape continues to play the waiting game and will only begin growth once the infrastructure work is completed and the major work on the LNG plant begins. This is currently expected to be in FY21.

Based on the above, Waco is satisfied that a 25% impairment provision is reasonable.

***Kwikform Kenya - 2 point adjustment**

Kwikform Kenya is a new company for the Waco group and in accordance with other African businesses, Kwikform Kenya is expected to make operating losses for the first three years of operation. Opened in FY17, the branch only began trading in October 2017. For FY19, the group continued its investment in Kenya by sending one of the most experienced branch managers to act as temporary branch manager and train the local management team. The introduction of the new branch manager has seen an upturn in the company's performance and whilst it was unable to generate a positive profit before tax, there has been a significant improvement on the previous year.

Based on the above turnaround in performance, the number of new major projects in Kenya and the fact that the business was expected to make losses for the first three years. Waco is satisfied that a 50% impairment provision is reasonable.

39. Standards and interpretations approved but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2019 and have not been applied in preparing these consolidated and separate financial statements. The Group and Company do not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated.

Those which may be relevant to the Group and Company are set out below:

Effective for the financial year commencing 1 July 2019

- IFRS 16 *Leases*

Effective for the financial year commencing 1 July 2020

- IAS 1 - *Amendment to IAS 1, 'Presentation of financial statements' and IAS 8*

- IFRS 3 *Business Combinations*

All Standards and Interpretations will be adopted at their effective date, except where stated otherwise and except for those Standards and Interpretations that are not applicable to the entity, as listed below.

The directors are of the opinion that the impact of the application of the above Standards and Interpretations will be as follows:

IFRS 16 Leases

The new Leases standard (IFRS 16) will be implemented by the Waco Africa Group for the first time for the period ending 30 June 2020. This is in accordance with the effective date of IFRS 16.

IFRS 16 specifies how an entity will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

As part of the implementation new accounting policies and disclosures will be prepared as well as an appropriate transition approach.

Management has made the following assessment to determine the impact of IFRS 16 on the group:

The accounting principles are substantially unchanged from a lessor point of view, except for the requirement to separate lease components from non-lease components in the same contract, this change may affect the revenue disclosure as Hire and Hire Related Services, if material, may be disclosed separately.

From a lessee point of view there are significant differences in how leases will be accounted for. In summary, all assets that are leased (other than those leases of low value or shorter than 12 months) will result in the recognition a right-of-use asset and a lease liability.

The value of the asset and liability upon initial measurement is likely to be the same, the right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Subsequently the assets are measured at cost less accumulated depreciation and accumulated impairment.

This therefore results in additional depreciation being recognised, and the lease expense is not recognised as before.

The lease liability is remeasured to reflect the unwinding of the discounting over the lease term, and as a result an interest expense is recognised.

Therefore, the total income statement effect under the new standard is the total of the depreciation and interest expense, compared to the lease expense under the old standard. The difference between the amounts is not material.

39. Standards and interpretations approved but not yet effective *(continued)*

Management performed an analysis, for lease contracts effective at 30 June 2019, to illustrate the possible impact:

Values at 30 June 2019	R thousand
Interest expense	26 689
Carrying value of Lease liability	340 125
Depreciation	109 710
Carrying value of Right to use asset	323 271
Lease expense	119 545
Forex (loss)	-
Increase/(Decrease)	
Effect on EBITDA	119 545
Effect on EBIT	9 835
Effect of Profit before tax	(16 854)
Release of straight lining accrual	17 613
Net effect of PBT	759

The interest expense and depreciation is higher than the operating lease expense that would have been recognised, however with the release of the straight lining accrual it will result in an of R759k in pre-tax profits.

Due to the increase in depreciation and interest expense, the key performance indicators EBITDA and EBIT will increase by the amount of depreciation and interest expense recognised. This will result in these KPI's not being comparable without adjustments.

IAS 1 - *Amendment to IAS 1, 'Presentation of financial statements' and IAS 8, 'Accounting policies, changes in accounting estimates and errors' on the definition of material.*

The amendments to IAS 1 will be implemented by the Waco Africa Group for the first time for the period ending 30 June 2021. This is in accordance with the effective date of this amendment in IAS 1.

These amendments to IAS 1 and IAS 8 and consequential amendments to other IFRSs requires the group and company to:

- Use a consistent definition of materiality through IFRSs and the Conceptual Framework for Financial Reporting;
- clarify the explanation of the definition of material; and
- incorporate some of the guidance in IAS 1 about immaterial information.

39. Standards and Interpretations approved but not yet effective *(continued)*

The amended definition of materiality is:

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The Group and Company will apply the amended definition of materiality to ensure that complete and accurate information is presented to the users of the financial statements.

IFRS 3 Business Combinations

The amendments to IFRS 3 will be implemented by the Waco Africa Group for the first time for the period ending 30 June 2021. This is in accordance with the effective date of this amendment in IFRS 3.

This amendment revises the definition of a business. According to feedback received by the IASB, application of the current guidance is commonly thought to be too complex, and it results in too many transactions qualifying as business combinations. More acquisitions are likely to be accounted for as asset acquisitions.

To be considered a business, an acquisition would have to include an input and a substantive process that together significantly contribute to the ability to create outputs. The new guidance provides a framework to evaluate when an input and a substantive process are present (including for early stage companies that have not generated outputs). To be a business without outputs, there will now need to be an organised workforce.

The group strategy is to defend and extend our core business, which includes investigating avenues of possible acquisition of businesses or in some case asset acquisitions. The group will apply the amendments to IFRS 3 in assessing whether these acquisitions falls within the revised definition of a business or if the acquisition is an asset acquisition.

Standards and interpretations not expected to have an impact on the entity:

The following Standards and Interpretations are not applicable to the business of the Waco group and will therefore have no impact on future financial statements.

Effective for the financial year commencing 1 July 2019

- IFRIC 23 *Uncertainty over Income Tax Treatments*
- *Prepayment Features with Negative Compensation* (Amendments to IFRS 9)
- *Long-term Interests in Associates and Joint Ventures* (Amendment to IAS 28)
- *Plan Amendment, Curtailment or Settlement* (Amendment to IAS 19)

Effective for the financial year commencing 1 July 2021

- IFRS 17 *Insurance Contracts*

Annexure A – Analysis of interest bearing borrowings

for the year ended 30 June 2019

2019

Country	Bank	Rates	Rate at 30 June	Description	Group and Company R'000
South Africa	Standard Bank of SA Limited & ABSA Bank Limited Consortium			Bill facilities, with quarterly rollover periods, secured by assets with a book value as disclosed below	1 365 972
	Amortising A	JIBAR+1,75%	8.775%	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2015 and in a final single instalment on 30 September 2020	120 000
	Amortising B	JIBAR+3,15%	10.175%	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2016 and in a final single instalment on 30 September 2020	217 500
	Rollet	JIBAR+2,15%	9.175%	Bill facility with a floating interest rate, repayable in a final single instalment on 30 September 2020	400 000
	Revolver	JIBAR+1,80%	8.825%	Bill facility with a floating interest rate, repayable in a final single instalment on 30 September 2019	630 000
				Capitalised raising fee	(1 528)
Value of interest bearing borrowings					1 365 972

2018

Country	Bank	Rates	Rate at 30 June	Description	Group and Company R'000
South Africa	Standard Bank of SA Limited & ABSA Bank Limited Consortium			Bill facilities, with quarterly rollover periods, secured by assets with a book value as disclosed below	1 473 047
	Amortising A	JIBAR+1,75%	8.708%	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2015 and in a final single instalment on 30 September 2020	200 000
	Amortising B	JIBAR+3,15%	10.108%	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2016 and in a final single instalment on 30 September 2020	247 500
	Bullet	JIBAR+2,15%	9.108%	Bill facility with a floating interest rate, repayable in a final single instalment on 30 September 2020	400 000
	Revolver	JIBAR+1,80%	8.758%	Bill facility with a floating interest rate, repayable in a final single instalment on 30 September 2019	630 000
				Capitalised raising fee	(4 453)
Value of interest bearing borrowings					1 473 047

Annexure A – Analysis of interest bearing borrowings

for the year ended 30 June 2019

The following assets have been pledged as security for borrowings

R thousand	2019	2018
Property, plant and equipment	109 914	132 437
Equipment for hire	1 173 536	1 220 080
Current assets	953 979	984 036
Total assets	2 237 429	2 336 553

	Country of incorporation	Type of share capital	Issued share capital	Effective percentage holding		Shares
				%		2019
Form-Scaff Pty Ltd	South Africa	Ordinary	2	100.00%	ZAR	2
Form-Scaff Ghana (Pty) Ltd	Ghana	Ordinary	600,000	100.00%	GHS	600 000
SGB-Cape Ghana Ltd	Ghana	Ordinary	17,500	90.00%	GHS	17 500
Waco Mozambique Limitada	Mozambique	Ordinary	10,000	100.00%	MZN	10 000
Kwikform Formwork and Scaffolding Pty Ltd	Swaziland	Ordinary	2	100.00%	SZL	2
Waco Tanzania Ltd	Tanzania	Ordinary	1,600	100.00%	TZS	1 600
Waco DRC Sarl	DRC	Ordinary	100	100.00%	USD	100
Kwikform Botswana (Pty) Ltd	Botswana	Ordinary	120	100.00%	BWP	120
Construction and Industrial Maintenance Services (Pty) Ltd	Zambia	Ordinary	5,000	100.00%	ZMW	5 000
Kwikform Formwork and Scaffolding (Pty) Ltd	Namibia	Ordinary	100	100.00%	NAD	100
Waco (Mauritius) Limited	Mauritius	Ordinary	1	100.00%	MUR	1
Kwikform Nigeria (Pty) Ltd	Nigeria	Ordinary	10,000,000	100.00%	NGN	1 000
Waco Lesotho (Pty) Ltd	Lesotho	Ordinary	1,000	100.00%	LSL	1 000
Kwikform Kenya (Pty) Ltd	Kenya	Ordinary	100,000	100.00%	KES	1 000
Octorex (Pty) Ltd	South Africa	Ordinary	100	50.00%	ZAR	50
SGB-Cape Offshore (Pty) Ltd	South Africa	Ordinary	1,000	100.00%	ZAR	100
Mosadi Tiya Construction and scaffolding (Pty)Ltd	South Africa	Ordinary	100	51.00%	ZAR	51
SGB-Cape Uthungulu (Pty) Ltd	South Africa	Ordinary	1,000	51.00%	ZAR	510
Waco Engineering Services (Pty) Ltd	South Africa	Ordinary	10,000	100.00%	ZAR	100
NC Sanitation Solutions (Pty) Ltd	South Africa	Ordinary	100	49.00%	ZAR	49
Waco Africa Investments (Pty) Ltd	South Africa	Ordinary	100	100.00%	ZAR	100

Waco Africa Proprietary Limited

Consolidated and Separate Annual Financial Statements

for the year ended 30 June 2018

Audited

Prepared by: B Cohn

Group Financial Manager CA (SA)

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Annual Financial Statements
for the year ended 30 June 2018

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The financial statements of Waco Africa Proprietary Limited have been audited in compliance with Section 30 of the Companies Act of South Africa.

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Directors' responsibility statement
for the year ended 30 June 2018

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements of Waco Africa Proprietary Limited, comprising the statements of financial position at 30 June 2018, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and the directors' report.

The directors are also responsible 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, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the company and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the consolidated and separate financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of consolidated and separate annual financial statements

The consolidated and separate annual financial statements of Waco Africa Proprietary Limited, as identified in the first paragraph, were approved by the board of directors on 10 September 2018 and are signed by:

M G Els
Authorised director

S J M Goodburn
Authorised director

Certificate of the company secretary

In my opinion as company secretary, I hereby confirm, in terms of the Companies Act, that for the year ended 30 June 2018, the company has lodged with the Companies and Intellectual Property Commission all such returns as are required of a company in terms of this Act and that all such returns are true, correct and up to date.

M R Fowler
Company secretary

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Directors' report
for the year ended 30 June 2018

The directors have pleasure in presenting their report for the year ended 30 June 2018.

Overview

Waco Africa Proprietary Limited ("Waco Africa") is a subsidiary of Waco International Holdings Proprietary Limited ("Waco"). Waco is a diversified equipment hire and industrial services business operating in the following key geographies: South Africa; other sub-Saharan Africa; Australasia (Australia and New Zealand); and the United Kingdom. The group has core product offerings in Forming, Shoring and Scaffolding (FSS), Relocatable and Modular Buildings (R&MB) and Portable Sanitation (PS), and it has growing businesses in Integrated Hygiene Services (IHS), rope access, suspended platforms and aerial work platforms (AWP). The group's hire fleet comprises more than 107,000 tonnes of scaffolding, approximately 45,000 tonnes of formwork, in excess of 5,600 relocatable modular buildings, approximately 31 000 toilets and 180 AWP's. The group's business operates through a network of more than 100 branches from which it services over 15,000 customers, including a significant number of "blue chip" multinational and national companies and government agencies in a wide variety of industries, such as infrastructure, mining and resources, oil and gas, power generation, construction and engineering, industrial maintenance, education, healthcare and events.

The scale, diversity and quality of the hire fleet, the branch footprint and human capital are Waco International's most valuable assets and represent a competitive advantage. The group is able to selectively pursue contracts in locations where conditions favour its product and service offering, and deploy resources from underperforming operations to areas of growth. It invests in research and development in new products, services and ways of operating to ensure it continually optimises, expands and innovates to attract new customers. Waco's established core businesses in South Africa and Australasia are market leaders, while Premier Modular in the UK has a niche, growing position. In these markets, the group grows profits by optimising the size and location of its branch network, leveraging operational efficiencies and managing the cost to serve.

Waco provides a range of products and services through its Africa and International business segments as set out below:

- the Africa segment consists of: (i) Form-Scaff, SGB-Cape and SkyJacks, Waco's African FSS business units; (ii) Abacus, Waco's African R&MB business unit; and (iii) Sanitech, Waco's PS and IHS business unit.
- the International segment consists of: (i) the Kwikform Group, comprised of Kwikform, Star Scaffolding and Hire West in Australia and APL and United Scaffolding in New Zealand, Waco's Australasian FSS business unit; and (ii) Premier, Waco's UK R&MB business unit;

Overview of Waco Africa's performance

Waco Africa is a profitable business that has delivered attractive returns over the past five years. The group's track record of strong growth has delivered significant operational leverage, while good cash generation has supported substantial investment that has yielded sound returns.

During 2018, the group's diversification strategy, along with its disciplined execution of major projects and heightened focus on improving operational efficiencies and managing cost to serve, mitigated the impact of difficult operating conditions in Africa, while a number of growth initiatives delivered increasing returns on investment. This has enabled the group to maintain the momentum of its growth trajectory.

Waco Africa Proprietary Limited
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Directors' report
for the year ended 30 June 2018

Waco Africa continued to derive the benefit of successful execution of its strategy which enabled it to overcome challenges in some of its key markets and maintain the resilience of its core businesses, while investing in future growth opportunities.

The group benefited from the consistent performance of SGB-Cape in South Africa largely due to remedial interventions in prior years and the success in major contracts such as Kusile. In other instances where businesses have experienced difficulties we have restructured as required and continuously applied measures to protect or grow revenue and optimise financial performance in line with our Alchemy of Growth strategy.

Waco Africa's Sanitech division concluded three new acquisitions during 2018. Sanitech acquired the greater part of the assets and liabilities of Namchem and Rent a Toilet in Namibia. These acquisitions are expected to expand our geographical footprint in Namibia in the pest control, hygiene and toilet hire market. Sanitech furthermore acquired the assets and liabilities of Pristene in South Africa to facilitate the expansion of Sanitech's business into pest control and hygiene markets.

These acquisitions, together with a pipeline of additional acquisitions scheduled for completion in 2018, and a number of promising new growth initiatives, are expected to contribute progressively to the group's growth trajectory.

During 2018, the group embedded the Granularity of Growth concept to identify opportunities to generate more growth in its existing markets, products sets and customers bases, and to seek out new sources of revenue in niche markets. The management team has actively pursued this more targeted approach to resource allocation and growth throughout Waco Africa, and the progress achieved so far has contributed to the Group's ability to build resilience in low-growth environments and innovate new sources of growth that will secure its long-term future.

Outlook

The group generates most of its revenue from contracting and rental services that offer annuity type income over periods ranging from six months to two years. This to some extent provides a buffer against cyclical industries such as the struggling construction and industrial sector in South Africa. South Africa's economy remains stagnant, with low growth projections on a macroeconomic scale.

Among emerging market and developing economies, growth prospects are also becoming more uneven, amid rising oil prices, escalating trade tensions, and market pressures on the currencies of some economies with weaker fundamentals.

Our long term strategy is to continue to diversify our group by taking advantage of opportunities in new and established markets and geographies where there is growing demand for our diversified equipment rental and industrial products and services, especially in Sub Saharan Africa, where real output growth is expected to accelerate in 2018 and 2019.

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Directors' report
for the year ended 30 June 2018

Update on Grayston bridge collapse

Almost three years have passed since the Grayston bridge incident. Despite this the Section 32 enquiry has yet to be completed. Over the past two years all the expert witnesses have been heard, with the factual witnesses and closing statements to follow in due course. It is anticipated that all evidence and legal argument will be heard by November 2018. The insurer has already settled the personal injury claims arising from the collapse.

Update on potential restructuring due to the Competitions Commission review

The group has been the supplier of access scaffolding, insulation and related services in a long term maintenance contracts with one customer for several years. During the prior year the contract was put out to tender. The submission of bids through joint ventures with various BBBEE partners has been perceived by the customer as anti-competitive behaviour. The group has been reported to the South African Competitions Commission for a review and the contract has been awarded to external parties. Management do not believe that the way the group submitted these tenders constitutes anti-competitive behaviour and has received legal advice that supports this stance.

In response, the group has successfully lodged an urgent interdict against the customer to overturn the award to said external parties pending the outcome of the ongoing Competition Commission review. Should the review be unfavourable, the group will be forced to demobilise on these sites and to downsize the related division within the group.

Management have developed a formal plan for the restructure and have raised an appropriate provision. This matter has been formally communicated to all employees of the affected division.

During 2018 the Competition Commission handed over the case to the Tribunal. Waco has approached the Tribunal to have the case dismissed as it does not believe the Competition Commission case has merits. This process is still ongoing by the Tribunal.

Subsidiaries

Details of the company's material subsidiaries are set out in Annexure B of these financial statements.

Share capital

On 5 July 2012 the company issued 749 no par value ordinary shares to Waco SA Securities Proprietary Limited and 251 no par value ordinary shares to Kagiso Strategic Investments Proprietary Limited.

On 6 May 2014 Kagiso Strategic Investments Proprietary Limited sold their 251 no par value ordinary shares to Bopa Moruo Private Equity Fund I (Proprietary) Limited.

On 20 July 2012, the company issued 104 513 000 no par value preference shares to Waco International Holdings Proprietary Limited. As at the date of issue, these preference shares were classified as debt in accordance with IAS 32 Financial Instruments: Presentation due to the fact that they were redeemable at the option of the holder. A special resolution was passed during the 2014 financial year which clarifies the shareholders intention and removes the right to redeem these preference shares at the option of the holder. Theses preference shares were therefore reclassified to equity in the 2014 financial year.

During 2014 a resolution was passed to increase the authorised share capital to 100 million shares and on 23 September 2015, the company undertook a share split whereby shareholders received 10 000 shares for every share held.

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Directors' report
for the year ended 30 June 2018

Share capital *(continued)*

During October 2017 Waco Africa Proprietary Limited issued 535 765 Treasury shares at a nominal price per share of R0,001 to the Waco Africa Employee Share Benefit Trust (*ESOP trust*). The subscription was funded through a discount of approximately 4.4% of the attributed value of the ESOP trust shares and the balance through notionally vendor finance from Waco Africa Proprietary Limited to the ESOP trust.

A key feature of the scheme is that it features a mechanism to ensure that Bopa Moruo's 25, 1% shareholding is not diluted as a result of the issue of the ESOP trust shares and the subsequent conversion thereof into ordinary shares.

This was achieved, at no cost to Bopa Moruo, through Bopa Moruo subscribing for an additional 179 542 ordinary shares *(top-up shares)* for a nominal consideration and following the conversion of the treasury shares to ordinary shares, transferring such number of the top-up shares (if any) to Bopa Moruo such that it maintains its 25,1% percentage shareholding following the conversion.

Dividends

No dividend was declared during the year (2017: R nil).

Subsequent events

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report which requires adjustment to or disclosure in these financial statements.

Directors

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

S J M Goodburn	
M G Els	
G M Slabbert	(Alternate to M G Els)
S P Burnett	
P D Ngcobo	
B Tlhabanelo	
N D Khoele	
T Matheolane	(*Resigned 15 June 2018*)
N Tshongweni	(*Appointed 15 June 2018*)

Prescribed officer

The prescribed officer in office at the date of this report is:

E D le Roux

Company secretary

The company secretary at the date of this report is M R Towler.

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Directors' report
for the year ended 30 June 2018

Registered address:

Woodmead Office Park
14 Stirrup Lane
Off Van Reenens Avenue
Woodmead
2191
South Africa

Postal address:

Postnet Suite # 108
Private bag X23
Gallo Manor
2052
South Africa

Holding company

The company's immediate holding company is Waco SA Securities Proprietary Limited, a company incorporated in the Republic of South Africa. The company's ultimate holding company is Waco International Holdings Proprietary Limited, a company incorporated in the Republic of South Africa.

KPMG

KPMG Inc.
KPMG Crescent
85 Empire Road, Parktown, 2193,
Private Bag 9, Parkview, 2122, South Africa

Telephone +27 (0)11 647 7111
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Independent auditor's report

To the shareholders of Waco Africa Proprietary Limited

Report on the audit of the consolidated and separate financial statements

Opinion
We have audited the consolidated and separate financial statements of Waco Africa Proprietary Limited (the group and company) set out on pages 12 to 98, which comprise the statements of financial position as at 30 June 2018, and the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and Annexures A, B and C.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Waco Africa Proprietary Limited as at 30 June 2018, and its consolidated and separate financial performance and consolidated and separate 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 consolidated and separate financial statements section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information
The directors are responsible for the other information. The other information comprises the directors' report and the certificate of the company secretary as required by the Companies Act of South Africa, and the directors' responsibility statement. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements
The directors are responsible for the preparation and fair presentation of the consolidated and separate 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group's and 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 group and / or company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 group's and 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 group's and 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 consolidated and separate 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 group and / or the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Report on other legal and regulatory requirements
In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that KPMG Inc. has been the auditor of Waco Africa Proprietary Limited (in all legal forms) from 1995.

KPMG Inc.
Registered Auditor

Per D Read
Chartered Accountant (SA)
Registered Auditor
Director
10 September 2018

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Statements of profit or loss and other comprehensive income
for the year ended 30 June 2018

R thousand	*Note*	Group 2018	Group 2017	Company 2018	Company 2017
Revenue	2	**3 361 495**	2 979 937	**2 496 561**	2 259 773
Cost of sales	3	**(2 097 299)**	(1 773 261)	**(1 473 694)**	(1 337 321)
Gross profit		**1 264 196**	1 206 676	**1 022 867**	922 452
Other operating income	4	**7 967**	1 348	**12 099**	4 707
Distribution expenses		**(535 530)**	(489 979)	**(415 126)**	(384 547)
Administration expenses		**(224 498)**	(278 819)	**(69 830)**	(135 087)
Other operating expenses	5	**(10 761)**	(7 518)	**(20 324)**	(7 518)
Results from operating activities	6	**501 374**	431 708	**529 686**	400 007
Finance expense	7	**(119 124)**	(144 512)	**(119 029)**	(148 027)
Finance income	7	**12 292**	6 705	**19 666**	12 462
Net finance expense	7	**(106 832)**	(137 807)	**(99 363)**	(135 565)
Share of profit of equity-accounted investee		**-**	343	**-**	-
Profit before income tax		**394 542**	294 244	**430 323**	264 442
Income tax	8	**(134 400)**	(79 600)	**(129 648)**	(67 856)
Profit for the year		**260 142**	214 644	**300 675**	196 586
Other comprehensive income					
Items that will be reclassified subsequently to profit and loss					
Foreign currency translation differences	7	**(1 224)**	6 265	**(332)**	(8)
Other comprehensive income for the year		**(1 224)**	6 265	**(332)**	(8)
Total comprehensive income for the year		**258 918**	220 909	**300 343**	196 578
Profit attributable to:					
Owners of the company		**269 062**	214 901		
Non-controlling shareholders		**(8 920)**	(257)		
		260 142	214 644		
Total comprehensive income attributable					
Owners of the company		**267 838**	221 166		
Non-controlling shareholders		**(8 920)**	(257)		
		258 918	220 909		

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Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Statements of financial position
as at 30 June 2018

R thousand	*Note*	Group 2018	Group 2017	Company 2018	Company 2017
Assets					
Equipment for hire	10	**1 220 080**	1 102 048	**1 045 967**	956 823
Property, plant and equipment	11	**132 437**	143 690	**97 995**	108 731
Investments in subsidiaries	12	**-**	-	**13 490**	23 353
Goodwill	13	**61 244**	68 344	**44 134**	64 611
Intercompany receivables	36	**1 416 915**	1 014 952	**1 643 609**	1 154 813
Intangible assets	14	**248**	335	**248**	335
Other investments	15	**432**	6 486	**432**	6 486
Investment in associate		**-**	1 337	**-**	-
Total non current assets		**2 831 356**	2 337 192	**2 845 875**	2 315 152
Inventories	17	**122 633**	136 039	**90 032**	110 609
Trade and other receivables	18	**727 677**	710 668	**779 380**	688 608
Prepaid taxation		**26 410**	8 797	**-**	34
Cash and cash equivalents	20	**107 316**	34 635	**30 120**	-
Total current assets		**984 036**	890 139	**899 532**	799 251
Total assets		**3 815 392**	3 227 331	**3 745 407**	3 114 403
Equity					
Stated ordinary share capital	21	**1**	1	**1**	1
Stated preference share capital	22	**99 723**	99 723	**99 723**	99 723
Foreign currency translation reserve	23	**17 420**	18 644	**(92)**	240
Retained earnings		**1 590 572**	1 321 510	**1 626 869**	1 326 194
Total equity attributable to equity holders of the group		**1 707 716**	1 439 878	**1 726 501**	1 426 158
Non-controlling interest		**(10 716)**	1 204	**-**	-
Total equity		**1 697 000**	1 441 082	**1 726 501**	1 426 158
Interest bearing borrowings	24	**1 363 047**	1 043 130	**1 363 047**	1 043 130
Deferred tax liability	25	**77 958**	55 392	**86 868**	59 799
Derivative investments		**2 992**	5 941	**2 992**	5 941
Intercompany payables	36	**13 446**	11 376	**15 878**	46 451
Long term straight line lease accrual		**17 108**	14 302	**17 108**	14 302
Employee benefits	34	**38 745**	58 757	**38 745**	58 757
Long term contingent consideration		**12 500**	17 683	**-**	17 683
Total non current liabilities		**1 525 796**	1 206 581	**1 524 638**	1 246 063
Bank overdraft	20	**-**	28 529	**-**	30 195
Trade and other payables	26	**386 631**	362 871	**298 058**	224 885
Employee benefits	34	**55 075**	54 126	**48 523**	44 845
Provisions	27	**18 078**	24 142	**17 094**	23 158
Current portion of interest bearing borrowings	24	**110 000**	110 000	**110 000**	110 000
Taxation payable		**22 812**	-	**20 593**	9 099
Total current liabilities		**592 596**	579 668	**494 268**	442 182
Total liabilities		**2 118 392**	1 786 249	**2 018 906**	1 688 245
Total equity and liabilities		**3 815 392**	3 227 331	**3 745 407**	3 114 403

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Statements of changes in equity
for the year ended 30 June 2018

R thousand

Group	Stated ordinary share capital	Stated preference share capital	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 30 June 2016	1	99 723	12 379	1 106 609	1 218 712	4 461	1 223 173
Total comprehensive income for the year							
Profit for the year	-	-	-	214 901	214 901	(257)	214 644
Other comprehensive income							
Foreign currency translation	-	-	6 265	-	6 265	-	6 265
Total comprehensive income for the year	-	-	6 265	214 901	221 166	(257)	220 909
Dividends paid to minority shareholders	-	-	-	-	-	(3 000)	(3 000)
Balance at 30 June 2017	1	99 723	18 644	1 321 510	1 439 878	1 204	1 441 082
Total comprehensive income for the year							
Profit for the year	-	-	-	**269 062**	**269 062**	**(8 920)**	**260 142**
Other comprehensive income							
Foreign currency translation	-	-	**(1 224)**	-	**(1 224)**	-	**(1 224)**
Total comprehensive income for the year	-	-	**(1 224)**	**269 062**	**267 838**	**(8 920)**	**258 918**
Transactions with owners recorded directly in equity							
Ordinary shares issued during the year	*	-	-	-	-	-	-
Treasury shares issued during the year	*	-	-	-	-	-	-
Dividends paid to minority shareholders	-	-	-	-	-	**(3 000)**	**(3 000)**
Balance at 30 June 2018	**1**	**99 723**	**17 420**	**1 590 572**	**1 707 716**	**(10 716)**	**1 697 000**

** Less than a R'000*

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Statements of changes in equity
for the year ended 30 June 2018

R thousand

Company	**Stated ordinary share capital**	**Stated preference share capital**	**Foreign currency translation reserve**	**Retained earnings**	**Total**
Balance at 30 June 2016	1	99 723	248	1 129 608	1 229 580
Total comprehensive income for the year					
Profit for the year	-	-	-	196 586	196 586
Other comprehensive income					
Foreign currency translation	-	-	(8)	-	(8)
Total comprehensive income for the year	-	-	(8)	196 586	196 578
Balance at 30 June 2017	1	99 723	240	1 326 194	1 426 158
Total comprehensive income for the year					
Profit for the year	-	-	-	**300 675**	**300 675**
Other comprehensive income					
Foreign currency translation	-	-	**(332)**	-	**(332)**
Total comprehensive income for the year	-	-	**(332)**	**300 675**	**300 343**
Transactions with owners recorded directly in equity					
Ordinary shares issued during the year	*	-	-	-	-
Treasury shares issued during the year	*	-	-	-	-
Balance at 30 June 2018	**1**	**99 723**	**(92)**	**1 626 869**	**1 726 501**

** Less than a R'000*

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Statements of cash flows
for the year ended 30 June 2018

R thousand	*Note*	Group 2018	Group 2017	Company 2018	Company 2017
Cash flows from operating activities					
Operating cash flow before working capital changes	28	**699 334**	645 913	**657 441**	557 143
Working capital changes	29	**(104 002)**	(80 434)	**(103 042)**	(75 856)
Finance income received		**7 867**	2 474	**16 218**	8 231
Finance expense paid		**(119 124)**	(111 222)	**(119 029)**	(136 542)
Income tax paid	30	**(106 618)**	(101 675)	**(91 051)**	(78 602)
Net cash from operating activities		**377 457**	355 056	**360 537**	274 374
Cash flows from investing activities					
Additions of property, plant and equipment	11	**(18 829)**	(38 166)	**(14 446)**	(20 916)
Additions of equipment for hire	10	**(281 317)**	(254 361)	**(253 923)**	(222 307)
Proceeds from disposal of property, plant and equipment		**2 367**	514	**2 367**	514
Proceeds from disposal of equipment for hire		**77 802**	49 636	**124 668**	54 302
Additions of intangible assets		**-**	(60)	**-**	(60)
Dividends paid		**(4 500)**	-	**-**	-
Acquisition of business	9	**(21 305)**	(78 032)	**(9 084)**	(78 032)
Disposal of investment		**6 054**	11 620	**6 054**	11 620
Net cash used in investing activities		**(239 728)**	(308 849)	**(144 364)**	(254 879)
Cash flows from financing activities					
Interest bearing borrowings raised		**427 528**	298 500	**427 528**	298 500
Interest bearing borrowings repaid		**(110 000)**	(97 500)	**(110 000)**	(97 500)
Other long-term liabilities (repaid)/raised		**(4 007)**	2 390	**(4 007)**	2 390
Amount recoverable from group companies raised		**(351 760)**	(271 885)	**(469 379)**	(245 887)
Net cash used in financing activities		**(38 239)**	(68 495)	**(155 858)**	(42 497)
Net increase/(decrease) in cash and cash equivalents		**99 490**	(22 288)	**60 315**	(23 002)
Cash and cash equivalents at 1 July		**6 106**	31 478	**(30 195)**	(7 157)
Effect of exchange rate fluctuations on cash held		**1 720**	(3 084)	**-**	(36)
Cash and cash equivalents at 30 June	20	**107 316**	6 106	**30 120**	(30 195)

1. Significant accounting policies

The accounting policies set out below have been applied consistently by all group entities to all periods presented in these financial statements. The group has not adopted any new standards or amendments to standards, including any consequential amendments to standards, in the period under review.

The group adopted the amendments to IAS 7 Statements of Cash Flows and IAS 12 Income Taxes during the year. The adoption of these amendments did not result in any changes in the company's accounting policies and had no effect on the results of the group.

The adoption of the amendments to IAS 7 requires additional disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. This includes providing reconciliation between the opening and closing balances for liabilities arising from borrowings. The group has included the additional disclosure resulting from adoption of this amendment in note 24.

Reporting entity

Waco Africa Proprietary Limited (the "company") is a company domiciled in South Africa. The address of the company's registered office is disclosed in the directors' report. The consolidated financial statements as at and for the year ended 30 June 2018 comprise the company and its subsidiaries (together referred to as the "group" and individually as "group entities").

1.1 Basis of preparation

1.1.1 *Statement of compliance*

The group and company financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS's"), its interpretations adopted by the International Accounting Standards Board, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and requirements of the Companies Act of South Africa.

The group and company financial statements of Waco Africa Proprietary Limited were approved by the board of directors on 10 September 2018 and are signed by M G Els and S J M Goodburn, authorised directors.

1.1.2 *Basis of measurement*

The group and company financial statements are prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as detailed in the accounting policies below.

1.1.3 *Functional and presentation currency*

The group and company financial statements are presented in South African Rands, which is the presentation currency of the company. The functional currency of the company is South African Rands. All the financial information presented in South African Rands has been rounded to the nearest thousand unless indicated otherwise.

1. Significant accounting policies *(continued)*

1.1.4 *Use of estimates and judgements*

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Areas where estimates and judgement are applied by management in applying accounting policies are set out in note 1.20.

1.2 Basis of consolidation

Business combinations

The group accounts for business combinations using the acquisition method when control is transferred to the group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Subsidiaries

Subsidiaries are entities controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

1. Significant accounting policies *(continued)*

1.2.1 *Subsidiaries (continued)*

The results of subsidiaries acquired or disposed of during the year are included in the group financial statements from the effective date of acquisition and up to the effective date of loss of control, as appropriate.

Investments in subsidiaries are accounted for in the financial statements of the company at cost less accumulated impairment losses

Non-controlling interest
Non-controlling interest (NCI) are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interest in equity-accounted investees

The group's interests in equity-accounted investees relate to interests in associates and a joint venture. Associates are those entities in which the group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the group has joint control, whereby the group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Joint arrangements

A joint arrangement is where the parties are bound by a contractual arrangement which gives of those parties joint control of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement.

1. Significant accounting policies *(continued)*

1.2.1 *Joint arrangements (continued)*

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The accounting treatment in the financial statements of the joint controller (venture or operator) depends on the type of joint arrangement (joint venture or joint operation):

Joint ventures are accounted for using the equity method in IAS 28 (the same as for associates discussed in above) unless the entity is exempted from applying the equity method as specified in IAS 28.

The assets, liabilities and transactions arising from joint operations are accounted for using other IFRSs as usual but are included at the joint operator's proportionate share of those assets, liabilities and transactions (revenue and expenses) for those items incurred jointly (referred to as "proportionate consolidation").

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.2.3 *Goodwill*

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired. Goodwill is measured as the excess of the sum of the fair value of the consideration transferred, the recognised amount of any non-controlling shareholder interest and the fair value of the acquirer's previously held equity interest in the acquiree over the net amounts (generally fair value) of the identifiable assets acquired and the liabilities assumed as recognised on the date of acquisition.
Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units expected to benefit from the synergies of the business combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to other assets on a pro-rata basis, based on the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1. Significant accounting policies *(continued)*

1.2.4 *Acquisition from entities under common control*

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the group are accounted for as transactions with equity holders. As a result, no gain or loss on such changes is recognised in profit or loss but rather in equity. In addition no change in the carrying amounts of assets including goodwill or liabilities is recognised as a result of such transactions.

1.2.5 *Foreign operations*

The separate financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the group financial statements, the results and financial position of each group entity are presented in South African Rands, which is the presentation currency of the group.

1.2.5 *Foreign operations (continued)*

For the purpose of presenting group financial statements, the assets and liabilities of the group's foreign operations are translated to South African Rands using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless significant transactions occurred during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity. On the disposal of a foreign operation all of the accumulated exchange differences in respect of that operation attributable to the group are reclassified to profit or loss. In the case of a partial disposal (not loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange difference is reclassified to non-controlling shareholder interest and is not reclassified in profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate at the end of the reporting period.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in the group financial statements in other comprehensive income, and presented in the foreign currency translation reserve in equity.

1.3 Equity

1.3.1 *Ordinary stated share capital*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

1. Significant accounting policies *(continued)*

1.3 Equity *(continued)*

1.3.2 *Preference shareholder capital*

Preference shareholder capital is classified as equity if it is non-redeemable, or redeemable only at the company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity upon approval by the group's shareholders.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognised as finance expense in profit or loss as accrued.

1.3.3 *Treasury shares*

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

1.4 Property, plant and equipment

Items of property, plant and equipment are measured at historical cost, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use and the present value of the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within other operating income or expense in profit or loss.

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

1. Significant accounting policies *(continued)*

1.4 Property, plant and equipment *(continued)*

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the group will obtain ownership by the end of the lease term in which case they are depreciated over the expected useful life. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Buildings	50	years
Plant and machinery	5–10	years
Furniture and office equipment	6–7	years
Forklifts and other handling equipment *	6–7	years
Trucks and light utility vehicles *	5	years
Motor vehicles *	4	years
Computer equipment	3–5	years

* Included in motor vehicles in note 11

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

1.5 Equipment for hire

Equipment for hire is treated in the same manner as property, plant and equipment (refer to 1.4).

Scaffolding, shoring and formwork, modular buildings, motorised equipment and other equipment held for hire are depreciated using the straight-line method at rates determined by conditions in the relevant industries and considered appropriate to reduce the value of the assets to their residual values over their estimated remaining useful lives.

The following current estimated useful lives are used to depreciate the assets:

Scaffolding, shoring and formwork	5–40	years
Modular buildings	15	years
Sanitation equipment	2–10	years
Motorised equipment	10–15	years

Scaffolding, shoring and formwork equipment as well as modular buildings are constantly refurbished and maintained, with the resulting expense charged to profit or loss.

The residual values, depreciation methods and useful lives of equipment for hire are reassessed annually.

1. **Significant accounting policies** *(continued)*

1.6 Leases

1.6.1 *Operating leases as lessee*

Leases where the lessor retains the risks and rewards of ownership of the underlying asset are classified as operating leases and the leased assets are not recognised on the group's statement of financial position. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the period of the lease.

1.7 Intangible assets

1.7.1 *Intangible assets acquired in a business combination*

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are measured at cost less accumulated amortisation and accumulated impairment losses.

1.7.2 *Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated intangible assets are recognised in profit or loss.

1.7.3 *Amortisation*

Amortisation is calculated over the cost of the asset less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for current and comparative periods are as follows:

Customer contracts	4 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

1.8 Impairment

1.8.1 *Financial assets*

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that they are impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

1. Significant accounting policies *(continued)*

1.8.1 *Financial assets (continued)*

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. Individually significant financial assets that are not found to be impaired are grouped with remaining financial assets and are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in profit or loss.

1.8.2 *Non-financial assets*

The carrying amounts of the group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. The recoverable amount is the higher of its fair value less costs to sell and its value in use. For goodwill, the recoverable amount is estimated at each reporting date.

In assessing value in use, the expected future cash flows from the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

For an asset that does not generate cash inflows that are largely independent of those from other assets the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is recognised in profit or loss whenever the carrying amount of the cash-generating unit exceeds its recoverable amount.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

For goodwill, a recognised impairment loss is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount, and there is an indication that the impairment loss may have reversed, but not to an amount higher than the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years.

1. Significant accounting policies *(continued)*

1.9 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition, and is determined using the first-in, first-out method. The cost of work-in-progress, finished goods and contracts-in-progress includes direct costs and an appropriate allocation of overheads based on normal production levels. Obsolete, redundant and slow moving inventories are identified on a regular basis and are written-down to their estimated net realisable values.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

1.10 Construction work in progress

Construction work in progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the group's contract activities based on normal operating capacity.

Construction work in progress is presented as part of trade and other receivables in the statement of financial position. If payments received from customers exceed the revenue recognised, then the difference is presented as deferred income within trade and other payables.

1.11 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments, net of bank overdrafts, all of which are available for use by the group and have maturities of three months or less from the date of acquisition.

1.12 Financial instruments

1.12.1 *Measurement*

A financial instrument is recognised if the group becomes a party to the contractual provisions of the instrument. Financial instruments are initially recognised at fair value plus, for instruments not measured at fair value through profit and loss, transaction costs. Financial assets are derecognised if the group's contractual rights to the cash flows from the financial assets expire or if the group transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the group's obligations specified in the contract expire or were discharged or cancelled.

1. Significant accounting policies *(continued)*

1.12.2 *Non-derivative financial assets*

The group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, and loans and receivables.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition.

Financial assets are designated at fair value through profit or loss if the group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the group's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables comprise cash and cash equivalents, loans to subsidiaries and trade and other receivables.

Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

1.12.3 *Non-derivative financial liabilities*

The group classifies non-derivative financial liabilities into the following categories: financial liabilities at fair value through profit or loss, and financial liabilities measured at amortised cost.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities measured at amortised cost

The group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities measured at amortised cost comprise interest bearing borrowings, bank overdrafts, other long term liabilities, loans from subsidiaries and trade and other payables.

1. Significant accounting policies *(continued)*

1.12.4 *Derivative financial instruments*

Derivative financial instruments are accounted for as financial assets and liabilities held for trading at fair value through profit or loss.

The group makes use of interest rate swap contracts and forward exchange contracts. The interest rate swap contract fair values are calculated using the effective yield curve valuation method.

Gains and losses arising from a change in the fair value of derivative instruments are included in finance expense or income in the period in which the change arises.

1.12.5 *Offset*

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the group or company has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.13 Revenue

Revenue comprises rentals and sales of goods and services to customers, and excludes Value Added Tax. Sales within the group are eliminated on consolidation.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

Rental income on equipment for hire is recognised in profit and loss on a straight-line basis over the term of the rental.

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in profit or loss in proportion to the stage of completion of the contract.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. Any expected loss on a contract is recognised immediately in profit or loss.

1. Significant accounting policies *(continued)*

1.14 Finance income and expense

1.14.1 *Finance income*

Finance income comprises interest income on funds invested and changes in the fair value of financial assets and liabilities at fair value through profit or loss. Finance income is recognised as it accrues in profit or loss, using the effective interest method.

1.14.2 *Finance expense*

Finance expense comprises interest expense on borrowings and changes in the fair value of financial assets and liabilities at fair value through profit or loss and is recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis and included in finance income or expense.

1.15 Income tax

Income tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investment in subsidiaries and equity-accounted investees to the extent that they will probably not reverse in the foreseeable future and the group is able to control the timing of the reversal of the temporary difference. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the reporting date. The effect on deferred tax of any changes in tax rates is recognised in profit or loss, except to the extent that it relates to items previously charged or credited directly to equity or other comprehensive income.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

1. Significant accounting policies *(continued)*

1.15 Income tax *(continued)*

Dividends withholding tax is a tax on shareholders receiving dividends and is applicable to all dividends declared on or after 1 April 2012. The company withholds dividends tax on behalf of its shareholders at a rate of 20% on dividends declared. Amounts withheld are not recognised as part of the company's tax charge but rather as part of the dividend paid recognised directly in equity. Where withholding tax is withheld on dividends received, the dividend is recognised at the gross amount with the related withholding tax recognised as part of tax expense unless it is otherwise reimbursable in which case it is recognised as an asset.

1.16 Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Other exchange differences are recognised net in the finance expense or finance income line of profit or loss in the period in which they arise.

1.17 Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will occur, and where a reliable estimate can be made of the amount of the obligation. Where the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for restructuring is recognised when the group has approved a detailed and formal restructuring plan, and raised a valid expectation that it will carry out the restructuring. Future operating losses are not provided for.

1.18 Contingencies

Contingent liabilities are not recognised in the financial statements. Contingent liabilities are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities associated with acquired businesses are however recognised at fair value on acquisition. After initial recognition the contingent liabilities recognised separately as a result of a business combination are recognised at the higher of the amount that would be recognised in accordance with provisions (see note 1.17) and the initial amount recognised less cumulative amortisation recognised in terms of the revenue recognition principles.

Contingent assets are not recognised in the financial statements but disclosed when they are material and an inflow of economic benefits is probable.

1. Significant accounting policies *(continued)*

1.19 Employee benefits

1.19.1 Short term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service.

The accruals for employee entitlements to wages, salaries, bonuses, and annual leave represent the amount, which the group has a present obligation to pay as a result of employees' services provided until the reporting date. The accruals have been calculated at undiscounted amounts based on current wage and salary rates. Leave pay accrual is calculated based on total cost to company.

1.19.2 Other long term employee benefits

Other long-term employee benefits are defined as all employee benefits other than short term employee benefits, post-employment benefits or termination benefits and include items such as long-service leave and profit-sharing based remuneration, provided the benefit is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

The group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

1.19.3 Post-employment benefits

1.19.3.1 *Defined contribution plans*

A defined contribution plan is a post-employment plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

1.19.4 Share based payments

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

1. Significant accounting policies *(continued)*

1.20 Estimations and judgements applied by management in applying accounting policies

The following estimations or judgements which could have a significant effect on the 2018 results were made by management in applying the accounting policies at 30 June 2018.

1.20.1 *Impairment of obsolete inventory*

Management identifies obsolete inventory on a continuing basis. The identification is based on the age and condition of the specific inventory items. Once identified the inventory is impaired to reflect the lower of cost and net realisable value. This estimate could however change based on market conditions.

1.20.2 *Impairment of trade receivables*

Management identifies impairment of trade receivables on a continuing basis. The estimation of the requirement for impairment is based on the current collectability of the trade receivables, as well as taking into account the historical factors with regard to impairment of trade receivables. Management believe that the impairment is appropriate and there are no significant trade receivables that are doubtful and have not been provided for.

1.20.3 *Impairment of goodwill*

Management reviews the carrying value of goodwill at each reporting date with reference to both the underlying net asset value of the operation to which the goodwill relates and the estimated recoverable amount, being the higher of the value in use and the fair value less costs to sell. Management believe that the basis used and assumptions upon which the recoverable amount is calculated are reasonable.

1.20.4 *Impairment of intangibles*

Management reviews the carrying value of intangible assets if there is an indication of impairment, using the approximate revenue streams that are derived from that asset or the cash generating unit of which that asset forms a part.

1.20.5 *Property, plant and equipment, hire equipment and intangible assets*

Management has applied judgement when assessing the residual values and useful lives of property, plant and equipment, equipment for hire and intangible assets (refer to notes 1.4, 1.5 and 1.7)

1.20.6 *Taxation*

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain. The group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcomes of these matters are different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

1. Significant accounting policies *(continued)*

1.20 Estimations and judgements applied by management in applying accounting policies *(continued)*

1.20.6 *Taxation (continued)*

The group recognises the net future tax benefit related to deferred tax assets to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Assessing the recoverability of deferred tax assets requires the group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets recorded at the reporting date could be impacted.

Waco Africa Proprietary Limited
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Notes to the financial statements
for the year ended 30 June 2018 (continued)

2. Revenue

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Hire and hire related services	**1 360 581**	1 270 147	**1 234 282**	1 147 769
Sale of goods	**254 020**	336 374	**322 909**	305 963
Contract revenue	**1 746 894**	1 373 416	**939 370**	806 041
	3 361 495	2 979 937	**2 496 561**	2 259 773

3. Cost of sales

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Hire and hire related services	**(694 640)**	(647 408)	**(642 404)**	(614 380)
Cost of goods sold	**(169 372)**	(234 384)	**(221 784)**	(212 931)
Cost of sales - contract revenue	**(1 233 287)**	(891 469)	**(609 506)**	(510 010)
	(2 097 299)	(1 773 261)	**(1 473 694)**	(1 337 321)

4. Other operating income

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Insurance claim proceeds	**7 967**	1 348	**7 967**	1 348
Release of provision	**-**	-	**-**	-
Profit distribution from associate	**-**	-	**-**	359
Dividend income	**-**	-	**4 132**	3 000
	7 967	1 348	**12 099**	4 707

5. Other operating expenses

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Amortisation of intangible assets	**(87)**	(964)	**(87)**	(964)
Impairment of goodwill *(Bychal)*	**(24 504)**	-	**(24 504)**	-
Investment impairment *(Form-Scaff (Pty) Ltd)*	**-**	-	**(9 863)**	-
Reversal of earn-out provision *(Bychal)*	**21 619**	-	**21 619**	-
Legal fees	**(7 789)**		**(7 489)**	
Loss on intercompany loan waived	**-**	(6 554)	**-**	(6 554)
	(10 761)	(7 518)	**(20 324)**	(7 518)

6. Results from operating activities

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
The following items were charged (credited) to results from operating activities:				
Depreciation				
- property, plant and equipment	**33 278**	29 730	**23 830**	21 502
- equipment for hire	**127 072**	104 357	**112 591**	92 437
Amortisation of intangible assets	**87**	964	**87**	964
Loss/(profit) on disposal of				
- property, plant and equipment	**309**	795	**(26)**	143
- equipment for hire	**(35 392)**	(32 228)	**(73 081)**	(44 191)
Operating lease expense	**127 677**	119 288	**125 421**	117 924
Impairment of equipment for hire	**14 179**	77 798	**10 242**	72 269
Reversal of impairment on equipment for hire	**(7 195)**	(38 230)	**(7 887)**	(35 246)
Professional fees	**21 950**	6 448	**21 924**	6 433
Auditors remuneration	**3 022**	3 359	**2 611**	3 152
Audit fee	**3 022**	2 959	**2 611**	2 752
Tax services	**-**	400	**-**	400
Employee costs	**1 456 911**	1 258 217	**1 449 894**	1 255 043
Salaries and wages	**1 397 415**	1 186 097	**1 390 398**	1 182 923
Defined contribution expense	**51 619**	48 336	**51 619**	48 336
Provision for Waco Africa ESOP trust bursary expense	**6 665**	-	**6 665**	-
Long term employee benefit scheme	**1 212**	23 784	**1 212**	23 784

7. Net finance (expense)/income

	Group		Company	
R thousand	**2018**	2017	**2018**	2017
Interest expense on financial liabilities measured at amortised cost	**(109 689)**	(105 295)	**(109 689)**	(105 295)
Interest expense on interest rate swaps	**(3 694)**	(1 440)	**(3 694)**	(1 440)
Interest expense on bank overdraft	**(5 542)**	(4 675)	**(5 638)**	(5 070)
Early settlement fee	**(1)**	-	**(1)**	-
Other interest expense	**(198)**	(183)	**(7)**	(68)
Net fair value loss on derivative financial instruments	**-**	(4 622)	**-**	(4 622)
Net foreign exchange loss	**-**	(28 297)	**-**	(31 532)
Finance expense	**(119 124)**	(144 512)	**(119 029)**	(148 027)
Interest income on bank deposits	**1 441**	884	**407**	321
Interest income on intercompany trade receivables	**-**	1 590	**6 732**	7 910
Net foreign exchange gain	**3 907**	-	**3 134**	-
instruments	**3 448**	-	**3 448**	-
Other interest income	**3 496**	4 231	**5 945**	4 231
Finance income	**12 292**	6 705	**19 666**	12 462
Net finance expense	**(106 832)**	(137 807)	**(99 363)**	(135 565)
The above financial income and expense include the following in respect of assets (liabilities) not at fair value through profit and loss:				
Total interest income on financial assets	**4 937**	6 705	**13 084**	12 462
Total interest expense on financial liabilities	**(119 124)**	(111 593)	**(119 029)**	(111 873)
Recognised directly in other comprehensive income				
Foreign currency translation differences for foreign operations	**(1 224)**	6 265	**(332)**	(8)

8. Income tax

R thousand	Group **2018**	Group 2017	Company **2018**	Company 2017
Current tax	**112 041**	81 163	**102 579**	71 106
- Current year	**109 190**	86 222	**99 728**	76 165
- Prior year under/(over) provision	**2 851**	(5 059)	**2 851**	(5 059)
Deferred tax	**22 359**	(1 563)	**27 069**	(3 250)
- Current year	**22 359**	(1 563)	**20 262**	(3 250)
- Prior year under provision	**-**	-	**6 807**	-
	134 400	79 600	**129 648**	67 856

8.1 The reconciliation of the effective rate of tax with the statutory tax rate is as follows:	Group **2018** **%**	Group 2017 %	Company **2018** **%**	Company 2017 %
Effective tax rate	**34,1**	27,1	**30,1**	25,7
Adjusted for:				
Permanent differences:		(1,1)		0,2
Impairment of goodwill	**(1,7)**	-	**(1,6)**	-
Reversal of earn-out provision	**1,5**		**1,4**	
Other non-deductible expenses	**(3,4)**		**0,3**	
Prior year under/(over) provision	**(0,7)**	1,7	**(2,2)**	1,9
Recognition of previously unrecognised deferred tax asset	**(1,2)**	-	-	-
Inclusion of taxable capital gains	**-**	0,2	**-**	0,2
Foreign tax expense	**(0,6)**	0,1	**-**	-
Statutory tax rate	**28,0**	28,0	**28,0**	28,0

9. Acquisition of business

On 1 October 2017 Sanitech's South African business acquired the greater part of the assets and liabilities of Pristene to facilitate expansion of Sanitech's business into pest control and hygiene markets.

On 1 March 2018 the Sanitech group acquired the greater part of the assets and liabilities of Namchem. Namchem was acquired to expand Sanitech's footprint in Namibia in the pest control and hygiene sector. On 1 October 2017 the Sanitech group further acquired the greater part of the assets and liabilities of Rent a Toilet in Namibia to facilitate expansion of Sanitech's business into the Namibian toilet hire market.

		Group		Company	
R thousand	*Note*	**2018**	2017	**2018**	2017
Consideration transferred					
Cash		**21 305**	78 032	**9 084**	78 032
Contingent consideration		**16 500**	23 464	**-**	23 464
Total consideration transferred		**37 805**	101 496	**9 084**	101 496

The contingent consideration for Sanitech relates to the Namchem and Rent A Toilet acquisition which is directly related to the future earnings of existing contracts in place.

Management has assessed the likelihood of reaching these earning targets as highly possible and therefore provided for the full contingent consideration

9. Acquisition of business *(continued)*

Identifiable assets acquired and liabilities assumed

R thousand	*Note*	Group 2018	Group 2017	Company 2018	Company 2017
Assets					
Equipment for hire	10	**10 308**	36 811	**1 753**	36 811
Property, plant and equipment	11	**6 321**	3 660	**988**	3 660
Inventories		**420**	3 286	**421**	3 286
Trade and other receivables		**4 784**	4 035	**2 131**	4 035
		21 833	47 792	**5 293**	47 792
Liabilities					
Trade and other payables		**1 432**	3 128	**236**	3 128
		1 432	3 128	**236**	3 128
Fair value of Identifiable assets acquired		**20 401**	44 664	**5 057**	44 664

Goodwill

		Group 2018	Group 2017	Company 2018	Company 2017
Goodwill was recognised as a result of the acquisition as follows:					
Total consideration transferred		**37 805**	101 496	**9 084**	101 496
Fair value of identifiable net assets		**(20 401)**	(44 664)	**(5 057)**	(44 664)
	13	**17 404**	56 832	**4 027**	56 832

10. Equipment for hire

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Group					
Cost					
Balance at 1 July 2016	1 162 992	778 198	120 305	163 647	100 842
Additions	254 361	135 276	18 696	63 535	36 854
Disposals	(28 360)	(19 160)	(1 069)	(2 931)	(5 200)
Acquisition of business	36 811	-	32 315	4 496	-
Effect of movements in exchange rates	(14 634)	(14 423)	(2)	39	(248)
Balance at 30 June 2017	1 411 170	879 891	170 245	228 786	132 248
Additions	**281 317**	**153 818**	**30 766**	**42 111**	**54 622**
Reclassifications	**(252)**	-	-	-	**(252)**
Disposals	**(73 053)**	**(53 011)**	**(3 612)**	**(8 602)**	**(7 828)**
Acquisition of business	**10 308**	-	-	**10 308**	-
Effect of movements in exchange rates	**3 636**	**3 615**	**8**	**(3)**	**16**
Balance at 30 June 2018	**1 633 126**	**984 313**	**197 407**	**272 600**	**178 806**

Certain equipment for hire has been pledged to secure certain interest bearing borrowings (see Annexure A).

10. Equipment for hire *(continued)*

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Group *(continued)*					
Accumulated depreciation and impairment					
Balance at 1 July 2016	174 869	73 782	19 709	70 152	11 226
Depreciation for the year	104 357	48 117	11 269	33 539	11 432
Impairment loss	39 568	39 568	-	-	-
Disposals	(7 866)	(5 587)	(249)	(2 030)	-
Effect of movements in exchange rates	(1 806)	(1 918)	3	96	13
Balance at 30 June 2017	309 122	153 962	30 732	101 757	22 671
Depreciation for the year	**127 072**	**55 189**	**13 543**	**43 363**	**14 977**
Impairment loss	**6 984**	**6 984**	-	-	-
Disposals	**(30 643)**	**(20 833)**	**(207)**	**(7 929)**	**(1 674)**
Reclassifications	**(5)**	-	-	-	**(5)**
Effect of movements in exchange rates	**516**	**511**	(6)	**9**	**2**
Balance at 30 June 2018	**413 046**	**195 813**	**44 062**	**137 200**	**35 971**
Carrying amounts					
At 30 June 2017	1 102 048	725 929	139 513	127 029	109 577
At 30 June 2018	**1 220 080**	**788 500**	**153 345**	**135 400**	**142 835**

10. Equipment for hire *(continued)*

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Company					
Cost					
Balance at 1 July 2016	1 066 156	686 207	119 653	162 821	97 475
Additions	222 307	106 294	18 092	61 067	36 854
Disposals	(84 931)	(69 265)	(6 339)	(4 088)	(5 239)
Acquisition of business	36 811	-	32 315	4 496	-
Effect of movements in exchange rates	(349)	(291)	(47)	(11)	-
Balance at 30 June 2017	1 239 994	722 945	163 674	224 285	129 090
Additions	**253 923**	**133 221**	**24 713**	**41 367**	**54 622**
Disposals	**(79 100)**	**(64 939)**	**(1 946)**	**(7 932)**	**(4 283)**
Acquisition of business	**1 753**	**-**	**-**	**1 753**	**-**
Balance at 30 June 2018	**1 416 570**	**791 227**	**186 441**	**259 473**	**179 429**

10. Equipment for hire *(continued)*

R thousand	Total	Scaffolding, shoring and formwork	Modular buildings	Sanitation equipment	Motorised equipment
Company *(continued)*					
Accumulated depreciation and impairment					
Balance at 1 July 2016	168 168	67 180	19 639	70 152	11 197
Depreciation for the year	92 437	37 505	10 851	32 976	11 105
Impairment loss	37 023	37 023	-	-	-
Disposals	(14 424)	(11 745)	(425)	(2 254)	-
Effect of movements in exchange rates	(33)	(29)	(2)	(2)	-
Balance at 30 June 2017	283 171	129 934	30 063	100 872	22 302
Depreciation for the year	**112 591**	**43 832**	**13 259**	**40 705**	**14 795**
Impairment loss	**2 355**	**2 355**	-	-	-
Disposals	**(27 514)**	**(18 490)**	**(163)**	**(7 697)**	**(1 164)**
Balance at 30 June 2018	**370 603**	**157 631**	**43 159**	**133 880**	**35 933**
Carrying amounts					
At 30 June 2017	956 823	593 011	133 611	123 413	106 788
At 30 June 2018	**1 045 967**	**633 596**	**143 282**	**125 593**	**143 496**

Notes to the financial statements

for the year ended 30 June 2018 (continued)

11. Property, plant and equipment

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Group						
Cost						
Balance at 1 July 2016	187 146	23 938	57 636	33 787	46 183	25 602
Additions	38 166	-	9 858	5 637	15 696	6 975
Disposals	(1 813)	(305)	(42)	(519)	(372)	(575)
Acquisition of business	3 660	-	426	3 029	205	-
Effect of movements in exchange rates	(1 981)	-	(469)	(490)	(272)	(750)
Balance at 30 June 2017	225 178	23 633	67 409	41 444	61 440	31 252
Additions	**18 829**	-	**7 646**	**2 476**	**6 818**	**1 889**
Disposals	**(5 634)**	-	**(419)**	**(3 589)**	**(1 194)**	**(432)**
Acquisition of business	**6 321**	-	**133**	**5 988**	**200**	-
Effect of movements in exchange rates	**(254)**	-	**(27)**	**3**	**(213)**	**(17)**
Balance at 30 June 2018	**244 440**	**23 633**	**74 742**	**46 322**	**67 051**	**32 692**

Notes to the financial statements

for the year ended 30 June 2018 (continued)

11. Property, plant and equipment *(continued)*

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Group *(continued)*						
Accumulated depreciation and impairment losses						
Balance at 1 July 2016	52 658	889	10 923	12 390	23 329	5 127
Depreciation for the year	29 730	244	7 446	8 029	10 882	3 129
Disposals	(509)	(17)	(3)	(255)	(120)	(114)
Effect of movements in exchange rates	(391)	-	(114)	(101)	(122)	(54)
Balance at 30 June 2017	81 488	1 116	18 252	20 063	33 969	8 088
Depreciation for the year	**33 278**	**239**	**8 970**	**7 918**	**12 110**	**4 041**
Disposals	**(2 959)**	-	**(226)**	**(2 311)**	**(264)**	**(158)**
Effect of movements in exchange rates	**196**	-	**41**	**71**	**33**	**51**
Balance at 30 June 2018	**112 003**	**1 355**	**27 037**	**25 741**	**45 848**	**12 022**
Carrying amounts						
At 30 June 2017	143 690	22 517	49 157	21 381	27 471	23 164
At 30 June 2018	**132 437**	**22 278**	**47 705**	**20 581**	**21 203**	**20 670**

Notes to the financial statements
for the year ended 30 June 2018 (continued)

11. Property, plant and equipment *(continued)*

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Company						
Cost						
Balance at 1 July 2016	162 448	23 936	53 389	30 695	43 496	10 932
Additions	20 916	-	5 022	450	13 673	1 771
Disposals	(13 935)	(305)	(1 878)	(8 212)	(1 637)	(1 903)
Acquisition of business	3 660	-	426	3 029	205	-
Effect of movements in exchange rates	(100)	-	(12)	(62)	(11)	(15)
Balance at 30 June 2017	172 989	23 631	56 947	25 900	55 726	10 785
Additions	14 446	-	5 677	1 317	5 770	1 682
Disposals	(4 925)	-	(287)	(3 104)	(1 102)	(432)
Acquisition of business	988	-	-	988	-	-
Balance at 30 June 2018	**183 498**	**23 631**	**62 337**	**25 101**	**60 394**	**12 035**

11. Property, plant and equipment *(continued)*

R thousand	Total	Property	Plant and machinery	Motor vehicles	Computers, furniture and office equipment	Leasehold improvements
Company *(continued)*						
Accumulated depreciation and impairment losses						
Balance at 1 July 2016	47 711	888	9 947	11 237	22 520	3 119
Depreciation for the year	21 502	244	6 075	4 388	9 588	1 207
Disposals	(4 918)	(17)	(965)	(3 306)	(611)	(19)
Effect of movements in exchange rates	(37)	-	(7)	(22)	(8)	-
Balance at 30 June 2017	64 258	1 115	15 050	12 297	31 489	4 307
Depreciation for the year	**23 830**	**239**	**6 940**	**4 594**	**10 758**	**1 299**
Disposals	**(2 585)**	**-**	**(168)**	**(2 016)**	**(243)**	**(158)**
Balance at 30 June 2018	**85 503**	**1 354**	**21 822**	**14 875**	**42 004**	**5 448**
Carrying amounts						
At 30 June 2017	108 731	22 516	41 897	13 603	24 237	6 478
At 30 June 2018	**97 995**	**22 277**	**40 515**	**10 226**	**18 390**	**6 587**

11. Property, plant and equipment *(continued)*

11.1 Information in respect of land and buildings is contained in the register of fixed property, which is available for inspection at the company's registered office.

11.2 Certain items of property, plant and equipment have been pledged to secure certain interest bearing borrowings (see Annexure A).

12. Investments in subsidiaries

	Company	
R thousand	**2018**	2017
Form-Scaff Proprietary Limited		
Balance as at 1 July	**21 000**	21 000
Impairment of investment *	**(9 863)**	-
Balance as at 30 June	**11 137**	21 000
Form-Scaff Ghana Limited		
Balance as at 1 July	**2 343**	2 343
Balance as at 30 June	**2 343**	2 343
Waco Mozambique Limitada		
Balance as at 1 July	**10**	10
Balance as at 30 June	**10**	10
Total investments	**13 490**	23 353

Investments in Octorex Proprietary Limited, Kwikform Angola Lda, Kwikform Formwork & Scaffolding Proprietary Limited ("Kwikform Namibia") , Kwikform Formwork & Scaffolding Proprietary Limited ("Kwikform Swaziland"), Form-Scaff Tanzania Limited, Kwikform Botswana Proprietary Limited, SGB-Cape Ghana Limited, Waco Ao Holdings LDA, Waco (Mauritius) Limited, Kwikform Kenya Proprietary Limited, Waco Madagascar Proprietary Limited, Construction and Industrial Maintenance Services Limited and Waco DRC Sarl are less than one thousand cumulatively.

* As a result of a strategic restructuring of its African investments, FormScaff (Pty) Ltd (a South African registered company with a branch in Mauritius) sold its assets and liabilities to Waco Mauritius Ltd (Mauritian registered business) at a net book value of R11,1 million resulting in the business ceasing trading. As a result, the business has not been able to achieve the expected earnings as calculated in the 2012 purchase price allocation and management have impaired the investment by R9,9 million

**Refer to Annexure B for an analysis of material subsidiary companies.

13. Goodwill

	Group		Company	
R thousand	**2018**	2017	**2018**	2017
Cost				
Balance at 1 July	**68 344**	11 514	**64 611**	7 780
Acquisitions through business combinations	**17 404**	56 832	**4 027**	56 832
Effect of foreign exchange differences	**-**	(2)	**-**	(1)
Balance at 30 June	**85 748**	68 344	**68 638**	64 611
Accumulated impairment losses				
Impairment losses recognised during the year	**(24 504)**	-	**(24 504)**	-
Balance at 30 June	**(24 504)**	-	**(24 504)**	-
Carrying amount				
At 1 July	**68 344**	11 514	**64 611**	7 780
At 30 June	**61 244**	68 344	**44 134**	64 611

Allocation of goodwill to cash-generating units

Goodwill has been allocated for impairment testing purposes to the following cash-generating units:

- Forming, shoring, scaffolding, motorised equipment and related services
- Modular buildings, sanitation and related services

Goodwill was allocated to cash-generating units as follows:

	Group		Company	
R thousand	**2018**	2017	**2018**	2017
Forming, shoring, scaffolding, motorised equipment and related services	**6 536**	6 536	**2 803**	2 803
Modular buildings, sanitation and related services	**54 708**	61 808	**41 331**	61 808
	61 244	68 344	**44 134**	64 611

13 . Goodwill *(continued)*

Impairment testing for cash generating units containing goodwill

For the purpose of impairment testing goodwill was allocated to the group's operating divisions, which represent the lowest level within the group at which goodwill is monitored for management purposes.

The impairment test was based on a fair value less cost to sell approach.

Fair value less cost to sell was determined using a comparable multiple approach and was based on the following assumptions:

Forming, shoring, scaffolding, motorised equipment and related services – South Africa

- Earnings before interest, tax, depreciation and amortisation for the next financial year was estimated based on budgeted operating results in conjunction with current year actual operating results.
- An assumed enterprise value to earnings before interest, tax, depreciation and amortisation ratio of 5.5 was used to estimate enterprise value. The directors deem the ratio of 5.5 to be reasonable and prudent based on previous experience within the industry.
- The values assigned to the key assumptions represent management's assessment of the future trends in the industry and are based on both external and internal data sources.

Modular buildings, sanitation and related services – South Africa

- Earnings before interest, tax, depreciation and amortisation for the next financial year was estimated based on budgeted operating results in conjunction with current year actual operating results.
- An assumed enterprise value to earnings before interest, tax, depreciation and amortisation ratio of 5.5 was used to estimate enterprise value. The directors deem the ratio of 5.5 to be reasonable and prudent based on previous experience within the industry.
- The values assigned to the key assumptions represent management's assessment of the future trends in the industry and are based on both external and internal data sources.

During February 2018 an impairment loss of R24,5 million was recognised on the South African relocatable and modular buildings division Bychal. Evidence from internal reporting indicated that the economic performance of the Bychal cash generating unit (CGU) is worse than expected and management have concluded that the goodwill that was initially recognised in the Bychal acquisition should be impaired.

The goodwill in this transaction effectively related to the potential earn out clauses of the agreement which have not been met and has subsequently been relinquished by the previous owners of Bychal.

13 . Goodwill *(continued)*

Modular buildings, sanitation and related services – South Africa ***(continued)***

The underlying assets, will be restructured into the rest of the Abacus business. Therefore, management performed a calculation of the recoverable amount of the Bychal CGU, pre-restructuring.
The standard defines the recoverable amount as the higher of an asset's or cash-generating unit's fair value less cost to sell or its value in use.

Recoverable amount

In terms of par 19 and par 21 of IAS 36, management have decided not to determine both the CGU's fair value less cost to sell and its value in use, as there is no reason to believe that the CGU's value in use exceeds its fair value less costs to sell, and therefore the CGU's fair value less costs to sell will be used as its recoverable amount. The reason for this is because the value in use of the CGU is determined from continuing use and any future cash flows are likely to be negligible. This is further supported by the CGU's performance since the acquisition as well as managements plans to restructure the business.

Fair value less costs to sell

The best evidence of an asset's fair value less costs to sell is a price in a binding sale agreement in an arm's length transaction, adjusted for incremental costs that would be directly attributable to the disposal of the asset.

Although there is currently no binding sale agreement for the asset, the fair value less costs to sell is based the best information available to reflect the amount that an entity could obtain, at the end of the reporting period from the disposal of the underlying assets in an arm's length transaction between knowledgeable, willing parties after deducting the costs of disposal. In determining this amount, management considered the outcome of recent transactions for similar assets within the same industry. Fair value less costs to sell does not reflect a forced sale.

As Bychal has been acquired on 1 April 2017 the consideration paid to acquire Bychal in an arm's length transaction, adjusted for disposal costs and any changes in value arising from factors since acquisition provided the best evidence of Bychal's fair value less costs of disposal – and therefore the recoverable amount if the value in use is lower.

As part of the purchase price allocation the value of the Bychal rental fleet was determined at R32,3 million as at 1 April 2017. Management does not believe that the value has changed materially from April 2017 no indicators in the market has shown that container values should have changed. These assets have been depreciated since the acquisition and now have a carrying value of R26,6 million.

13 . Goodwill *(continued)*

Fair value less costs to sell ***(continued)***

The carrying value of the assets as at 28 February 2018 were R33 million including the goodwill earn-out provision. The fair value less cost to sell of the CGU approximates the net asset value of the rental fleet as well as the other assets and liabilities, excluding the provision for earn out, which will be absorbed by the rest of the Abacus operations after restructuring.

The impairment charge of R24,5 million, relating to the goodwill is recognised as an expense in the statement of profit and loss with the release of the earn-out provision of R21,3 million credited to the statement of profit and loss.

14. Intangible assets

	Group		Company	
R thousand	**2018**	2017	**2018**	2017
Cost				
Balance at 1 July	**4 917**	4 857	**4 917**	4 857
Additions from internal development	**-**	60	**-**	60
Balance at 30 June	**4 917**	4 917	**4 917**	4 917
Accumulated amortisation and impairment				
Balance at 1 July	**(4 582)**	(3 618)	**(4 582)**	(3 618)
Amortisation for the year	**(87)**	(964)	**(87)**	(964)
Balance at 30 June	**(4 669)**	(4 582)	**(4 669)**	(4 582)
Carrying amount				
1 July	**335**	1 239	**335**	1 239
30 June	**248**	335	**248**	335

Intangible assets within the group consist of customer contracts.

15. Other investments

	Group		Company	
R thousand	**2018**	2017	**2018**	2017
Equity securities - designated as at fair value through profit or loss	**432**	6 486	**432**	6 486
Total derivative investments	**432**	6 486	**432**	6 486

The equity securities have been designated as fair value through profit or loss because they are managed on a fair value basis and their performance is actively monitored.

Information about the group's exposure to credit and market risks, and fair value measurement is included in note 35.

16. Joint operation

Tedoc SGB-Cape Kusile Joint Venture (Tedoc) is the only joint operation in which the group participates. Tedoc is principally engaged in the supply of scaffolding, labor and related services on one project. The group provides all equipment and related managerial functions to Tedoc whilst the other partner provides all labor and related managerial functions.

The group holds 43% of the voting rights of Tedoc and proportionally consolidates 43% of the assets and liabilities of Tedoc as both parties to the joint operation have joint control of the arrangement and have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The following table summarises the financial information of Tedoc SGB as included in its own financial statements. There are no fair value adjustments or differences in accounting policies between the fiancial statements of Tedoc and the group. The table also reconciles the summarised financial information to the carrying amount of the group's interest in Tedoc.

	Group	
R thousand	**2018**	2017
Percentage ownership interest	**43%**	43%
Current assets	**55 091**	79 177
Current liabilities	**(61 455)**	(76 068)
Net (liabilities)/assets (100%)	**(6 364)**	3 109
Group's share of net assets (43%)	**(2 737)**	1 337
Revenue	**418 976**	368 964
Finance expense	**5 695**	3 816
(Loss)/profit and total comprehensive income	**(6 760)**	797
Dividends received by the group	**1 132**	359

16. Joint operation *(continued)*

Tedoc has previously been accounted for as the only equity accounted investee in which the group participated.

Management has reassessed the accounting for Tedoc to be a joint operation rather than an equity accounted joint venture. This is supported by the fact that Tedoc is not structured as a separate vehicle as Tedoc is an unincorporated joint venture which does not take on its own legal form.

Consequently each joint venture partner would be responsible for any assets and liabilities that need to be recovered or settled in Tedoc's accounts.

Furthermore the contractual terms between the parties confer upon them rights to assets and obligations for liabilities relating to the arrangement as Tedoc sub-contracts the goods and services to both partners, meaning Tedoc takes no responsibility for the rendering of the goods and services.

Various other detailed contractual terms support classification as a joint operation. The change in classification from a joint venture to a joint operation, changes the method of accounting from equity accounting the joint venture to proportionally consolidating the joint venture.

Management has decided to change the manner of accounting prospectively and not retrospectively as the impact on the comparative accounts is not assessed to be material nor is the net asset position affected.

17. Inventories

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Raw materials	**8 971**	14 624	**8 971**	14 624
Work-in-progress	**27 660**	28 993	**12 951**	16 648
Consumable stores	**19 717**	21 776	**17 198**	18 451
Finished goods	**66 285**	70 646	**50 912**	60 886
Total inventories	**122 633**	136 039	**90 032**	110 609

17.1 Certain inventories have been pledged to secure certain interest bearing borrowings (see Annexure A).

18. Trade and other receivables

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Loans and receivables				
Trade receivables	**524 195**	484 596	**377 071**	342 453
Intercompany receivables	**10 853**	19 317	**288 365**	221 813
Unbilled revenue	**174 884**	157 572	**76 880**	58 781
Gross receivables	**709 932**	661 485	**742 316**	623 047
Other receivables	**45 797**	54 309	**44 489**	50 532
Less: impairment of trade and other receivables	**(47 350)**	(33 264)	**(23 735)**	(12 272)
	708 379	682 530	**763 070**	661 307
Other				
Short term lease accrual	**-**	1 310	**-**	1 310
Prepayments	**19 298**	26 828	**16 310**	25 991
Total trade and other receivables	**727 677**	710 668	**779 380**	688 608

Certain trade and other receivables have been pledged to secure certain interest bearing borrowings (see Annexure A).

The group's exposure to credit and currency risk and impairment losses related to trade and other receivables (excluding construction work in progress) is disclosed in note 35.

19. Construction contracts

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Construction in progress at the reporting date				
Construction costs incurred plus recognised profits less recognised losses to date	**9 802**	69 963	**9 802**	54 704
Less: progress billings	**(3 400)**	(74 048)	**(3 400)**	(58 920)
	6 402	(4 085)	**6 402**	(4 216)
Recognised and included in trade and other receivables / (payables) as amounts due: from / (to) customers under construction contracts (notes 18 and 26).	**6 402**	(4 085)	**6 402**	(4 216)

20. Cash and cash equivalents

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Bank balances	**107 316**	34 635	**30 120**	-
Overdraft balances	**-**	(28 529)	**-**	(30 195)
Cash and cash equivalents per statement of cash flows	**107 316**	6 106	**30 120**	(30 195)

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21. Stated ordinary share capital

R thousand	Group **2018**	Group 2017	Company **2018**	Company 2017
21.1 Stated ordinary share capital				
Authorised				
100 000 000 ordinary shares of no par value				
1 000 000 ordinary A shares of no par value				
2 000 000 ordinary B shares of no par value				
Issued				
10 179 542 ordinary shares of no par value	**1**	1	**1**	1
535 765 ordinary A shares of no par value	**-**	-	**-**	-
21.2 Movement in stated ordinary share capital during the year				
Issued stated ordinary share capital at 1 July	**1**	1	**1**	1
Ordinary share capital issued during the year	*	-	*	-
Issued stated ordinary share capital at 30 June	**1**	1	**1**	1

21.3 In terms of the memorandum of incorporation, all unissued shares are placed under the control of the directors, to be issued to such persons on such terms and conditions as they deem fit.

The holder of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

During October 2017 the Waco Africa ESOP trust subscribe for, and Waco Africa Proprietary Limited (Waco Africa) issued 535 765 A ordinary shares at a nominal price per share of R0,001.

The Waco Africa ESOP trust will be restricted from selling these shares and on winding up of the trust these shares will revert back to Waco Africa.

Waco Africa therefore has the power over the relevant activities of the trust.

Waco Africa therefore has control over the Waco Africa ESOP trust and therefore consolidates the trust.

As Waco Africa controls the Waco Africa ESOP trust, the issued A ordinary shares are treated as treasury shares and therefore does not effect the issued share capital of the company or group.

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21. Stated ordinary share capital *(continued)*

The subscription of these shares are funded through a discount of approximately 4.4% of the attributed value of the Waco Africa ESOP trust Shares and the balance through notional vendor funding (notional vendor finance; or NVF) from Waco Africa to the Waco Africa ESOP trust.

The special provisions applicable to these shares as regards to the NVF dividends and conversion is that these shares rank equally with the ordinary shares and confer on the holder the same rights as the holders of an ordinary share including:

1. The right to be entered in the securities register of Waco Africa;
2. The right to attend, participate in and speak at any meeting of shareholders;
3. The right on a poll to exercise one vote per A ordinary share;
4. Subject to such preferences as may be accorded to other classes of shares in the share capital from time to time (other than the ordinary shares), the right to receive a portion of the total net assets of Waco Africa remaining upon its liquidation; and
5. Any other rights attaching as a matter of law to the ordinary shares.

* To ensure that Bopa Moruo's 25,1% shareholding is not diluted as a result of the issue of the Waco Africa ESOP trust shares and the subsequent conversion thereof into ordinary shares, Bopa Moruo subscribed for an additional 179 542 ordinary shares (top-up shares) for a nominal consideration.

22. Stated preference share capital

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
22.1 Stated preference share capital				
Authorised				
1 000 000 000 preference shares of no par value				
Issued				
104 513 000 preference shares at R0.95 each	**99 723**	99 723	**99 723**	99 723
22.2 Movement in stated share capital during the year				
Stated preference share capital at 1 July	**99 723**	99 723	**99 723**	99 723
Preference share capital issued during the year	**-**	-	**-**	-
Stated preference share capital at 30 June	**99 723**	99 723	**99 723**	99 723

The preference shares have been classified as equity in the current year in accordance with IAS 32 Financial instruments: presentation.

The preference shares are cumulative redeemable preference shares where dividends are due and payable on the date on which the company's board determines. There is no contractual obligation to make payment until the board decides to do so. The company may redeem the preference shares at any time provided that the board, acting reasonably, has determined that there is sufficient value. Sufficient value means that after such distribution, there must be enough funds remaining, after settlement of all external liabilities (therefore subordinate to all other debts), to pay in full amounts due to all shareholders.

The preference shareholders have not been given any additional voting rights other than those set out in section 37(3)(a) of the Companies Act, namely:

Preference shareholders have the right to vote on any proposal to amend the preferences, rights, limitations and other terms associated with their shares.

23. Foreign currency translation reserve

R thousand	Group **2018**	Group 2017	Company **2018**	Company 2017
Balance at 1 July	**18 644**	12 379	**240**	248
Exchange differences arising on translating the net assets of foreign operations	**(1 224)**	6 265	**(332)**	(8)
Balance at 30 June	**17 420**	18 644	**(92)**	240

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of financial statements of foreign operations and branches into the presentation currency.

24. Interest bearing borrowings

R thousand	Group **2018**	Group 2017	Company **2018**	Company 2017
Balance at 1 July	**1 153 130**	952 130	**1 153 130**	952 130
Borrowings raised during the year	**429 917**	298 500	**429 917**	298 500
Borrowings repaid during the year	**(110 000)**	(97 500)	**(110 000)**	(97 500)
Balance at 30 June	**1 473 047**	1 153 130	**1 473 047**	1 153 130
Non-current interest bearing borrowings	**1 363 047**	1 043 130	**1 363 047**	1 043 130
Current interest bearing borrowings	**110 000**	110 000	**110 000**	110 000
Total	**1 473 047**	1 153 130	**1 473 047**	1 153 130

For an analysis of interest bearing borrowings and security given, refer to Annexure A.

25. Deferred tax liability

Movement in deferred tax during the year

R thousand	Total	Property, plant, equipment and equipment for hire	Derivative financial instruments	Intangible assets	Provisions and payables	Receivables	Unused taxation losses	Other	Deferred tax asset not recognised
Group									
Balance at 1 July 2016	57 175	89 051	1 460	361	(36 046)	2 349	-	-	-
Recognised in profit or loss	(1 563)	18 489	(10 485)	(270)	(11 381)	6 057	(4 178)	-	205
Foreign exchange translation differences	(220)	(157)	(59)	-	-	-	-	-	(4)
Balance at 30 June 2017	55 392	107 383	(9 084)	91	(47 427)	8 406	(4 178)	-	201
Recognised in profit or loss	**22 359**	**18 398**	**2 170**	**(24)**	**(1 573)**	**(264)**	-	**(1 083)**	**4 735**
Foreign exchange translation differences	**207**	**165**	**29**	-	-	-	-	-	**13**
Balance at 30 June 2018	**77 958**	**125 946**	**(6 885)**	**67**	**(49 000)**	**8 142**	**(4 178)**	**(1 083)**	**4 949**
Company									
Balance at 1 July 2016	63 049	95 447	938	361	(36 046)	2 349	-	-	-
Recognised in profit or loss	(3 250)	17 868	(10 485)	(270)	(11 381)	1 018	-	-	-
Balance at 30 June 2017	59 799	113 315	(9 547)	91	(47 427)	3 367	-	-	-
Recognised in profit or loss	**27 069**	**27 844**	**2 170**	**(24)**	**(1 573)**	**(265)**	-	**(1 083)**	-
Balance at 30 June 2018	**86 868**	**141 159**	**(7 377)**	**67**	**(49 000)**	**3 102**	-	**(1 083)**	-

25. Deferred tax liability *(continued)*

Deferred tax assets and liabilities are attributable to the following:

	Group			
	2018		2017	
R thousand	**Assets**	**Liabilities**	Assets	Liabilities
Property, plant, equipment and equipment for hire	-	**125 946**	-	107 383
Derivative financial instruments	-	**(6 885)**	-	(9 084)
Intangible assets	-	**67**	-	91
Provisions and payables	-	**(49 000)**	-	(47 427)
Receivables	-	**8 142**	-	8 406
Unused taxation losses	-	**(4 178)**	-	(4 178)
Other	-	**(1 083)**	-	-
Deferred tax asset not recognised	-	**4 949**	-	201
Balance at 30 June	-	**77 958**	-	55 392
Deferred tax by jurisdiction				
South Africa	-	**68 807**	-	53 488
Namibia	-	**5 061**	-	-
Mauritius	-	**4 090**	-	1 904
	-	**77 958**	-	55 392

	Company			
	2018		2017	
R thousand	**Assets**	**Liabilities**	Assets	Liabilities
Property, plant, equipment and equipment for hire	-	**141 159**	-	113 315
Derivative financial instruments	-	**(7 377)**	-	(9 547)
Intangible assets	-	**67**	-	91
Provisions and payables	-	**(49 000)**	-	(47 427)
Receivables	-	**3 102**	-	3 367
Other	-	**(1 083)**	-	-
Balance at 30 June	-	**86 868**	-	59 799

26. Trade and other payables

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Financial liabilities at amortised cost				
Trade payables	**95 762**	98 358	**91 087**	99 620
Other payables	**142 397**	125 511	**105 783**	45 463
	238 159	223 869	**196 870**	145 083
Other				
Accrued expenses	**112 469**	119 530	**65 724**	64 499
Contingent consideration	**4 000**	5 781	**-**	5 781
Deferred income	**32 329**	-	**25 154**	-
Interest accruals	**-**	231	**-**	231
VAT payable	**(326)**	13 460	**10 310**	9 291
	148 472	139 002	**101 188**	79 802
Total trade and other payables	**386 631**	362 871	**298 058**	224 885

26.1 The group's exposure to liquidity and currency risk related to trade and other payables (excluding amounts due to customers under construction contracts) is disclosed in note 35.

27. Provisions

R thousand	Provision for restructuring
Group	
Balance at 1 July 2016	15 923
Provision raised during the year	9 336
Provision utilised during the year	(1 117)
Balance at 30 June 2017	24 142
Provision raised during the year	**1 654**
Provision utilised during the year	**(7 718)**
Balance at 30 June 2018	**18 078**
Non-current	-
Current	**18 078**
	18 078
Company	
Balance at 1 July 2014	15 923
Provision raised during the year	9 308
Provision utilised during the year	(2 073)
Balance at 30 June 2017	23 158
Provision raised during the year	**1 654**
Provision utilised during the year	**(7 718)**
Balance at 30 June 2018	**17 094**
Non-current	-
Current	**17 094**
	17 094

The group has been the supplier of access scaffolding, insulation and related services in a long term maintenance contracts with one customer for a number of years. During 2016 the contract was put out to to tender. The submission of bids through joint ventures with various BBBEE partners has been perceived by the customer as anti-competitive behaviour. The group has been reported to the South African competitions commission for a review. The contract has been awarded to external parties.

Management do not believe that the manner in which the group submitted these tenders constitutes anti-competitive behaviour and has received legal advice that supports this stance.

In response, the group has successfully lodged an urgent interdict against the customer to overturn the award to said external parties pending the outcome of the competition commission review. Should the review be unfavourable, the group will be forced to demobilise on these sites and to downsize the related division within the group. Management have developed a formal plan for the restructure and this matter has been formally communicated to all employees of the affected division.

Refer to note 31 for management's assessment of a potential fine regarding this matter.

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28. Operating cash flow before working capital changes

	Group		Company	
R thousand	**2018**	2017	**2018**	2017
Profit before income tax	**394 542**	294 244	**430 323**	264 442
Adjusted for -				
Net finance expense	**106 832**	137 807	**99 363**	135 565
Items not affecting the flow of funds	**197 960**	213 862	**127 755**	157 136
Depreciation of property, plant and equipment	**33 278**	29 730	**23 830**	21 502
Depreciation of equipment for hire	**127 072**	104 357	**112 591**	92 437
Loss/(profit) on disposal of property, plant equipment	**309**	795	**(26)**	143
Profit on disposal of equipment for hire	**(35 392)**	(32 228)	**(73 081)**	(44 191)
Share of profit of equity-accounted investee	**-**	(343)	**-**	-
Amortisation of intangible assets	**87**	964	**87**	964
Impairment of goodwill	**24 504**	-	**24 504**	-
Reversal of earn-out provision	**(21 619)**	-	**(21 619)**	-
Net reversal of impairment loss on equipment for hire	**6 984**	39 568	**2 355**	37 023
Recognition of impairment loss on trade receivables	**51 679**	25 745	**43 267**	11 625
Recognition of impairment loss on investment	**-**	-	**9 863**	-
Deferred income	**32 329**	-	**25 154**	-
Non-cash movement in provisions	**(30 890)**	42 302	**(26 160)**	37 054
Other non-cash items	**9 619**	2 972	**6 990**	579
	699 334	645 913	**657 441**	557 143

29. Working capital changes

	Group		Company	
R thousand	**2018**	2017	**2018**	2017
Decrease / (increase) in inventories	**15 199**	2 489	**21 398**	4 876
(Increase) / decrease in trade and other receivables	**(52 304)**	(174 884)	**(124 794)**	(152 445)
(Decrease) / increase in trade and other payables	**(66 897)**	91 961	**354**	71 713
	(104 002)	(80 434)	**(103 042)**	(75 856)

30. Income tax paid

	Group		Company	
R thousand	**2018**	2017	**2018**	2017
Amounts prepaid/(unpaid) at 1 July	**8 797**	(11 926)	**(9 065)**	(16 581)
Amounts charged to profit or loss	**(112 041)**	(81 163)	**(102 579)**	(71 106)
Effect of exchange rate changes	**224**	211	**-**	20
Amounts (prepaid)/unpaid at 30 June	**(3 598)**	(8 797)	**20 593**	9 065
	(106 618)	(101 675)	**(91 051)**	(78 602)

31. Contingent liabilities

	Group		Company	
R thousand	**2018**	2017	**2018**	2017
Guarantee contracts in progress -				
Next year	**239 518**	244 148	**239 518**	244 148
Two to five years	**180**	487	**180**	487
After five years	**500**	782	**500**	782
	240 198	245 417	**240 198**	245 417

Contingencies related to performance guarantees and lease guarantees

Guarantees for performance under contracts are issued by the group to customers. It is not expected that claims will arise out of the guarantees. The group issue guarantees in the normal course of business.

In terms of the supply contract between Tedoc/SGB-Cape Kusile Joint Venture and Mitsubishi Hitachi Power Systems Africa Proprietary Limited, the joint venture is required to provide a performance security / bond valued at R10 million for the due and faithful fulfilment of the contract. This performance guarantee is held with the Standard Bank of South Africa Limited.

In the event the guarantee falls due and the joint venture have insufficient funds available, Waco Africa Proprietary Limited would be liabile for 43% of the amount.

Potential fines due to Competition Commission Review

As disclosed in note 27, there is an ongoing Competition Commission review, should the review be unfavourable, the group may face fines from the Competition Commission. The amount and probability cannot reliably be estimated. Management and the company's legal representatives have stated that Waco has a sound case and they are confident in defending this matter.

32. Capital commitments

R thousand	Group		Company	
	2018	2017	**2018**	2017
Contracted but not provided	**15 142**	14 980	**15 142**	14 980

32.1 Capital commitments for the year refer to contracted future capital expenditure on property, plant and equipment and equipment for hire. These will be financed through internally generated funds and borrowings.

33. Operating leases

33.1 The group has various operating lease agreements for machinery, vehicles, office buildings, office equipment and other facilities.

33.2 Future minimum lease payments under non-cancellable operating leases:

R thousand	Group		Company	
	2018	2017	**2018**	2017
Next year	**125 426**	97 994	**124 978**	97 618
Two to five years	**290 913**	210 785	**290 852**	210 785
After five years	**64 219**	58 348	**64 219**	58 348
	480 558	367 127	**480 049**	366 751

34. Employee benefits

		Group		Company	
	R thousand	**2018**	2017	**2018**	2017
34.1	Employee benefits	**54 155**	54 126	**47 603**	44 845
	Waco Africa ESOP trust bursaries	**6 665**	-	**6 665**	-
	Other long term employee benefits	**33 000**	58 757	**33 000**	58 757
		93 820	112 883	**87 268**	103 602
	Non-current	**38 745**	58 757	**38 745**	58 757
	Current	**55 075**	54 126	**48 523**	44 845
		93 820	112 883	**87 268**	103 602

34.2 *South Africa*

Waco growth appreciation rights scheme

The Waco growth appreciation rights scheme (WGARS) awards employees of the group for growth in the group's economic value added (EVA). EVA is a measure of the value added in excess of the return required by the group's shareholders. Non-executive senior management and middle management are allocated WGARs based on their seniority level and a predetermined allocation percentile. Vesting of the WGARs is staggered over a four year period with on-third vesting in years two, three and four. Rights are allocated at a new strike price on an annual basis.

Defined contributions plan

The group contributes between 17.5% and 23.1% of employee salaries to the Waco International Provident Fund depending on seniority.

Waco Africa ESOP trust bursaries

Waco Africa Proprietary Limited has an obligation to pay effectively 1.5% of all its attributable profits over the next 7 years to the Waco Africa ESOP trust. 30% of this amount will be paid over to the beneficiaries.This obligation represents a non-forfeitable dividend right. The liability will be remeasured at the end of every financial year and any remeasurement will be recognised in profit or loss.

35. Financial instruments

Financial risk management

Exposure to market risk, including currency risk and interest rate risk, liquidity risk and credit risk arises in the normal course of the group's business. This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk and the group's management of capital.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the group's activities.

35.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the group's income and the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

35.1.1 *Currency risk*

Currency risk related to investments in foreign entities

The group has interests in entities which operate in various countries. A significant portion of the group's revenue is earned in the South African Rand. It is not the group's policy to hedge investments in foreign subsidiaries.

Currency risk related to foreign transactions

Each group entity operates predominantly within its own common monetary area and therefore the group has no significant currency risk with regards to operational activities. At year end, all group entities had no material foreign currency trade receivables or payables.

It is the group's policy that when currency risk is incurred as a result of transactions which are denominated in a currency other than the entities' functional currency, which mainly occurs with purchases, that the foreign currency cash flows are economically hedged with forward exchange contracts.

35.1.2 *Interest rate risk*

Financial assets and financial liabilities that are sensitive to interest rate risk are cash and cash equivalents, bank overdrafts, loans receivable/payable, and interest bearing borrowings.

35. Financial instruments *(continued)*

35.2 Credit risk *(continued)*

Trade and other receivables (continued)

The maximum exposure to credit risk for trade receivables at the reporting date by geographical region was:

R thousand	Group		Company	
	2018	2017	**2018**	2017
	Gross	Gross	**Gross**	Gross
South Africa	**599 674**	577 826	**742 316**	623 047
Africa excluding South Africa	**110 258**	83 659	**-**	-
	709 932	661 485	**742 316**	623 047

Gross receivables in the different regions are in respect of the international operations which are experienced in managing their own local credit risk. As regard to cross-border trade, credit risk is managed through the use of letters of credit as considered necessary, resulting in reduced credit exposure.

Impairment losses

The following table illustrates the relationship between aged debt (excluding intercompany receivables) and the impairment allowance:

R thousand	Group		Company	
2017	**Gross**	**Impairment allowance**	**Gross**	**Impairment allowance**
Current	448 251	4 755	247 446	3 666
1 - 30 days	57 459	2 413	50 909	2 049
31 - 90 days	38 750	3 804	30 656	1 402
91 - 180 days	55 776	17 671	30 331	2 462
>180 days	41 932	4 621	41 892	2 693
	642 168	33 264	401 234	12 272
2018				
Current	**446 769**	**10 184**	**257 904**	**6 703**
1 - 30 days	**91 251**	**4 673**	**73 643**	**2 940**
31 - 90 days	**80 713**	**8 353**	**65 109**	**4 752**
91 - 180 days	**34 711**	**3 938**	**28 157**	**2 415**
>180 days	**45 635**	**20 202**	**29 138**	**6 925**
	699 079	**47 350**	**453 951**	**23 735**

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35. Financial instruments (continued)

35.2 Credit risk *(continued)*

Impairment losses (continued)

Listings of overdue customer balances are reviewed monthly against their credit terms/limits by all the operations within the group. Customers exceeding their credit terms/limits must settle their overdue balances before any further credit is extended. Appropriate action is taken to recover long overdue debts.

The group generally deals with the larger corporates who have a sound credit standing. Collateral is generally not held for blue chip companies as their payment history does not warrant it, but collateral is obtained for other entities as security where possible.

Credit risk in respect of corporates and small, medium and micro enterprises is controlled through the use of credit vetting agencies and the setting of credit limits by experienced personnel. Credit limits are typically reviewed annually.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

R thousand

	Group		Company	
	2018	2017	**2018**	2017
Balance at 1 July	**33 264**	22 768	**12 272**	14 228
Amounts written off during the year	**(38 203)**	(13 934)	**(31 804)**	(13 528)
Impairment loss recognised in profit or loss	**51 679**	25 745	**43 267**	11 625
Effect of movement in exchange rates	**610**	(1 315)	**-**	(53)
Balance at 30 June	**47 350**	33 264	**23 735**	12 272

35. Financial instruments *(continued)*

Other receivables

Other receivables amounting to R46 million (2016 – R54 million) for group and R44 million (2016 – R51 million) for company represent the maximum credit exposure for other receivables.

The maximum exposure to credit risks for gross other receivables at the reporting date by geographical region was:

R thousand

	Group		Company	
	2018	2017	**2018**	2017
South Africa	**29 991**	50 544	**44 489**	50 532
Africa excluding South Africa	**15 806**	3 765	**-**	-
Balance at 30 June	**45 797**	54 309	**44 489**	50 532

35.3 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due.

The group's approach to managing liquidity risk is to monitor cash flows and cash flow forecasts and ensuring that sufficient liquidity is available to meet its liabilities when due. The group ensures it has sufficient cash on demand or access to facilities to meet expected operational expenses for the next 12 months, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the group places significant focus on working capital management.

The group has approved committed borrowing facilities as at 30 June 2018 totalling R190 million (2017 - R200 million) in respect of which all conditions have been met.

35. Financial instruments *(continued)*

35.3 Liquidity risk *(continued)*

A breakdown of available working capital facilities on a regional basis at 30 June 2018 is as follows:

R thousand

Region	Currency	Amounts approved	Total balance positive / (negative)
2017			
South Africa	South Africa Rands	200 000	(28 528)
Mauritius	Mauritian Rupees	-	6 631
Zambia	Zambian Kwatcha	-	5 908
Ghana	Ghanian Cedi	-	2 716
Mozambique	Mozambiquan Meticals	-	997
Tanzania	Tanzania Shillings	-	562
Democratic Republic of Congo	Congolese Franc	-	719
Botswana	Botswanan Pula	-	4 185
Namibia	Namibian Dollar	-	9 848
Swaziland	Swazi Emalangeni	-	3 068
		200 000	6 106
2018			
South Africa	South Africa Rands	**190 000**	**33 907**
Mauritius	Mauritian Rupees	-	**7 874**
Zambia	Zambian Kwatcha	-	**9 969**
Ghana	Ghanian Cedi	-	**1 130**
Mozambique	Mozambiquan Meticals	-	**516**
Tanzania	Tanzanian Shillings	-	**3 983**
DRC	United States Dollar	-	**12 233**
Botswana	Botswanan Pula	-	**1 732**
Namibia	Namibian Dollar	-	**19 111**
Kenya	Kenya Schillings	-	**1 885**
Swaziland	Swazi Emalangeni		**14 976**
		190 000	**107 316**

35. Financial instruments *(continued)*

35.3 Liquidity risk *(continued)*

Maturity profile of financial instruments

The maturity profile of financial liabilities at 30 June can be summarised as follows:

Group

R thousand	**Carrying amount**	**0 – 12 months**	**1 – 5 years**	**Total contractual cash flows**
Financial liabilities				
2017				
Interest bearing borrowings	1 153 130	215 791	1 246 322	1 462 113
Trade and other payables*	349 411	349 411	-	349 411
Intercompany payables	11 376	-	11 376	11 376
Bank overdraft	28 529	28 529	-	28 529
2018				
Interest bearing borrowings	**1 473 047**	**236 459**	**1 461 323**	**1 697 782**
Trade and other payables*	**303 339**	**303 339**	**-**	**303 339**
Intercompany payables	**13 446**	**-**	**13 446**	**13 446**

35. Financial instruments *(continued)*

35.3 Liquidity risk *(continued)*

Maturity profile of financial instruments (continued)

Company

R thousand	Carrying amount	0 – 12 months	1 – 5 years	Total contractual cash flows
Financial liabilities				
2017				
Interest bearing borrowings	1 153 130	215 791	1 246 322	1 462 113
Trade and other payables*	215 594	215 594	-	215 594
Intercompany payables	46 451	-	46 451	46 451
Bank overdraft	30 195	30 195	-	30 195
2018				
Interest bearing borrowings	**1 473 047**	**236 459**	**1 461 323**	**1 697 782**
Trade and other payables*	**217 239**	**217 239**	-	**217 239**
Intercompany payables	**15 878**	-	**15 878**	**15 878**

*Trade and other payables exclude VAT payable, deferred income and employee related liabilities.

Included in trade and other payables for the group is intercompany payables of R52,5 million and R67 million for the company.

The group implements cash management procedures, and overdraft facilities are offset by debit balances where applicable. The contractual cash flows stated above are actual cash flows excluding the effects of discounting.

35.4 Fair values of financial instruments

Management is of the opinion that fair value approximates carrying value for the items carried at amortised cost.

36. Related party disclosure

36.1 Identity of related parties

The company is legally owned by Waco SA Securities Proprietary Limited (69.9%), Bopa Moruo Private Equity Fund 1 (Pty) Ltd (25.1%) and the Waco Employee Share Benefit Trust (ESOP trust) (5%).

The ESOP trust is consolidated into Waco Africa as the issued share capital to the trust is treated as treasury shares.

Refer to note 21 for more detail on this transaction.

Material subsidiary companies are listed in Annexure B.

36.2 Material group transactions

36.2.1 Transactions with shareholders

Waco Africa Proprietary Limited entered into the following transactions with related parties:

- Administration fees of R21 million (2017 - R19 million) were paid to Waco International Holdings Proprietary Limited.

These transactions were undertaken on normal commercial terms and conditions.

36. Related party disclosures *(continued)*

36.3 Material group transactions

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Administration fees received				
Form-Scaff Ghana Limited	-	-	**2 263**	1 984
Waco (Mauritius) Limited	-	-	**2 257**	2 003
Kwikform Swaziland	-	-	**3 017**	2 742
Waco Africa (Pty) Ltd - Zambia Branch	-	-	**8 735**	5 755
Waco Mozambique Limitada	-	-	**2 025**	855
Form-Scaff Tanzania Limited	-	-	**2 242**	1 985
SGB-Cape Ghana Proprietary Limited	-	-	**1 472**	1 566
SGB-Cape Kusile Joint Venture	-	-	**117 791**	117 920
Waco DRC s.a.r.l	-	-	**1 489**	-
Kwikform Namibia	-	-	**7 820**	5 854
Kwikform Kenya Limited	-	-	**2 239**	-
Kwikform Botswana Limited	-	-	**503**	-
	-	-	**151 853**	140 664

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Intercompany receivables				
Form-Scaff Ghana Limited	-	-	**22 848**	19 760
Form-Scaff Proprietary Limited - Mauritius				
Waco (Mauritius) Limited	-	-	**7 801**	9 712
Construction and Industrial Maintenance Services Limited	-	-	-	26 165
Waco Mocambique Limitada	-	-	**19 099**	13 958
Form-Scaff Tanzania Limited	-	-	**22 103**	18 190
SGB-Cape Ghana Proprietary Limited	-	-	**15 195**	12 083
SGB-Cape Kusile Joint Venture	-	-	**99 526**	37 477
Waco DRC s.a.r.l	-	-	**4 939**	1 355
Kwikform Namibia	-	-	**7 867**	-
Kwikform Kenya Limited			**17 390**	1 148
Waco Africa (Pty) Limited Zambia Branch			**9 764**	
Kwikform Botswana Limited	-	-	**162**	13
Waco Africa Human Resources Development Proprietary Limited	**8 705**	3 952	**8 705**	3 952
Waco International Holdings Proprietary Limited *	**1 408 210**	1 011 000	**1 408 210**	1 011 000
	1 416 915	1 014 952	**1 643 609**	1 154 813

36. Related party disclosures *(continued)*

36.3 Material group transactions *(continued)*

The loans to / (from) subsidiaries are interest free and repayable on demand. Terms of the loan state that the loans are only repayable 12 months and 1 day from the date of demand. At the reporting date, the company has the unconditional right to defer settlement of the loans payable for at least a period of more than 12 months after year end. The loans are therefore classified as non-current liabilities.

	Group		Company	
R thousand	**2018**	2017	**2018**	2017
Intercompany payables				
Waco UK Holdings	**1 825**	-	**1 825**	-
Waco (Madagascar) Limited	-	-	-	535
Kwikform Swaziland	-	-	**2 432**	5 458
Kwikform Namibia	-	-	-	29 082
Kwikform Acquisition Holdings Limited	**11 621**	11 376	**11 621**	11 376
	13 446	11 376	**15 878**	46 451

As at 30 June 2018 the company is also party to trade receivables with companies within the Waco International Holdings Proprietary Limited group. These trade receivable balances have been included in trade and other receivables. The amounts included in trade and other receivables are as follows:

	Group		Company	
R thousand	**2018**	2017	**2018**	2017
Short term intercompany receivables				
Kwikform Limited	**8 217**	19 317	**8 217**	19 317
Kwikform Namibia	-	-	**66 621**	46 503
Form-Scaff Ghana Limited	-	-	**28 291**	31 052
Waco Mocambique Limitada	-	-	-	10 002
Form-Scaff Tanzania Limited	-	-	**18 411**	18 717
Waco Africa (Pty) Limited Zambia Branch	-	-	**49 648**	-
SGB-Cape Ghana Limited	-	-	**7 647**	7 774
SGB-Cape Kusile Joint Venture	-	-	**4 888**	13 722
Kwikform Botswana Proprietary Limited	-	-	**2 978**	13 217
Construction and Industrial Maintenance Services Limited	-	-	-	42 069
Waco Mocambique Limitada	-	-	**16 598**	-
Kwikform Kenya Limited	-	-	**19 172**	-
Kwikform Swaziland	-	-	**63 258**	19 440
Waco International Holdings Proprietary Limited	**2 636**	-	**2 636**	-
	10 853	19 317	**288 365**	221 813

36. Related party disclosures *(continued)*

36.3 Material group transactions *(continued)*

As at 30 June 2018 the company is also party to trade payables with companies within the Waco International Holdings Proprietary Limited group. These trade payables balances have been included in trade and other payables. The amounts included in trade and other payables are as follows:

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Short term intercompany payables				
Waco Africa (Pty) Limited Zambia Branch	-	-	3 792	-
SGB-Cape Kusile Joint Venture	-	-	9 213	-
Waco (Mauritius) Limited	-	-	1 625	50
Waco International Holdings Proprietary Limited	52 571	4 150	52 571	4 150
	52 571	4 150	67 201	4 200

During 2018 the company was also party to intercompany transactions with companies within the Waco International Holdings Proprietary Limited group. These transactions have been included as part of profit. The amounts included in profit after tax are as follows:

R thousand	Group 2018	Group 2017	Company 2018	Company 2017
Intercompany transactions				
Intercompany sales	-	-	126 113	66 461
Intercompany cost of sales	-	-	(91 530)	(55 701)
Interest received - SGB-Cape Kusile Joint Venture	-	-	6 732	7 910
	-	-	41 315	18 670

**Waco Africa Proprietary Limited a subsidiary of Waco International Holdings Proprietary Limited, has subordinated its claim against Waco International Holdings Proprietary Limited in favour and for the benefit of other creditors of Waco International Holdings Proprietary Limited. Management has assessed this loan to be recoverable as the Waco International Holdings Proprietary Limited group has sufficient cash resources available to settle the loan.*

37. Going concern

Company

The company made a profit for the year of R300,6 million (2017: R196,6 million). Current assets exceeded current liabilities by R405 million (2017: R357 million). Total assets exceeded total liabilities by R1 726 million (2017: R1 426 million).

As such 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.

Group

The group made a profit for the year of R260 million (2017: R215 million). Current assets exceeded current liabilities by R391 million (2017: R310 million). Total assets exceeded total liabilities by R1 697 million (2017: R1 441 million). The external liabilities can be fully repaid by the total assets in the ordinary course of business.

As such 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 have satisfied themselves that the group and company are in sound financial positions and that they have access to sufficient cash and borrowing facilities to meet their foreseeable cash requirements.

38. Dividends

No dividend was declared by the company or the group during the year (2017: R nil).

39. Subsequent events

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report which requires adjustment to or disclosure in these financial statements.

40. Standards and interpretations approved but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2018 and have not been applied in preparing these consolidated and separate financial statements. The Group and Company do not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated.

Those which may be relevant to the Group and Company are set out below:

Effective for the financial year commencing 1 July 2018

- IFRS 15 *Revenue from contracts with customers*
- IFRS 9 *Financial Instruments*
- IFRIC 22 Foreign Currency Transactions and Advance Considerations

Effective for the financial year commencing 1 July 2019

- IFRS 16 *Leases*

Effective for the financial year commencing 1 July 2021

- IFRS 17 *Insurance Contracts*

All Standards and Interpretations will be adopted at their effective date, except where stated otherwise and except for those Standards and Interpretations that are not applicable to the entity, as listed below.

The directors are of the opinion that the impact of the application of the above Standards and Interpretations will be as follows:

IFRS 15 Revenue from contracts with customers

This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue – Barter of Transactions Involving Advertising Services.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is to be recognised.

40. Standards and interpretations approved but not yet effective *(continued)*

Management has made the following assessment to determine the impact of IFRS 15 on the group:

The new Revenue standard (IFRS 15) will be implemented by the Waco Africa Group for the first time for the period ending 30 June 2019. This is in accordance with the effective date of IFRS 15. As part of the implementation new accounting policies and disclosures are being prepared for disclosure in the June 2019 financial statements.

The IFRS 15 transition approach will be retrospective, which means an entity would recognise the cumulative effect of applying the standard at the start of the earliest comparative period including some practical expedients, as allowed by the Standard.

The first practical expedient that will be applied is for completed contracts, we will not restate contracts that:

- begin and end within the same annual reporting period before the date of initial application; or
- are completed contracts at the beginning of the earliest period presented;
- for all periods presented before the date of initial application, June 2018, we will not disclose the amount of the transaction price allocated to the remaining performance obligations, nor an explanation of when it expects to recognise that amount as revenue.

Based on the current policies being applied under IAS 18, the new standard and resultant new accounting policies are unlikely to have a significant impact on how revenue is recognised in the group, the basis for this conclusion is set out below.

The group's revenue comprises rental and related services to customers, sales of goods and contract revenue and excludes Value Added Tax. Sales within the group are eliminated on consolidation.

Sale of goods

Under IAS 18, revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

Under IFRS 15, sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion of the usage of the projects, and there is no unfulfilled obligation which could affect the customers' acceptance of the products. Delivery occurs when the products are either shipped to a specific location or collected by the customer, the risks have been transferred and the customer has accepted the products in accordance with the sales agreement.

40. Standards and interpretations approved but not yet effective *(continued)*

Sale of goods *(continued)*

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Where the sale of goods requires installation/erection, control is transferred to the customer over a period of time. Revenue is recognised as work progresses using an output method in accordance with agreed-upon contractual terms. The amount of revenue and corresponding receivable is recognised based on surveys/milestones, as per the contract, performed by Waco and by the customer.

Where surveys/milestones reached indicate that revenue is to be recognised but has not been invoiced, a receivable is recognised.

No element of financing is deemed present as the sales are typically made with a credit term of 30 days from invoice date, which is consistent with market practice. The group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.

Under the new standard the timing and value of revenue recognition would be consistent with the current accounting policy as the point in time will coincide with the date that the risks and rewards of ownership are transferred. Where a sale is to be recognized over time, the timing and value of the revenue recognized would remain consistent, as the same output method would continue to be used.

Hire and Hire Related Services

Currently, rental income on equipment for hire and related services to customers is recognised in profit and loss on a straight-line basis over the term of the rental.

Under the new standard this will not change as the measurement and timing of the revenue to be recognised, is still determined by IAS 17, which is that the revenue is recognised over the term of the rental period, typically on a straight-line basis, the rendering of hire related services may happen on a scheduled or incidental basis and is recognised as and when the service is delivered. Therefore no impact is anticipated.

Contract Revenue

Under the current accounting policy, contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in profit or loss in proportion to the stage of completion of the contract.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. Any expected loss on a contract is recognised immediately in profit or loss.

40. Standards and interpretations approved but not yet effective *(continued)*

Contract Revenue *(continued)*

Under the new standard contract revenue will continue to be billed as work progresses using an output method in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., biweekly or monthly) or upon achievement of contractual milestones.

The recognised amount includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred using the input method per the standard.

This is therefore consistent with the current accounting policy and therefore no impact to the financial statements is anticipated.

Contract assets and contract liabilities
The new standard introduces the concept of contract assets and contract liabilities, the principles however currently also exists, and are recognised under different headings, currently construction work in progress.

The timing of revenue recognition, billings and cash collections results in billed, accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the consolidated statement of financial position.

For our contract revenue amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., biweekly or monthly) or upon achievement of contractual milestones.

Generally, billing occurs subsequent to revenue recognition, resulting in contract assets. However, we sometimes receive advances or deposits from our customers, particularly on our larger and longer-term contracts, before revenue is recognized, resulting in contract liabilities.

These assets and liabilities are reported on the consolidated statement of financial position on a contract-by-contract basis at the end of each reporting period.

For our hire and shorter-term contracts, we generally receive deposits from customers upon contract execution and upon achievement of contractual milestones. These deposits are returned when revenue is recognized.

40. Standards and interpretations approved but not yet effective *(continued)*

Contract assets and contract liabilities *(continued)*

This is consistent with construction work in progress which represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the group's contract activities based on normal operating capacity.

Construction work in progress is presented as part of trade and other receivables in the statement of financial position. If payments received from customers exceed the revenue recognised, then the difference is presented as deferred income within trade and other payables.

Therefore, these requirements of the new standard will not have a significant effect on the financial statements.

IFRS 9 Financial Instruments

On 24 July 2014 the IASB issued the final IFRS 9 Financial Instruments Standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement.

Classification –Financial assets

IFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics.

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL. The standard eliminates the existing IAS 39 categories of held to maturity, loans and receivables and available for sale.

Waco Africa Group has basic loan and receivables where the objective of our business model is to realize these assets through collecting contractual cash flow. Loans and receivables will be measured using amortised cost, which is consistent with previous the measurement under IAS 39, we therefore do not believe that the classification and measurement criteria of IFRS 9 will have a significant impact on the group.

Impairment – Financial assets

On the other hand, IFRS 9 establishes a new approach for loans and receivables, including trade receivables—an "expected loss" model that focuses on the risk that a loan will default rather than whether a loss has been incurred.

Under the "expected credit loss" model, an entity calculates the allowance for credit losses by considering on a discounted basis the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying the shortfalls by the probability of each scenario occurring.

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Notes to the financial statements
for the year ended 30 June 2018 (continued)

40. Standards and interpretations approved but not yet effective *(continued)*

IFRS 16 Leases *(continued)*

Therefore, the total income statement effect under the new standard is total of the depreciation and interest expense, compared to the lease expense under the old standard. The difference between the amounts is unlikely to be material.

Management performed an analysis, for lease contracts effective at 30 June 2018, to illustrate the possible impact:

Values at 30 June 2018	**R thousand**
Interest expense	**27 683**
Carrying value of lease liability	**319 183**
Depreciation	**99 705**
Carrying value of right of use asset	**301 433**
Lease expense	**109 639***
Forex gain/(loss)	**(0)**
Increase/(decrease)	
Effect on EBITDA	**109 639**
Effect on EBIT	**9 934**
Effect of PBT	**(17 749)**
Release of straight lining accrual	**17 701**
Net effect on PBT	**(48)**

The interest expense and depreciation is higher than the operating lease expense that would have been recognised, that would have resulted in a reduction of R48k in pre-tax profits.

*This analysis excludes the impact of lease smoothing as applicable under IAS 17.

Due to the increase in depreciation and interest expense, the key performance indicators EBITDA and EBIT will increase with the amount of depreciation and interest expense recognised. This will result in these KPI's not being comparable without adjustments.

40. Standards and interpretations approved but not yet effective *(continued)*

Standards and interpretations not expected to have an impact on the entity:

The following Standards and Interpretations are not applicable to the business of the entity and will therefore have no impact on future financial statements.

Effective for the financial year commencing 1 July 2018

- Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)
- Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS4)
- Transfers of Investment property (Amendments to IAS 40)
- IFRIC 22 Foreign Currency Transactions and Advance Considerations

Effective for the financial year commencing 1 July 2019

- IFRIC 23 *Uncertainty over Income Tax Treatments*
- *Prepayment Features with Negative Compensation* (Amendments to IFRS 9)
- *Long-term Interests in Associates and Joint Ventures* (Amendment to IAS 28)
- *Plan Amendment, Curtailment or Settlement* (Amendment to IAS 19)

Effective for the financial year commencing 1 July 2021

- IFRS 17 *Insurance Contracts*

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Annexure A
Analysis of interest bearing borrowings
for the year ended 30 June 2018

2018

Country	**Bank**	**Rates**	**Rate at 30 June**	**Description**	**Group and Company R'000**
South Africa	**Standard Bank of SA Limited & ABSA Bank Limited Consortium**			Bill facilities, with quarterly rollover periods, secured by assets with a book value as disclosed below	1 473 047
	Amortising A	JIBAR+1,75%	8,708%	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2015 and in a final single instalment on 30 September 2020	200 000
	Amortising B	JIBAR+3,15%	10,108%	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2016 and in a final single instalment on 30 September 2020	247 500
	Bullet	JIBAR+2,15%	9,108%	Bill facility with a floating interest rate, repayable in a final single instalment on 30 September 2020	400 000
	Revolver	JIBAR+1,80%	8,758%	Bill facility with a floating interest rate, repayable in a final single instalment on 30 September 2019	630 000
				Capitalised raising fee	(4 453)
Value of interest bearing borrowings					**1 473 047**

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Annexure A
Analysis of interest bearing borrowings
for the year ended 30 June 2018

2017

Country	Bank	Rates	Rate at 30 June	Description	Group and Company R'000
South Africa	**Standard Bank of SA Limited & ABSA Bank Limited Consortium**			Bill facilities, with quarterly rollover periods, secured by assets with a book value as disclosed below	**1 153 130**
	Amortising A	JIBAR+1,75%	9,108%	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2015 and in a final single instalment on 30 September 2020	**280 000**
	Amortising B	JIBAR+3,15%	10,508%	Bill facility with a floating interest rate, repayable in quarterly instalments from 31 December 2016 and in a final single instalment on 30 September 2020	**277 500**
	Bullet	JIBAR+2,15%	9,508%	Bill facility with a floating interest rate, repayable in a final single instalment on 30 September 2020	**400 000**
	Revolver	JIBAR+1,80%	9,158%	Bill facility with a floating interest rate, repayable in a final single instalment on 30 September 2020	**200 000**
				Capitalised raising fee	**(4 370)**
Value of interest bearing borrowings					**1 153 130**

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Annexure C
Director and prescribed officer emoluments
for the year ended 30 June 2018

Transactions with directors and prescribed officers

In addition to their salaries, the group also provides non-cash benefits to the directors and the executive management. There were no loans to directors during the year ended 30 June 2018.

The director and prescribed officer compensations are as follows:

R thousand	Total	Short-term benefits	Post-employment benefits	Securities Issued
2018				
MG Els	**7 283**	**6 484**	**381**	**418**
SJM Goodburn	**12 651**	**10 394**	**764**	**1 493**
- for services as a director of the company	**-**	**-**	**-**	**-**
- for services as a director of other companies within the group*	**12 651**	**10 394**	**764**	**1 493**
GM Slabbert	**3 132**	**2 678**	**336**	**118**
PD Ngcobo	**1 734**	**1 483**	**213**	**38**
B Tlhabanelo	**-**	**-**	**-**	**-**
SP Burnett	**1 508**	**1 343**	**165**	**-**
ND Khoele	**-**	**-**	**-**	**-**
T Matheolane	**-**	**-**	**-**	**-**
N Tshongweni	**-**	**-**	**-**	**-**
	26 308	**22 382**	**1 859**	**2 067**
2017				
MG Els	5 570	5 158	412	-
SJM Goodburn	8 700	7 936	764	-
- for services as a director of the company	-	-	-	-
- for services as a director of other companies within the group*	8 700	7 936	764	-
GM Slabbert	2 084	1 789	295	-
PD Ngcobo	1 964	1 758	206	-
B Tlhabanelo	-	-	-	-
SP Burnett	1 495	1 339	156	-
ND Khoele	-	-	-	-
T Matheolane	-	-	-	-
	19 813	17 980	1 833	-

Waco Africa Proprietary Limited
(Registration Number: 2012/000665/07)

Annexure C
Director and prescribed officer emoluments
for the year ended 30 June 2018

R thousand	Total	Short-term benefits	Post-employment benefits	Securities Issued
2018				
ED le Roux *	**5 415**	**4 530**	**537**	**348**
2017				
ED le Roux *	4 200	3 701	499	-

* remunerated by other companies within the Waco International Holdings Group for the services performed throughout the group.

NATIONAL CONTRACT CLEANERS ASSOCIATION

Code of Ethics

Members subscribe unconditionally to:

- provide appropriate services to meet customer needs, at prices economic to both parties
- employ competent staff and make them effective through training and the provision of suitable equipment and materials
- respect competitors within the spirit of free enterprise
- promote the Industry through professionalism at all levels
- comply with the statutes and the Association's constitution and to be open to audit in order to ensure compliance.

NCCA

NATIONAL CONTRACT CLEANERS ASSOCIATION

This is to certify that

WACO INTERNATIONAL PTY LTD T/A SANITECH

Membership Numbers GAU488, LP030 & WC0256

is a FULLY COMPLIANT Member of the Gauteng, Limpopo and Western Cape Branches of this Association for the Financial Year Ending March 2022

Pakhumbelo.

President

Cert No: 1102

AJ Deale

Gauteng Secretariat

NATIONAL CONTRACT CLEANERS ASSOCIATION
GAUTENG BRANCH

This is to certify that

WACO INTERNATIONAL PTY LTD T/A SANITECH

Membership Number: GAU491

is a FULLY COMPLIANT Member of the Gauteng Branch of this Association for the Financial Year Ending March 2022

Mahlambela.
Chairperson

Cert No: 1077

AJ Deale

Secretariat

NATIONAL CONTRACT CLEANERS ASSOCIATION

This is to certify that

WACO INTERNATIONAL PTY LTD T/A SANITECH

Membership Numbers EC176, GAU488, LP030 & WC026

is a FULLY COMPLIANT Member of the Eastern Cape, Gauteng, Limpopo and Western Cape Branches of this Association for the Financial Year Ending March 2022

President

Cert No: 1102

AJ Deale

Gauteng Secretariat

NATIONAL CONTRACT CLEANERS ASSOCIATION

"The Voice of Professional Cleaning and Hygiene in South Africa"

This is to certify that

Sanitech a Division of Waco Africa (Pty) Ltd

(Membership Number: KZN246)

is a Member of the KZN Branch of this Association

Membership until March 2022

Chairperson

Branch Secretary

FEDHASA

Federated Hospitality Association
of Southern Africa

Membership Certificate

This is to certify that we
hereby recognize and acknowledge

SANITECH

as a fully pledged Member of our Association
and grant him all rights and privileges pertaining thereto,
as long as Membership status is maintained,
as well as the Association's code of conduct
and good hospitality practice is upheld.

Chairman

FEBRUARY 2021 - 2022 FEBRUARY

Date

SOUTH AFRICAN PEST CONTROL ASSOCIATION
SUID-AFRIKAANSE PLAAGBEHEERVERENIGING
SAPCA (NPC)

Certificate
of ACTIVE Membership

Waco Africa t/a
Sanitech ~ Cape Town

This is to certify that the holder of this certificate is registered as a member with the **South African Pest Control Association** for the period of

March 2021 to February 2022

Please verify the authenticity of this document by contacting the SAPCA offices on 012 654 8038

Exclusions Apply:
N/A

The Certificate expires on
28 February 2022

Membership Number
WAC021

Hilda Swart
Manager

C338

agriculture, forestry & fisheries

Department: Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

Republic of South Africa/Republiek van Suid-Afrika
Registrar: Act 36 of 1947/Registrateur: Wet 36 van 1947
Private Bag/Privaatsak X343
Pretoria
0001

FERTILIZERS, FARM FEEDS, AGRICULTURAL REMEDIES AND STOCK REMEDIES ACT, 1947
(ACT NO. 36 OF 1947)
WET OP MISSTOWWE, VEEVOEDSEL, LANDBOUMIDDELS EN VEEMIDDELS, 1947
(WET NO. 36 VAN 1947)

CERTIFICATE OF REGISTRATION
REGISTRASIESERTIFIKAAT

NAME AND ADDRESS OF REGISTRATION HOLDER/NAAM EN ADRES VAN REGISTRASIEHOUER

R N Crouch
15 Gladiator Street
ROCKLANDS
7798

REGISTRATION OF A PEST CONTROL OPERATOR/REGISTRASIE VAN PLAAGBEHEEROPERATEUR

Registration Number **P41172** Registrasienommer

In terms of the provisions of Act 36 of 1947 and the regulations promulgated thereunder, it is hereby certified that:

Ingevolge die bepalings van Wet 36 van 1947 en die regulasies daarkragtens uitgevaardig, word hiermee gesertifiseer dat:

R N Crouch

Identity number **830423 5217 088** Identiteitsnommer

Has been registered by me as a pest control operator in the following fields of pest control:

Deur my as 'n plaagbeheeroperateur geregistreer is in die volgende velde van plaagbeheer:

(v) Structural Pest Control - Commercial and Domestic 2018/10/11

This registration is valid until **2021/06/30** Hierdie registrasie is geldig tot

The granting of this registration does not exempt anybody from the provisions of any other Law.

Die verlening van hierdie registrasie onthef niemand van die bepalings van enige ander Wet nie.

Date of issue **2018/10/11** Datum van uitreiking

REGISTRAR: ACT 36 OF 1947/REGISTRATEUR: WET 36 VAN 1947

Pest Control Industries Training Academy (NPC)

This is to certify that

Koslan Pillay

ID Number: 710808 5108 08 6

Has attended and successfully completed a skills course required by SAQA unit standard 120417

Understand the control of pests and waste materials as part of a Food Safety System

Food Safety (HACCP)

Level 2

Credits 3

Facilitator: Mark Enslin

Date:07 August 2018

L Cokayne

Lynette Cokayne
Executive Director

PCITA is Accredited with AGRISETA Accreditation number: AGRI/c prov 0192/08 and
Registered with the Department of Higher Education and Training
Registration number: 2009 / FE08 / 009

WACO

africa

HEALTH, SAFETY, ENVIRONMENT AND QUALITY POLICY

WA-SHEQ-FM-01 Rev 19

1. Scope:

- WACO Africa (Pty) Ltd. Including Africa International operations, through its trading divisions Abacus Space Solutions, Form-Scaff, Sanitech, SGB-Cape and SkyJacks, supply essential products and services to the construction, mining, industrial and general sectors of the market.
- WACO Africa (Pty) Ltd. continually strives to provide sustainable value to all stakeholders and is committed to carry out its work in accordance with own approved and applicable statutory requirements.
- WACO Africa (Pty) Ltd. continually strives to meet or exceed customer requirements and expectations by complying with the requirements of ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 and continually improve the Integrated Management System's effectiveness.

2. Management Principles:

- All levels of line management are accountable for Health, Safety, Environment and Quality.
- It is expected that all employees and service providers accept, without any reservation their responsibility for Health, Safety, Environment and Quality.
- Health, Safety, Environment and Quality matters have equal priority with all other company objectives, and the contribution of every employee and service provider is essential to the continual success of our business.
- Promote and maintain open and constructive dialoque and good working relations with all stakeholders, with a view to increasing awareness, knowledge and enhancing mutual understanding and respect in matters of mutual concern.
- Foster creativity and innovation in the management and performance of our synergistic companies, that complement and enhance each others unique abilities and services offered.
- Ensure workforce competence, responsibility and accountability at all levels through proper training and awareness in all risks / impacts on any health, safety, environment and quality aspect/s.
- Identify, assess and prioritise significant hazards and risks, set appropriate targets and controls to ensure compliance with all applicable legislation, apply best practice, review HSEQ management systems for appropriateness and maintain records.
- WACO Africa (Pty) Ltd is committed to prevent, contain and curb the spread of COVID-19 by complying with all guidelines and directives as issued by the National Department of Health, World Health Organisation and the Department of Employment and Labour. In this regard, we have implemented our COVID-19 Risk Assessment, Safe Work Procedure and Protocols to protect the health and safety of employees, contractors and public in general.
- WACO Africa (Pty) Ltd. wants all employees including service providers to go home to their families after work each day, healthy, safely, and happy.

3. Measurable Objectives:

- Set measurable performance targets and monitor progress against the applicable targets for Health, Safety, Environmental and Quality aspects of the business and ensure understanding of these targets as well as the contents and requirements of this policy.
- Prevent or minimise work related Health and Safety incidents with a goal of all employees and service providers being healthy, and the workplace incident and injury free according to acceptable risk.
- Wherever reasonably practical, reduce, recycle, conserve energy and water resources and take measures to prevent pollution and minimise the impact of the company's activities on the environment.
- Maintain a quality service/ product throughout, that result in WACO Africa (Pty) Ltd, incorporating Abacus Space Solutions, Form-Scaff, Sanitech, SGB-Cape and SkyJacks being the leaders in their fields.

Mr M.G. Els (C.E.O) Waco Africa (Pty) Ltd.: ____________ Date of Approval: 12 MAY 2020

Signature	Title	Date	Division
	Mr D. Voysey (National Operations Director)	13/5/2020	form-scaff
	Mr T. Coetzee (Supply Chain Director)	19/05/2020	
	Mr K. Pouwels (Business Development Director)	13/5/2020	
	Mr O.W Botha (Technical Director)	25/5/2020	
	Mr L. Naude (Divisional Director Inland)	12/5/2020	SGB-CAPE
	Mr J.J.N. Visagie (Divisional Director Power, Painting and Insulation)	25/5/2020	
	Mr S. Gee (Divisional Director Coastal)	02/06/2020	
	Mr G. Gray (Divisional Director Offshore)	8/6/2020	
	Mr B. Garrad (Divisional Director Africa)	25/05/20	
	Mr R. Erasmus (Managing Director)	28/05/20	Sanitech
	Mr M. Liquorish (Managing Director)	20/05/20	abacus
	Mr A. Bennett (Managing Director)	18/5/20	SkyJacks

CERTIFICATE

This is to certify that

Sanitech (A Division of Waco Africa (Pty) Ltd)
171 Bluff Road
Jacobs,4052
KwaZulu Natal
South Africa

with the organizational units/sites as listed in the annex

has implemented and maintains a **Quality Management System**.

Scope:
Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.

Through an audit, documented in a report, it was verified that the Management System fulfils the requirements of the following standard:

ISO 9001 : 2015

Certificate registration no.	493294 QM15
Date of revision	2021-01-21
Valid from	2020-01-13
Valid until	2023-01-12
Date of certification	2021-01-21

DAkkS
Deutsche Akkreditierungsstelle
D-ZM-16074-01-00

DQS GmbH

Markus Bleher
Managing Director

Accredited Body: DQS GmbH, August-Schanz-Straße 21, 60433 Frankfurt am Main, Germany
Administrative Office: DQS South Africa, P.O.Box 672, Randburg 2125 - South Africa

Annex to certificate
Registration No. 493294 QM15

Sanitech (A Division of Waco Africa (Pty) Ltd)

171 Bluff Road
Jacobs,4052
KwaZulu Natal
South Africa

Location	Scope
40600114 **Sanitech a division of Waco Africa (Pty) Ltd - Cape Town Branch** **Cnr of Milan and Montreal Street** **Airport Industrial** **Cape Town, 7490** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.
40600115 **Sanitech a division of Waco Africa (Pty) Ltd - Gauteng Branch** **17 Wrench Road** **Isando, 1600** **Gauteng** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.
40603287 **Sanitech a division of Waco Africa (Pty) Ltd - Durban Operations T/H & Hygiene** **171 Bluff Road** **Jacobs, 4052** **Durban** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.

This annex (edition: 2021-01-21) is only valid in connection with the above-mentioned certificate.

CERTIFICATE

This is to certify that

Sanitech (A Division of Waco Africa (Pty) Ltd)
171 Bluff Road
Jacobs
Durban, 4052
KwaZulu Natal
South Africa

with the organizational units/sites as listed in the annex

has implemented and maintains an **Environmental Management System**.

Scope:
Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.

Through an audit, documented in a report, it was verified that the Management System fulfils the requirements of the following standard:

ISO 14001 : 2015

Certificate registration no.	493294 UM15
Valid from	2020-12-19
Valid until	2023-12-18
Date of certification	2021-01-21

DAkkS
Deutsche
Akkreditierungsstelle
D-ZM-16074-01-00

DQS GmbH

Markus Bleher
Managing Director

Accredited Body: DQS GmbH, August-Schanz-Straße 21, 60433 Frankfurt am Main, Germany
Administrative Office: DQS South Africa, P.O.Box 672, Randburg 2125 - South Africa

Annex to certificate
Registration No. 493294 UM15

Sanitech (A Division of Waco Africa (Pty) Ltd)

171 Bluff Road
Jacobs
Durban, 4052
KwaZulu Natal
South Africa

Location	Scope
40600114 **Sanitech a division of Waco Africa (Pty) Ltd** **Cape Town Branch** **Cnr of Milan and Montreal Drive** **Airport Industrial** **Cape Town, 7490** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.
40600115 **Sanitech a division of Waco Africa (Pty) Ltd** **Gauteng Branch** **17 Wrench Road** **Isando** **Gauteng,1600** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.
40600116 **Sanitech a division of Waco Africa (Pty) Ltd** **Kathu Branch** **22 Frikkie Meyer Street** **Kathu, 8460** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.
40603287 **Sanitech a division of Waco Africa (Pty) Ltd** **Durban Branch** **171 Bluff Road** **Jacobs** **Durban, 4052** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.
40600119 **Sanitech a division of Waco Africa (Pty) Ltd** **Potchefstroom Branch** **13 Industria Street** **Potchefstroom, 2531** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.

This annex (edition:2021-01-21) is only valid in connection with the above-mentioned certificate.

Annex to certificate
Registration No. 493294 UM15

Sanitech (A Division of Waco Africa (Pty) Ltd)

171 Bluff Road
Jacobs
Durban, 4052
KwaZulu Natal
South Africa

40600120 **Sanitech a division of Waco Africa (Pty) Ltd** **Secunda Branch** **10 Erasmus street** **Secunda, 2300** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.

This annex (edition:2021-01-21) is only valid in connection with the above-mentioned certificate.

CERTIFICATE

This is to certify that

Sanitech (A Division of Waco Africa (Pty) Ltd)
171 Bluff Road
Jacobs
Durban, 4052
South Africa

with the organizational units/sites as listed in the annex

has implemented and maintains an
Occupational Health and Safety Management System.

Scope:
Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.

Through an audit, documented in a report, it was verified that the Management System fulfils the requirements of the following standard:

ISO 45001 : 2018

Certificate registration no.	493294 OHS18
Valid from	2021-02-10
Valid until	2024-02-09
Date of certification	2021-02-10

DAkkS
Deutsche
Akkreditierungsstelle
D-ZM-16074-01-00

DQS GmbH

Markus Bleher
Managing Director

Annex to certificate
Registration No. 493294 OHS18

Sanitech (A Division of Waco Africa (Pty) Ltd)

171 Bluff Road
Jacobs
Durban, 4052
South Africa

Location	Scope
40603287 **Sanitech a division of Waco Africa (Pty) Ltd** **Durban Operations T/H & Hygiene** **171 Bluff Road** **Durban, 4052** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.
40600115 **Sanitech a division of Waco Africa (Pty) Ltd** **Gauteng Branch** **17 Wrench Road** **Isando** **Gauteng, 1600** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.
40600119 **Sanitech a division of Waco Africa (Pty) Ltd** **Potchefstroom Branch** **13 Industria Street** **Potchefstroom, 2531** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.
40600120 **Sanitech a division of Waco Africa (Pty) Ltd** **Secunda** **10 Erasmus Street** **Secunda, 2300** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.
40600116 **Sanitech a division of Waco Africa (Pty) Ltd** **Kathu** **22 Frikkie Meyer Street** **Kathu, 8460** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.

This annex (edition: 2021-02-10) is only valid in connection with the above-mentioned certificate.

Annex to certificate
Registration No. 493294 OHS18

Sanitech (A Division of Waco Africa (Pty) Ltd)

171 Bluff Road
Jacobs
Durban, 4052
South Africa

Location	Scope
40600114 **Sanitech a division of Waco Africa (Pty) Ltd** **Cape Town Branch** **Cnr of Milan and Montreal Drive** **Airport Industria** **Cape Town, 7460** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.
40600111 **Sanitech a division of Waco Africa (Pty) Ltd** **Richards Bay Branch** **106 Alumina Allee** **Alton** **Richards Bay, 3900** **South Africa**	Hire, distribution, maintenance of portable toilet units and supply of hygiene integrated services and equipment.

This annex (edition: 2021-02-10) is only valid in connection with the above-mentioned certificate.

How Waste will be Managed...

- Sanitech is a Supplier of Sanitary Waste Containers
- Collect Sani-Waste from Client
- Transport form Client to Sanitech Premises
- Storing of waste according to Health Regulations
- BLC Medical Waste Management to collect from Sanitech Premises
- BLC Medical Waste Management to transport bulk waste to land pit site
- Certificate to be issued to Sanitech

Institute of
Waste Management
of Southern Africa

CERTIFICATE OF MEMBERSHIP

This is to certify that

Sanitech a division of Waco Africa (Pty) Ltd

MEMBERSHIP NO. 10911131

Member Category: Patron Member (Member for 8 years)

Has committed to comply with the IWMSA Code of Ethics
and is hereby granted membership.

Date Joined: 01 November 2011

Valid until 31 July 2021

IWMSA Executive Officer

info@IWMSA.co.za www.IWMSA.co.za

GAUTENG
PROVINCIAL GOVERMENT
REPUBLIC OF SOUTH AFRICA

CERTIFICATE OF REGISTRATION

This is to certify that

Sani-Tech

Has been registered as a

Waste Transporter
Hazardous

With the Gauteng Department of Agriculture and Rural Development and has been issued with the following registration number for use when reporting to the Gauteng Waste Information System.

GPT-00-576

Date of Registration: **17 February 2020**

Date of Expiry: **17 February 2022**

This certificate is issued for the purposes of the Gauteng Waste Information System and does not constitute an authorisation.

Certificate of Registration

This is to certify that:

WACO AFRICA T/A SANITECH HYGIENE
....

has been registered as a:

Waste Transporter
....

With the Western Cape Government Environmental Affairs and Development Planning and has been issued with the following registration number for use when reporting to the Integrated Pollutant and Waste Information System

WIR NUMBER: ....

IPWIS NUMBER: W401005657

DATE OF REGISTRATION: 2017-10-25

Western Cape Government
Environmental Affairs & Development Planning

BETTER TOGETHER.

Certificate of Registration

This is to certify that:

SANITECH HYGIENE

has been registered as a:

Hazardous Waste Generator

With the Western Cape Government Environmental Affairs and Development Planning and has been issued with the following registration number for use when reporting to the Integrated Pollutant and Waste Information System

WIR NUMBER: D11011-01

IPWIS NUMBER: W401005432

DATE OF REGISTRATION: 2017-09-19

Western Cape Government
Environmental Affairs & Development Planning

BETTER TOGETHER.

BCL MEDICAL WASTE MANAGEMENT

IPWIS Reg: WIR DO2286

BCL Medical Waste Management
Vat Reg No. 4290179896
PO Box 2637, Clareinch, 7740
Tel 021 955 2447 Fax 021 955 0283
email : info@bclmedicalwaste.co.za

Health Care Risk Waste Tracking & Manifest Document

Dangerous Goods Declaration

Document No 233622

Date 16 / 03 / 20 18

Generators Details

Name: SAN. TECH Hygiene

Address: Airport Industrial

IPWIS Reg: WIR

Order No. SAN - PO63885

Account No.

Transporters Details: BCL Medical Waste Management

Vehicle Reg No.

Health Care Risk Waste Containers Delivered / Removed

Item / Description	Placed	Removed	Weight/Kg	Item/Description	Placed	Removed	Weight/Kg
1 Lt sharps				50 Lt Box Infectious			
4 Lt sharps				50 Lt Liner (60mic)			
5 Lt sharps				140 Lt Box Infectious			
7,6 Lt sharps				140 Lt Liner (60mic)			
20 Lt sharps							
15L Trochar				45 Lt RUC bin + Lid Infectious			
				45 Lt Liner (60 mic)			
5 Lt FAP Infectious							
5 Lt Anatomical Bucket				BLACK BAGS	56		186.20
20 Lt Infectious Bucket + Liner				90 Lt RUC bin + Lid Infectious			
20 Lt Anatomical Bucket + Liner				90 Lt Liner (60 mic)			
20 Lt Pharmaceutical Bucket							
5 Lt Pharmaceutical Bucket				Sputum Liner / 100			
Buff Tape				Pedal Bin Liners / 100			
(S) Cable Ties / 100							
				Envelope			

Comments / Special Instructions : SANITARY WASTE

Generators Certification (waste removal)
I hereby declare that the contents are correctly described, packaged and labelled prior to transportation according to all relevant legislation

Name (Print) : Owane

Signature :

Transporters acknowledgement of receipt of goods
I hereby declare that the contents are correctly described, packaged and labelled prior to transportation according to all relevant legislation

VREG
~~Driver Name~~ : DP 47 ZFGP

Signature :

Treatment Verification / Safe Disposal Certification

Treatment Facility: BCL Medical Waste Incinerator

Confirmation of waste received :

Operator Name: WENDELL

Signature :

Date: 16 | 03 | 18

Total Weight (Kgs): 186.20 kgs

Other

Confirmation of waste treated :

Operator Name

Signature

Date

Total Weight (Kgs)

Distribution : 1. Blue - Customer 2. Green - Safe Disposal 3. White - Accounts 4. Pink - File/Records

FM(A) Tel: 388 2423 - SK280212

BCL MEDICAL WASTE MANAGEMENT

Environmental Commitment Policy

This document certifies that

Sanitech

has entered into an agreement to employ the specialist service of BCL Medical Waste Management to ensure that all medical waste generated on the premises shall be safely contained, removed and disposed of via high temperature incineration at regular intervals.

BCL Medical Waste Management pledges to:

Comply with or exceed all regulatory controls and codes of practice as set out by the Department of Health and relevant Authorities

Carry out the highest possible standards of medical waste management, and continually strive for more efficient and cost effective solutions in its operation

Manage our services to ensure minimum adverse environmental impact

Promote the use of clean technology with emphasis on waste minimisation

Service Provided:	*Containment, Transportation and Incineration of Sanitary Waste*
Frequency:	*Deliver to BCL Medical Waste Management*
Date:	*January 2019 – December 2019*

This certificate is endorsed by:

BCL

Karin Mathews

Medical Waste Manager

CERTIFICATE OF REGISTRATION TO TRANSPORT MEDICAL WASTE
CITY OF CAPE TOWN - ENVIRONMENTAL HEALTH BY- LAW
NO. 13333, P.G.E. NO. 6041, PART 3 (30 JUNE 2003)
This certificate is not transferable.

CITY OF CAPE TOWN | ISIXEKO SASEKAPA | STAD KAAPSTAD

THIS CITY WORKS FOR YOU

KRM/01/2013

REGISTRATION AS A MEDICAL WASTE TRANSPORTER AS PRESCRIBED IN TERMS OF THE CITY OF CAPE TOWN: ENVIRONMENTAL HEALTH BY – LAW, NO. 13333, P.G.E. NO 6041 DATED 30 JUNE 2003, PART 3 (Medical Waste Management)

NAME OF APPLICANT: BCL Medical Waste Management TEL NO: 021 955 2447

E-MAIL ADDRESS: info@bclmedicalwaste.co.za

POSTAL ADDRESS OF APPLICANT: P.O BOX 2637, Claire Inch, 7740.

ADDRESS OF PREMISES - (where medical waste will be transported to for storage and incineration.)

MRC Premises , Off Hindle Road, Brentwood Park, Delft.

NAME AND ADDRESS OF PREMISES (where medical waste will be disposed.)

MRC Premeises , Off Hindle Road, Brentwood Park, Delft

REGISTRATION NUMBER AND DESCRIPTION OF VEHICLES:

Registration Number	Description of vehicle
CF 158 671	Toyota Box Body
CF 110 735	Hino Box Body
CF 140 715	Toyota Box Body
CF 167 867	Hino Box Body
CF 144 574	Toyota Box Body
CF 102 550	Hino Box Body
CF 39795	Hino Box Body
RIPETS 1- WP	H1 Hyundai
RIPETS 2- WP	H1 Hyundai
CF 118513	Toyota Box Body

EK SERTIFISEER DAT HIERDIE DOKUMENT 'N WARE AFDRUK (AFSKRIF) IS VAN DIE OORSPRONKLIKE DOKUMENT WAT AAN MY VIR WAARNEMING VOORGELÊ IS. EK SERTIFISEER VERDER DAT, VOLGENS MY WAARNEMINGS, DAAR NIE 'N WYSIGING OF VERANDERING OF DIE OORSPRONKLIKE DOKUMENT AANGEBRING IS NIE

I CERTIFY THAT THIS DOCUMENT IS A TRUE REPRODUCTION (COPY) OF THE ORIGINAL DOCUMENT WHICH WAS HANDED TO ME FOR AUTHENTICATION. I FURTHER CERTIFY THAT, FROM MY OBSERVATIONS, AN AMENDMENT OR A CHANGE WAS NOT MADE TO THE ORIGINAL DOCUMENT.

HANDTEKENING/SIGNATURE

MAGNOMMER / FORCE NUMBER 7150752-3 RANG / RANK W/O

NAAM IN DRUKSKRIF / NAME IN PRINT Tobo ...

CERTIFICATION

It is hereby certified that the abovementioned Medical Waste Transporter at the date of inspection complies with the provisions of the City of Cape Town: Environmental Health By - Law No 13333,P.G.E. No. 6041 dated 30 June 2003, Part 3 (Medical Waste Management). Should the aforementioned transporter contravene any provisions of Part 3 of the Environmental Health By - Law or fails to comply with any notice lawfully given there - under he/she commits an offence and will liable to a fine and/or imprisonment for a period not exceeding two years.

CITY OF CAPE TOWN
14 FEB 2014
ENVIRONMENTAL HEALTH

Yours faithfully
FOR EXECUTIVE DIRECTOR: CITY HEALTH

SUID-AFRIKAANSE POLISIESDIENS
SAPS BISHOP LAVIS
2017 -09- 15
BONTEHEUWEL CSC
SOUTH AFRICAN POLICE SERVICE

Environmental Commitment Policy

This document certifies that

Sanitech

has entered into an agreement to employ the specialist service of BCL Medical Waste Management to ensure that all medical waste generated on the premises shall be safely contained, removed and disposed of via high temperature incineration at regular intervals.

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Comply with or exceed all regulatory controls and codes of practice as set out by the Department of Health and relevant Authorities

Carry out the highest possible standards of medical waste management, and continually strive for more efficient and cost effective solutions in its operation

Manage our services to ensure minimum adverse environmental impact

Promote the use of clean technology with emphasis on waste minimisation

Service Provided:	*Containment, Transportation and Incineration of Sanitary Waste*
Frequency:	*Deliver to BCL Medical Waste Management*
Date:	*January 2017 – December 2017*

This certificate is endorsed by:

Karin Mathews

Medical Waste Manager

EK SERTIFISEER DAT ...

... THAT THIS DOCUMENT IS A TRUE REPRODUCTION (COPY) OF THE ... DOCUMENT WHICH WAS HANDED TO ME FOR AUTHENTICATION. I ... CERTIFY THAT, FROM MY OBSERVATIONS, AN AMENDMENT OR A ... WAS NOT MADE TO THE ORIGINAL DOCUMENT.

HANDTEKENING/SIGNATURE

NUMBER 71507523 RANG/RANK W/O

NAAM IN DRUKSKRIF/NAME IN PRINT Thwala

SUID-AFRIKAANSE POLISIESDIENS
SAPS BISHOP LAVIS
2017 -09- 15
BONTEHEUWEL CSC
SOUTH AFRICAN POLICE SERVICE

Sanitech

Integrated Hygiene & Sanitation Solutions

Experience a Complete Solution...With a Difference!

Sanitation Solutions

- Toilet Hire
- Septic Pump Services
- Special Events
- Potable Waste Water Plants
- Informal Sector - Khusela DST
- Mining Sector - NIC

Toilet Hire

Sanitech has the largest national fleet, with over 30 000 "ready to use" units available through 20 national branches and African branches. Sanitech has the widest variety of units to suit your needs, whether you need an executive unit or a basic non flush unit.

Sanitech has the ability to "go the distance", whether you need a unit for an event, construction site or both on surface or underground at a mining site.

Septic Pump Services

Sanitech offers a full pump out solution, servicing and managing all septic tanks, portable toilets, pit latrines, mobile ablution units and conservancy tank pumping.

We operate a fleet of more than 30 000 rental units and 220 vehicles. This enables us to supply and service locations throughout the country, speedily and efficiently.

Special Events

Portable toilet solutions at special events are a prerequisite to your success.

Event organisers and planners know that Sanitech's products not only boast state of the art quality, design and performance but also adhere to all environmental and health regulations.

The range is vast and competitively priced.

Waste Water Treatment Plant

Sanitech supplies rapidly deployable, and re-deployable wastewater treatment solutions.

The purpose of these mobile and modular plants is to convert domestic wastewater into reusable water for agricultural purposes or to be recycled in industrial applications.

It is also possible to treat this water to potable water quality standards.

Informal Sector - Khusela DST

Retro fit system for existing ventilated improved pit latrines.

It is an innovation that replaces the traditional open pit latrines. It has an additional feature called the "bladder" - which is highly durable and adaptable to varying pit sizes and can contain up to 2000L of waste.

This concept addresses the health and safety shortfalls and servicing problems, whilst ensuring that environmental contamination cannot occur.

Other unique features are: a rotating bowl which seals off the toilet unit, making it safe for children to use without the risk of falling in the pit and a tamper proof service hatch which is only accessible to the Sanitech servicing team and aides in the prevention of disposing foreign objects into the toilet/pit.

Mining Sector - NIC

New Improved Concept.

A portable toilet unit that is freestanding with a self-contained water supply which operates without cables, pipes or connections to water or electricity.

The rotating bowl mechanism is coated with nano technology which assists in the prevention of debris from sticking to the bowl and also the disposal of foreign objects.

More hygienic to the users, environment and servicing team as there is no exposure to waste due to the removable canister which minimises the spillage opportunity.

Integrated Hygiene Solutions

Allow US to manage YOUR service solutions

The benefit of an integrated service solution allows you to select Sanitech as the sole provider of key outsourced solutions on your site.

This allows us to manage and render the best possible comprehensive multiple service solutions for your site, from your site, and allows your company the benefit of control over the usage of service providers, thus enhancing management control and standardising costs thereby ensuring financial control.

It also facilitates a single billing system which effectively incorporates all services onto one statement of account. The reduced contractors passing through your site (by having the existing staff on site conduct your soft services) reduces security risks and ensures servicing is completed and signed off by on-site management.

Pest Control

Insect Control.

Minimising or removing a wide range of undesirable insects and pests on a regular basis is necessary at any work place. Sanitech offer a combination of treatments in order to effectively get rid of infestations. Treatments include fumigation, misting, gelling, dusting or spraying. Monthly servicing includes surface spray repellents, insect light traps and insecticidal aerosol dispensers.

Rodent Control.

Removing mice and other types of pests from areas such as offices, garbage areas and canteens will reduce structural damage to the work place. Sanitech also maintains, and regularly service, tamper proof rodent bait boxes around the perimeter of your property.

- *Hygiene Washroom Solutions*
- *Daily Cleaning Services*
- *Pest Control*
- *Deep Clean Services*
- *Specialised Cleaning*

Hygiene Washroom Solutions

Sanitech supplies a comprehensive range of effective, durable and reliable hygiene products including sanitisers, wipes, toilet tissue dispensers, sanitary bins, and washing and hand drying components. Many of the ranges are available in white, stainless steel and platinum.

There is no charge for the installation of hygiene units and these are fully maintained during the contract period.

Daily Cleaning Services

Cleaning services are not your core business.

The benefit of an integrated service solution allows you to select Sanitech as the sole provider of key outsourced solutions on your site.

This allows us to manage and render the best possible comprehensive multiple service solutions for your site, from your site.

It allows your company the benefit of control over the usage of service providers, thus enhancing management control and standardizing costs thereby ensuring financial control.

Deep Clean Services

Sanitech's heavy duty cleaning teams utilise specialised chemicals that focus directly on removing built up body fats, grease and grime. Cross contamination and spreading of bacteria is controlled through the application of HACCP compliant, colour coded cleaning principles.

Sanitech's staff are fully trained staff to comply with our nationally standardised training programme.

Specialised Cleaning

Sanitech Specialised Cleaning is a contractual and project based service that addresses the highly technical cleaning requirements of businesses such as high rise cleaning, stripping and sealing of flooring and carpet cleaning extraction and drying.

As a leader in innovation, Sanitech makes use of the latest technological advancements where possible and utilises equipment at the forefront of the industry. This includes the use of diamond twister pads, water-fed pole technology and eco-friendly carpet cleaning chemicals.

Visit www.sanitech.co.za or 086 110 8642 for a branch nearest you Branches Nationwide

We are WACO International

Sanitech
Integrated Hygiene & Sanitation Solutions

HEALTH AND SAFETY

Experience a Complete Solution...With a Difference!

Sanitech was founded in the early 1980's as the first portable toilet hire company in South Africa to supply sanitation facilities to areas in which no sanitation infrastructure existed. In 2007, Sanitech was acquired by Waco International - the group provides services in the areas of formwork, shoring and scaffolding, insulation, painting and blasting, hydraulics and suspended access platforms, relocatable modular buildings, portable sanitation products and integrated hygiene services. In South Africa the group companies are Form-SCAFF, SGB-Cape, SkyJacks and Abacus.

SANITECH HAS TWO INDEPENDENT AND HIGHLY SUCCESSFUL DIVISIONS: SANITECH SANITATION SOLUTIONS AND SANITECH HYGIENE SOLUTIONS.

Sanitation Solutions

With over 20 000 "ready to hire" units available through 20 national branches, Sanitech meets the nationwide requirements of companies. Sanitech has the largest national rental fleet with the widest variety of units to suit your needs. Sanitech toilet hire operates in four main sectors: Construction / Industrial, Special Events, Informal and Mining.

Hygiene Solutions

Sanitech offers the following:

- A total Integrated Hygiene solution by hiring, servicing and maintaining all washroom equipment involving the washing and drying of hands, sanitisers, bins and fragrances.
- Deep Clean - involves chemically intensive cleaning of toilets, urinals, basins and showers.
- Daily Cleaning - all necessary equipment and materials are provided for the successful execution of services (Vacuums, cleaning equipment, cleaning materials, chemicals and consumables).
- Pest Control - effectively minimise or remove a wide range of undesirable insects and pests on a regular basis.

Comprehensive Health and Safety Programme

Sanitech's world-class SHEQ Integrated management system is driven by Waco International Corporate Standards and helps to meet health and safety responsibilities by protecting their most valuable resources - employees, customers, suppliers, communities and the environment that sustains us all.

- Internal health and safety department to assist with specific on-site requirements
- Members of the NCCA
- Sanitech is BS OHSAS 18001:2007 accredited (moving towards ISO 45000)
- Complies with the Mine Health and Safety Act
- Department of Mineral Resources Approved
- Sanitech is ISO 14001:2015 accredited
- Sanitech is a member of the Institute of Waste Management
- Sanitech is currently in the process of obtaining their ISO 9001: 2015 Accreditation scheduled for the 31st October 2019

A Responsible and Green Approach

Sanitech Toilet Hire and hygiene products are sourced from local and international suppliers and are all environmentally friendly.

The Company is committed to a responsible outlook for the environment. All units are replenished using a Bio Enzyme agent that refreshes the unit and effectively breaks down all waste which effectivley assist Waste Water Treament Plants without causing any harm to our planet.

Sanitech also offer an innovative range of products including wheelchair accessible units.

Capability and Capacity

Sanitech Toilet Hire supplies, services and manages the rental provision of portable toilets, mobile ablution units and conservancy tank pumping and operates a fleet of more than 25 000 rental units and 200 vehicles.

This enables them to supply and service locations throughout the country, speedily and efficiently. Sanitech Hygiene offers a comprehensive range of integrated hygiene solutions including a full range of products, maintenance and cleaning services.

In addition to the mining industry, Sanitech also supplies clients in the construction and industrial, events, government and informal market sectors.

We are Waco International

Sanitech is part of Waco International, a focused equipment rental and industrial services business with operations in Africa (South Africa and other sub-Saharan African countries), Australasia (Australia and New Zealand) and the United Kingdom.

The Group provides services in the areas of formwork, shoring and scaffolding, insulation, painting and blasting, hydraulics and suspended access platforms, relocatable modular buildings, portable sanitation products and integrated hygiene services.

Legal Compliance & Other Requirements

- Waste disposal certificates available on request
- Registered waste transporter (Where applicable)
- Sanitary waste transport and temporary storage permit
- Dumping permits
- Scheduled trade and trade effluent permit
- Sapca certificates available on request
- Registered with the Department of Agriculture and Forestry (PCO certificate available on request)
- Waste Manifest available

Visit www.sanitech.co.za or 086 110 8642
for a branch nearest you Branches Nationwide

We are WACO

Pest Control

Flying Insect Light Traps

Sanitech provides effective and efficient flying insect control for commercial premises. Fly trap units provide faster insect elimination by means of their unique translucent technology. Discreet fly control with large catchment area. Optimum performance and hard-wearing reliability for commercial fly catch applications.

Insect Control

Minimising or removing a wide range of undesirable insects and pests on a regular basis is necessary at any work place. Sanitech offer a combination of treatments in order to effectively get rid of infestations. Treatments include fumigation, misting, gelling, dusting or spraying. Monthly servicing includes surface spray repellents, insect light traps and insecticidal aerosol dispensers.

Rodent Control

Removing mice and other types of pests from areas such as offices, garbage areas and canteens will reduce structural damage to the work place. Sanitech also maintains, and regularly service, tamper proof rodent bait boxes around the perimeter of your property.

Visit www.sanitech.co.za or 086 110 8642
for a branch nearest you Branches Nationwide

We are WACO

Washroom Hygiene Treatment

Sanitech's heavy duty cleaning teams utilise specialised chemicals that focus directly on removing built up body fats, grease and grime. Cross contamination and spreading of bacteria is controlled through the application of HACCP compliant, colour coded cleaning principles.

Sanitech's staff are fully trained staff to comply with our nationally standardised training programme.

Scheduled Heavy Duty Cleaning.

Scheduled heavy duty cleaning which utilises specialised chemicals that focus directly on removing built up body fats, grease and grime.

HACCP Compliant.

HACCP compliant, colour coded cleaning principles are applied to reduce cross contamination and spreading of bacteria.

Fully Trained Staff.

Nationally standardised training programme to ensure that the Sanitech Washroom Hygiene Treatment is comprehensive and of the highest standard at every nationwide branch.

Specialised Cleaning

Sanitech Specialised Cleaning is a contractual and project based service that addresses the highly technical cleaning requirements of businesses such as high rise cleaning, stripping and sealing of flooring and carpet cleaning extraction and drying.

As a leader in innovation, Sanitech makes use of the latest technological advancements where possible and utilises equipment at the forefront of the industry. This includes the use of diamond twister pads, water-fed pole technology and eco-friendly carpet cleaning chemicals.

Refills

- *Antibacterial Hand Wash*
- *Hand And Body Shampoo*
- *Liquid Hand Wash*
- *Foam Hand Wash*
- *Hand Lotion*
- *Alcohol Plus Hand Sanitiser*
- *Alcohol Free Hand Sanitiser*

Sanitech

Integrated Hygiene & Sanitation Solutions

INTEGRATED FACILITIES SOLUTIONS

Experience a Complete Solution...With a Difference!

Site Managed Solutions

- *On Site Management / Supervision*
- *Single Point of Contact*
- *Appointed on Site Based Requirements*
- *Manage Entire Solution Portfolio on a Day to Day Basis*

Multiple Service Offering

- *Washroom Hygiene Services*
- *Daily Cleaning Services*
- *Pest Control Programme*
- *Washroom Hygiene Treatment*
- *Specialised Cleaning*
- *Portable Sanitation Solutions*

Single Service Provider

- *Financial Management Control*
- *Sandardising Costs*
- *Single Billing System*

Allow US to manage YOUR service solutions

The benefit of an integrated service solution allows you to select Sanitech as the sole provider of key outsourced solutions on your site.

This allows us to manage and render the best possible comprehensive multiple service solutions for your site, from your site, and allows your company the benefit of control over the usage of service providers, thus enhancing management control and standardising costs thereby ensuring financial control.

It also facilitates a single billing system which effectively incorporates all services onto one statement of account. The reduced contractors passing through your site by having the existing staff on site conduct your soft services reduces security risks and ensures servicing is completed and signed off by on-site management.

- *Daily Cleaning Services*
- *Hygiene Washroom Solutions*
- *Pest Control*
- *Washroom Hygiene Treatment*

Daily Cleaning Services

Cleaning services are not your core business.

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The reduced contractors passing through your site by having the existing staff on site conduct your soft services reduces security risks and ensures servicing is completed and signed off by on-site management.

Daily Cleaning Services

Recruitment

All Sanitech employees are subject to an entrance medical and fingerprint criminal background check prior to recruitment. Preference is given to people from the local surrounding areas to ensure attendance optimisation and community upliftment. All staff are required to be literate and competent in verbal and written communication.

Management and Supervision

Staff will be managed and supervised on a continual basis through on-site supervision/ management. Area Manager/ Key account manager will visit on a weekly basis.

Training

All staff appointed undergoes in-house company policies and procedure overview training, on-site safety requirements and inductions, best cleaning practises and HACCP cleaning principals. Equipment and chemical product training is provided by our approved suppliers in each region focusing on correct SOP's and SWI's for each product and service offered.

Uniforms

The work will be carried out by experienced personnel, clothed in clean and distinctive overalls whilst carrying out their duties. All required Personal Protective Equipment (PPE) has been made provision for and will be provided to each staff member based on the site requirements and responsibilities of the Sanitech Personnel on site.

Equipment and Materials

Sanitech understands that as a company we have responsibilities for the environmental, social and economic impact of its activities and services and has always employed common sense solutions to such issues.

Sanitech takes pride in dealing with its approved suppliers of industrial cleaning equipment and chemicals that manufacture reliable, robust and innovative products whilst adhering to ISO 9001 and 14001 compliances. We look for suppliers to that match our aim to offer the highest standard of quality and service whilst providing good value for money.

All equipment will be colour coded and allocated to designated

Hygiene Washroom Solutions

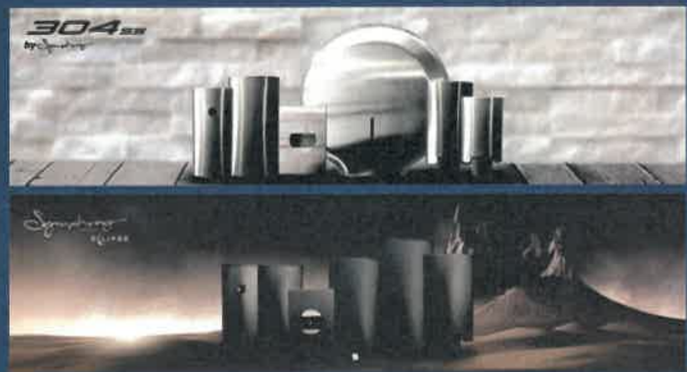
All our ranges offer: Soap dispensers, hand and seat sanitizers, auto sanitizers, air fresheners, sanitary bins, sanitary bag dispensers, paper towel dispensers, air dryers, toilet roll holders, wall bins/ condom dispensers.

The Harmony Range

The range is made from ABS plastic and is offered in white (Summit), satin (Saturn) and the new Harmony dark range - Eclipse and Luna.

The Symphony Range

The Symphony range is made from stainless steel (304 ss) and is also available in matt black (Eclipse).



Sanitech

Company Profile

2021

We are WACO

Organisational Structure

We are Waco International

Sanitech is part of Waco International, a focused equipment rental and industrial services business with operations in Africa (South Africa and other sub- Saharan Africa), Australia and New Zealand), the United Kingdom and Chile.

The Group provides services in the areas of formwork, shoring and scaffolding, insulation, painting and blasting, hydraulics and suspended access platforms, relocatable modular buildings, portable sanitation products and integrated hygiene services.

Sanitech

We are WACO international

About Us

- Founded in the early 1980's as the first portable toilet hire company in South Africa to supply sanitation facilities to areas in which no sanitation infrastructure existed

- Sanitech Hygiene was established in 1996 and is a leading service provider of professional washroom hygiene services.

- In 2007 Sanitech was purchased by Waco International- is a focused equipment rental and industrial services businesses with operations in Africa(South Africa & other Sub-Saharan Africa), Australasia(Australia & New Zealand), the United Kingdom and Chile.

Sanitech

We are WACO International

About Us Continued…

- Sanitech has over 28 operational branches country wide, with the newly opened branch in Kitwe, Zambia as the first branch operational in Africa.
- Operates a fleet of more than 25 000 rental units and over 200 vehicles
- Over 2 000 staff members with 40 years experience
- Comprehensive Health & Safety programme
- Part of a larger group with access to resources

Sanitech

We are WACO

Sanitech

Accreditation

We are WACO

Health & Safety

- National SHEQ manager who ensures that all Health & Safety Policies and Practices are adhered to.
- We are DQS (ISO 45001 : 2018) compliant
- We are DQS (ISO 14001) compliant
- We are DQS (ISO 9001) compliant
- We were recently assessed by SASOL and achieved a 82% safety rating, enabling us to conduct work on the petrochemical plants, which is a testament to our commitment to health and safety
- Waste disposal certificates, MSDS chemical sheets and copies of Standard Operating procedures on request

Health & Safety Continued

SANITECH aims to:

- Maintain the highest standards in the Heath and Safety Environment.
- Prevention and Identification of hazards.
- Ensure that health and safety at the workplace is part of our core business values
- We routinely set and review achievements of specific objectives and targets
- Comply with standards of independently verified management systems

Sanitech

We are WACO International

Hazardous Waste

- The management of hazardous waste remains one of the central environmental issues throughout the world
- To this end, *the minimum requirements for the Handling, Classification and Disposal of Hazardous waste* sets out a systematic framework for identifying a Hazardous waste and classifying it in accordance with the degree of risk it imposes.
- In May 2015, Sanitech received Certification for the transport of Hazardous waste with the Gauteng Department of Agriculture and Rural Development

Black Economic Empowerment

- WACO Africa has achieved a rating of level 2

- Supplier Recognition of 125%

- Black Ownership of 51,56%
- Black Voting Rights of 54%
- Black Woman Ownership of 20.32%
- Black Designated Groups Ownership 16.67%

Sanitech

We are WACO International

Social Responsibility Initiatives

- We have 10 franchisees in various parts of South Africa that form part of our upliftment programme for Black entrepreneurs.

- Our procurement policy supports B-BBEE compliant suppliers and focuses on enterprise and supplier development.

- We support SME's (Small Medium Enterprises) and EME's (Exempt Micro Enterprises)

Sanitech

Water/Portable Treatment Plant

We are WACO

Future of Sanitech

- Sanitech supplies rapidly deployable, and re deployable wastewater treatment solutions.
- These package plant solutions are modular and readily scalable with treatment capacities ranging from $50m^3$ to $300m^3$ per day.
- Sanitech's package plants, which are offered on a rental basis, offer the following advantages:
    - Low noise levels
    - Negligible odour generation
    - Maintenance free(self cleaning automated process)
    - Low operating cost and energy consumption
    - Smaller footprint requirements
    - No corrosion due to composite design

Sanitech

We are WACO International

Sanitech

Sanitation Solutions

We are WACO

Sanitech

Sanitech has two independent and highly successful divisions, namely Sanitation Solutions and Hygiene Solutions.

Sanitation Solutions

- Sanitech was founded in the early 1980s as the first portable toilet hire company in South Africa to supply sanitation facilities to areas in which no sanitation infrastructure existed.
- In 2007, Sanitech was purchased by WACO International.
- Sanitech Sanitation Solutions operates in four main sectors mainly: Construction- Special projects; Special Events; Informal-Government and Mining.

Sanitech

We are WACO International

Sanitech

Hygiene Solutions

- Sanitech Hygiene offers a total integrated hygiene solution by hiring, servicing and maintaining all washroom equipment involving the washing and drying of hands, sanitizers, bins and fragrances.

- We also offer a deep-clean service which involves chemically intensive cleaning of toilets, urinals, basins and showers.

- Daily Cleaning where all necessary equipment and materials are provided for the successful execution of services, including vacuums and cleaning equipment, cleaning materials, chemicals and consumables.

- Pest control to effectively minimize or remove a wide range of undesirable insects and pest on a regular basis..

- We maintain that shared toilet facilities must be completely hygienic, should look good and smell clean

Sanitech

We are WACO International

Sanitech Fleet

- Sanitech Sanitation Solutions supplies, services and manages the rental provision of portable toilets, mobile ablution units and conservancy tank pumping and operates a fleet of more than 25 000 rental units and 200 vehicles.
- This enables them to supply and service locations throughout the country, speedily and efficiently.

Sanitech

We are WACO International

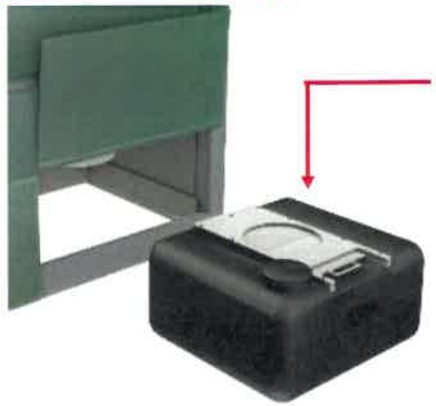
NIC- New Informal Concept

Unique Ventilation system

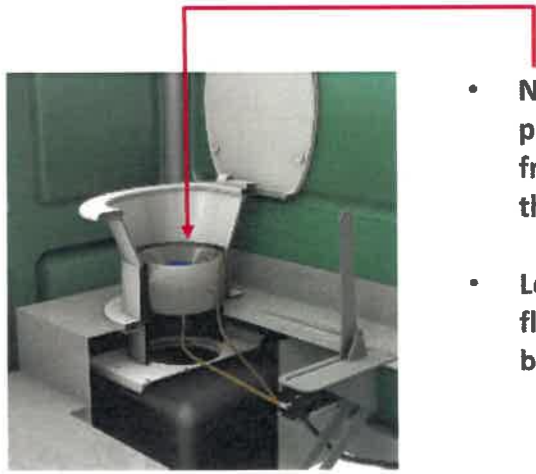
Self Contained Water Supply
20L for 250 flushes

Fitted with toilet roll holder
and hook for PPE

Unique Ventilation system



Removable canister for easy access & servicing with minimised opportunity for spillage



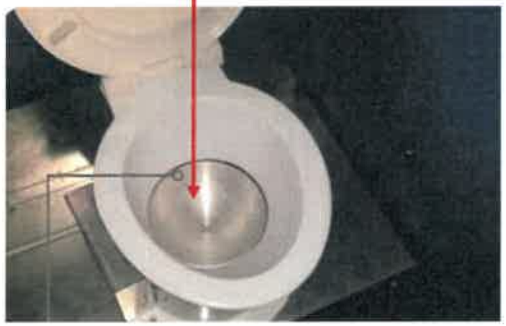
- Nano technology prevents debris from sticking to the bowl
- Lever operated to flush and rinse bowl

Sanitech

We are WACO International

SCT- Steam Clean Toilet

- Steam cleans at 130°C within sealed compartment which is not harmful to people or the environment
- Internal energy saving globe
- Fitted with toilet roll holder and hook for PPE
- Cleans with steam and saves water
- Lockable door



- Rotating bowl covers opening to prevent disposal of foreign objects
- Steam cleaning aids in killing of bacteria, reducing illness caused by germs

- Concealed canister holds 85L of waste
- Canisters are stackable for easy transport

Sanitech

We are WACO

Rotating Bowl

STEP 1

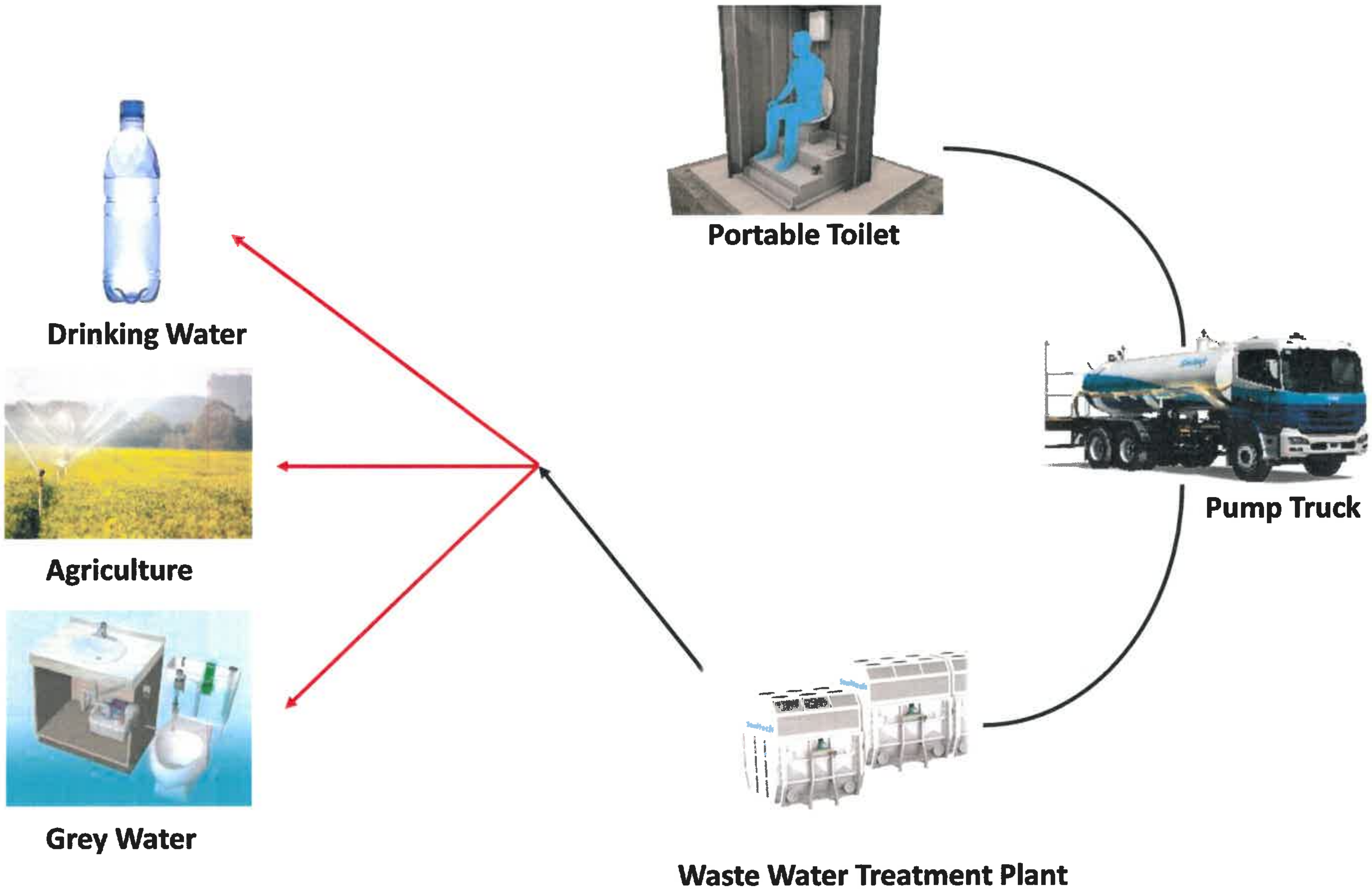
STEP 2

STEP 3

STEP 4

Sanitech

We are WACO International



Portable Toilet
Pump Truck
Waste Water Treatment Plant
Drinking Water
Agriculture
Grey Water

Jet Vac

Sanitech

We are WACO International

Sanitech

Integrated Hygiene

We are WACO

Sanitech

WHITE / PLATNIUM HYGIENE RANGE


SENSOR PAPER CABINET


WALL BIN


PEDAL SHE BIN


TOP UP SOAP DISPENSER


SHE PACKET DISPENSER


AUTOSANITISER


AIRFRESHENER


TOILET ROLL HOLDER

Daily Cleaning

- Sanitech provides all the necessary equipment, materials and well trained staff for the successful execution of services.
- Sanitech maintains a string commitment to the environment, while combining powerful hygiene formulas with cost-effective solutions

Sanitech

We are WACO International

Deep Cleaning

- Scheduled heavy duty cleaning which utilises specialised chemicals that focus directly on removing built up body fats, grease and grime
- HACCP compliant

Sanitech

We are WACO International

Pest Control

- Insect/Rodent control- minimising or removing a wide range of undesirable insects and pets on a regular basis with various treatments including fumigation, misting, gelling, dusting or spraying.

Sanitech

We are WACO International

Innovations and New Products

- We constantly search for the best available products
- We purchase our products from both local and International suppliers.
- We have recently and will continue to invest heavily on upgrading our available options and fleet, the recent acquisition of an additional 60 state of the art mobile trailers and upgrade of the special event fleet with imported units from the US are example of this.
- We use various suppliers for hygiene/ cleaning materials and to also obtain a more cost effective competitive price.
- Our products are Eco-friendly and are aligned in terms of the Green Initiative.
- We do not manufacture any products- all products are sourced from local as well as International suppliers.

Our Supply Chain

Our high quality special events units are imported directly from the United States, while our construction and trailer units are locally sourced from the leading suppliers in South Africa.

Product Quality

- Sanitech is committed to a responsible outlook for the environment, thus all units are replenished using a Bio enzyme agent that refreshes the unit and effectively breaks down all waste without causing any harm to our planet.
- Our integrated solutions are effective and efficient as all products are practical to use and maintain.
- Our sanitisers help prevent and reduce scale and stains on surfaces and eliminates bad odours.
- Our portable toilets are manufactured from either fibreglass or rotomoulded plastic and our new toilets include a rotating bowl feature made with Nano technology which prevents debris from sticking to the bowl.

Our Customers

Our list of satisfied customers include leading companies from a wide range of diverse fields.

Sanitation Solution Sample Clients:

- ❑ Northam Platinum Booyensdal
- ❑ Dilokong Chrome Mine
- ❑ Royal Bafokeng
- ❑ Mapoch's Mine
- ❑ Glencore Lion Smelter
- ❑ Tubatse Smelter
- ❑ Samancor Doornbosch Mine
- ❑ Anglo Ashanti Gold
- ❑ Mototolo Mine

Hygiene Solution Sample Clients:

>Freightmax Building

>Imperial Bank

>RTT

>Department of Education Polokwane

>The Cold Chain

>Tanker Services

>SANBS

>Afrox

>Johannesburg City Parks

Sanitech

We are WACO International

National Footprint

Sanitech has a national presence of 28 branches and sub- branches covering all major areas in the country.

Our ability to set up new infrastructure at a short notice adds to our ability to deliver a quality service to our clients.

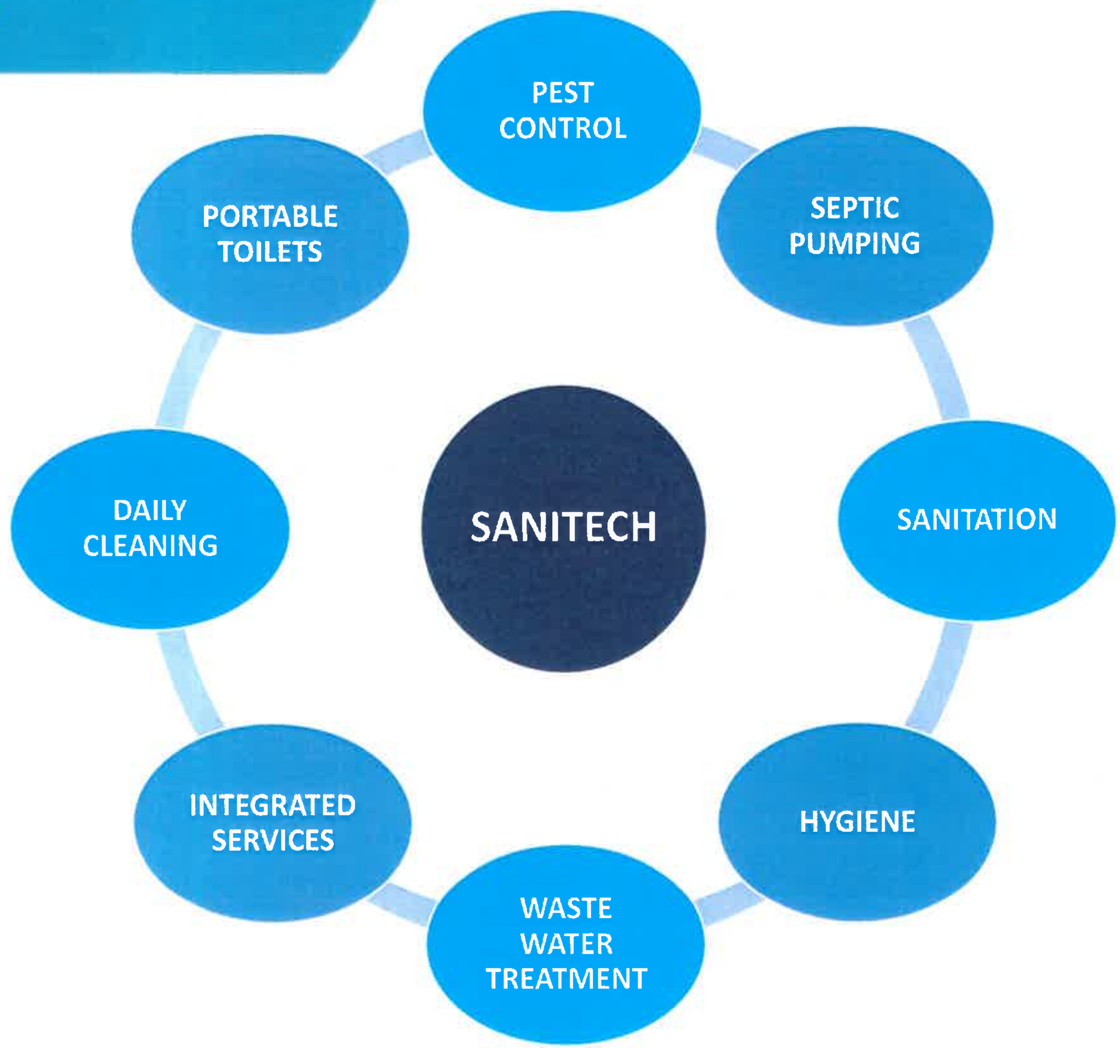
Depots:

- Ballito
- Bloemfontein, North and North West Cape
- Botswana - Gaborone
- Cape Town
- Durban
- Gauteng
- George/Southern Cape
- Glencoe
- Head Office
- Kathu, Kimberley, De Aar
- Lephalale
- Margate
- Namibia – Windhoek, Swakopmund, Walvisbaai & Tsumeb
- Nelspruit
- Newcastle
- Pietermaritzburg
- Polokwane
- Port Elizabeth
- Potchefstroom
- Richards Bay
- Rustenburg
- Secunda
- Steelpoort
- Swaziland
- Swaziland - Manzini
- Witbank (Kendal)
- Zambia – Kitwe & Lusaka
- Zambia - Lusaka

Sanitech

We are WACO

Full Spectrum

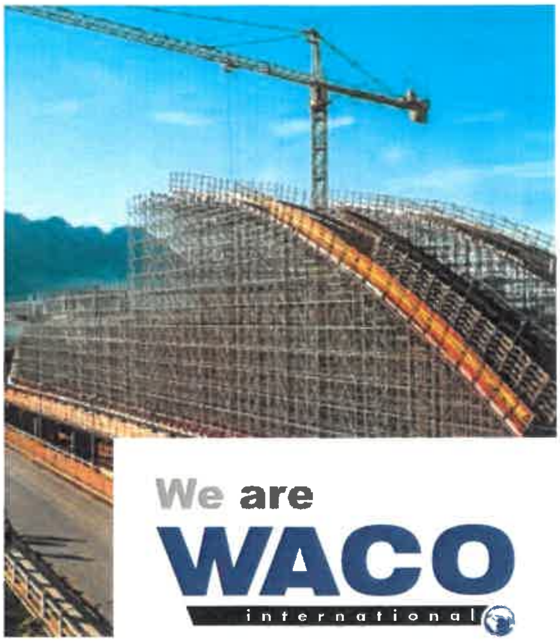


Sanitech

We are WACO International

Contact Us

BRANCH	CONTACT DETAILS
Gauteng Regional Office	011 823 6060
Coastal Regional Office	021 386 4634
KZN Regional Office	031 482 2100
National Telephone Number	086 110 8642
Website Address	www.sanitech.co.za



2020 | WACO INTERNATIONAL HOLDINGS PROPRIETARY LIMITED

Company Overview

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Waco International[1] is a leading equipment rental and industrial services business with operations in Africa, Australasia and the United Kingdom

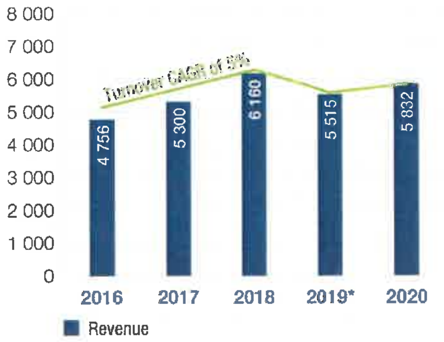
MARKET LEADERSHIP

Waco International is an established leader in forming, shoring and scaffolding, portable sanitation and suspended access in South Africa. The Group is a leader in access scaffolding in Australasia. It has the second-largest relocatable and modular building hire fleet in South Africa. Leading UK designer, manufacturer and installer of temporary and permanent modular buildings. It is the largest supplier of portable sanitation solutions in South Africa and has a small, but growing share of South Africa's integrated hygiene services and elevated work platforms markets. The board and senior management view the size and quality of the Group's hire fleet and scale of its branch network as competitive advantages.

1 Waco International referred to as 'Waco International', 'Waco' or 'the Group'.

TRACK RECORD OF GROWTH continued

Solid revenue growth (R million)

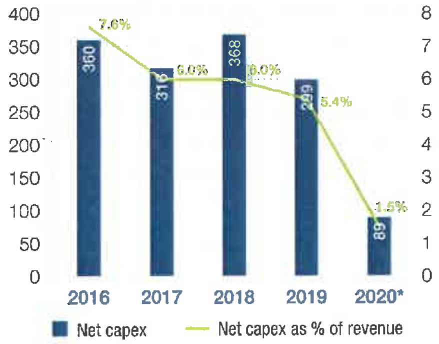


* Impacted by a weak South African construction sector and a significant downturn in the high rise residential market in Australia.

Revenue of
R5.8 billion
generated in 2020 with a

5% compound annual growth rate (CAGR) in revenue

Substantial investment in business (R million)

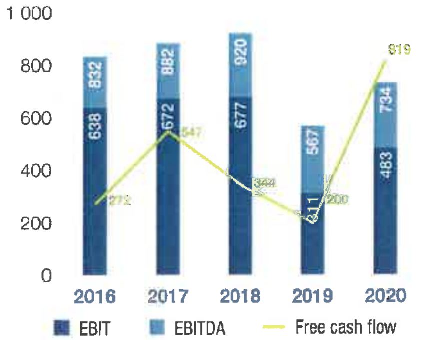


* Halted capex as a result of Covid-19, to protect liquidity.

Net fleet investment **R1.7 billion** (2016 to 2020)[1]

R550 million spent on bolt-on acquisitions (2016 to 2020)[1] which is not included in net capital expenditure (capex)

Liquidity and cash flow (R million)



Refer to page 14 for more cash and liquidity considerations in response to the
impacts of the COVID-19 pandemic
on financial resilience.

[1] 2016 to 2020 indicates five years' performance data for the period 1 July 2015 – 30 June 2020.

A TRACK RECORD OF SAFETY AND TRANSFORMATION

Skyjacks: Suspended access site crew working at Kusile Power Station, South Africa.

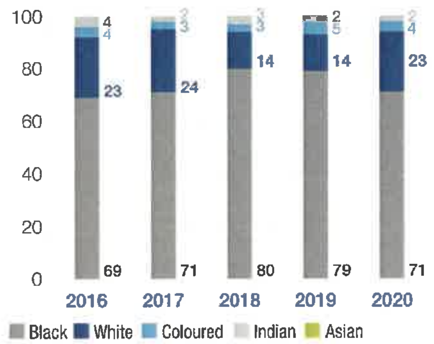
- **52%** black ownership
- **20%** black female ownership
- **Level 2** broad-based black economic empowerment (B-BBEE) contributor status

TRACK RECORD OF SAFETY AND TRANSFORMATION continued

Sanitech: Decontamination team, Curro School, South Africa.

SGB Cape: Vulindlela Project where the QuikDeck team complete the QuikDeck Suspended Access System.

Workforce (%)



The gender split of our workforce is **74%** male and **26%** female

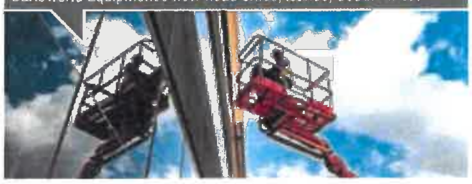
The average growth in total employees is **2%** (2016 to 2020)

Consistent performance achieved in safety

* Based on 200 000 hours.

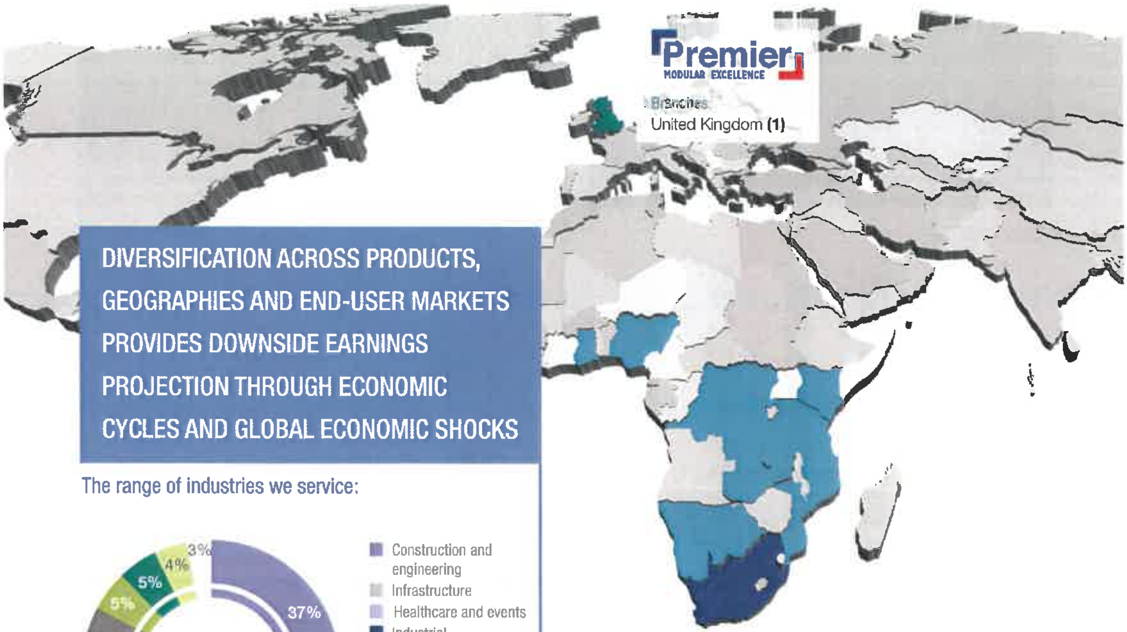
Better than target **safety performance** of **0,5**

SkyJacks: Working safely at heights during construction of Barloworld Equipment's new head office, Isando, South Africa.



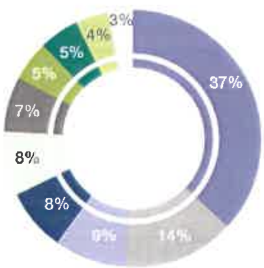
SGB Cape: QuikDeck platform being assembled in the air by a specially trained Waco employee.

GEOGRAPHIC FOOTPRINT

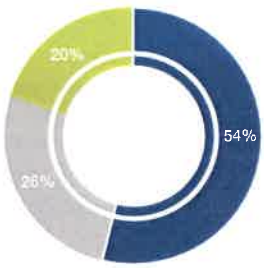


DIVERSIFICATION ACROSS PRODUCTS, GEOGRAPHIES AND END-USER MARKETS PROVIDES DOWNSIDE EARNINGS PROJECTION THROUGH ECONOMIC CYCLES AND GLOBAL ECONOMIC SHOCKS

The range of industries we service:



Our contracts and services revenues are diverse



Doka is one of the most technologically advanced formwork companies in the world and will add enormous value to Form-Scaff

abacus SPACE SOLUTIONS (12)

Branches:
South Africa **(7)**
Namibia **(1)**
Zambia **(1)**
Botswana **(1)**
eSwatini **(1)**
Mozambique **(1)**

form-scaff (30)

Branches:
South Africa **(18)***
Ghana **(1)**
Kenya **(1)**
Lesotho **(1)**
Mauritius **(1)**
Mozambique **(2)***
Namibia **(1)**
Nigeria **(1)***
eSwatini **(1)**
Tanzania **(1)**
Zambia **(2)**

Sanitech (35)

Branches:
South Africa **(30)**
Namibia **(4)**
Zambia **(1)**

SGB CAPE (13)

Branches:
South Africa **(9)**
Ghana **(1)**
Mozambique **(1)**
Namibia **(1)**
Zambia **(1)**

SkyJacks (3)

Branches:
South Africa **(3)**

* Acquired Doka SA (Pty) Ltd and its subsidiaries Nigeria and Mozambique in 2019.

WACO INTERNATIONAL'S EXTENSIVE FOOTPRINT AND LARGE-SCALE FLEET ENABLES CROSS-SELLING AND COST-SHARING OPPORTUNITIES ACROSS ITS OPERATIONS

WACO
Branches:
Australia **(12)**

HIRE WEST
Branches:
Australia **(1)***

Star
Branches:
Australia **(7)**

WACO
Branches:
New Zealand **(2)**

UNITED SCAFFOLDING GROUP
Branches:
New Zealand **(5)**

* Sold during the financial year.

>15 300
CUSTOMERS

>42 500 TONS
OF FORMWORK

>790
VEHICLES

>25 000
RENTAL TOILETS

>65 000
HIRE EQUIPMENT FOR RENTAL – DISPENSERS

APPROXIMATELY
100 000 TONS
OF SCAFFOLDING

>6 100
RELOCATABLE MODULAR BUILDINGS

7 500
EMPLOYEES

120
BRANCHES

LEVEL 2
B-BBEE

ISO ACCREDITATIONS
OHSAS 18001:2007, AS/NZS 4801:2001, ISO 14001:2015 AND ISO 9001:2015

CORE ACTIVITIES

The scale, diversity and quality of Waco International's equipment hire fleet and footprint provide a strong competitive advantage.

Formwork, shoring, scaffolding, and related services

- Rental, sales, products and services related to formwork
- Shoring and scaffolding
- Rentals and sales of suspended access systems and aerial work platforms
- Technical support services
- Insulation, cladding, painting, corossion protection and blasting
- Access to European technology – Doka

Market differentiators

- Well-established brands
- Size and quality of hire fleet
- Geographic footprint
- Industry experience and expertise, particularly on large, bespoke projects
- Strong Health and Safety record.

form-scaff Africa

SCB CAPE Africa

SkyJacks Africa

WACO New Zealand

UNITED SCAFFOLDING GROUP New Zealand

HIRE WEST Australia

Australia

WACO Australia

Form-Scaff: Mall of Africa, Midrand

abacus SPACE SOLUTIONS Africa	Sanitech Africa	SkyJacks Africa
1995	1982	1978
2006	2007	2015
• Hire and sale of modular building solutions • Provision of living, working and learning spaces, including ablution facilities and communal buildings, ranging from site offices to three-storey office complexes to attractive, safe and high-quality surrounds for learners • Turnkey hospitality camp solutions (contractor accommodation)	• Hire of portable chemical toilets • Regular servicing of portable toilets and septic tank pumping • Integrated hygiene services, including rental and servicing of sanitisers, wipes, toilet paper dispensers, sanitary bins, hand washing and drying components, and contract cleaning and pest control • Portable wastewater treatment plants • Specialised decontamination and sanitisation solutions	• Specialist supplier of powered access systems including suspended and aerial work platforms • Design, installation, maintenance and after-sales services to the power generation, construction, mining, building and industrial maintenance sectors
1st in modular and cabin rentals	**1st** in portable sanitation	**1st** in suspended access
2.35%	11.71%	1.66%
137	683	97
104	2 805	127

Divisions	WACO KWIKFORM GROUP	
	WACO New Zealand	UNITED SCAFFOLDING GROUP New Zealand
Established	1999	1972
Acquired	2005	2012
What we do	• All-in-one access scaffolding service provider and hire of forming, shoring and scaffolding and associated services to a wide range of industries • Design, technical advice and support	• All-in-one access scaffolding service provider and hire of forming, shoring and scaffolding and associated services to a wide range of industries • Design, technical advice and support
Market leader[1]	1st in respective markets	1st in respective markets
Group revenue contribution	4.37%	
Revenue (R million)	255	
Employees	171	

[1] In management's view

		PREMIER MODULAR
WACO Australia	Star Australia	Premier MODULAR EXCELLENCE UK
1987	1990	1956
–	2018	1989
• All-in-one access scaffolding service provider • Hire of scaffolding and associated services to a wide range of industries • Rope access • Industrial labour • Design, technical advice and support	• Operates predominantly in the low-density residential construction market and supplies aluminium mobile and access scaffolding, roof and void protection, and related services	• Hire and sale of relocatable modular buildings • Manufacturing, design and technical support • Focused on research and development into product innovation
1st in respective markets	Growing market share	Growing niche market
21.64%		22%
1 262		1 283
441		243

STRATEGY

Delivering sustainable growth while de-risking the Group's profile through focused diversification in equipment rental and industrial services across geographies.

We will deliver sustainable growth through:

- Focused diversification in equipment rental and industrial services across geographies
- Increasing annuity and long-term contractual revenue
- Scaling up our smaller businesses organically or via acquisitions
- Capitalising on construction opportunities while growing the non-construction businesses to be the greater contributors to Group profit
- Transforming construction businesses into cost leaders
- Strengthening the differentiation strategy of our businesses
- Diversifying to offer a natural hedge against currency volatility
- Maximising the use of Group resources and leveraging our asset base
- Driving technological progress through innovation

A SOLID INVESTMENT CASE

Waco International's efforts to diversify have made the Group more resistant to external shocks. This was achieved through annuity income, long-term contractual revenue streams and geographical split.

The Group's strategic objective is to build a sustainable and resilient business that:

- has continued growth potential;
- is protected during severe economic collapses;
- has an optimised capital structure.

Strategic objectives are assessed over different time horizons creating short-, medium- and long-term value:

Horizon 1	Horizon 2	Horizon 3
Defend and extend current core business	Build momentum of emerging new business	Create options for future business

DEMONSTRABLE TRACK RECORD OF FINANCIAL PERFORMANCE, EVEN IN ADVERSE MARKET CONDITIONS

ESTABLISHED PRESENCE IN CURRENT AND FUTURE GROWTH MARKETS

SCALE AND GEOGRAPHICAL REACH

MARKET LEADER WITH ESTABLISHED BRANDS AND PROVEN LONGEVITY

DIVERSIFIED BUSINESS MODEL WITH MULTIPLE GROWTH DRIVERS

ESTABLISHED AND EXPERIENCED MANAGEMENT TEAM

PROVEN ABILITY TO COLLABORATE WITH PARTNERS

STRONG CASH POSITION PROVIDING THE ABILITY TO FUND ACQUISITIONS

WACO'S RESPONSE TO THE COVID-19 PANDEMIC:

The pandemic brought many challenges and highlighted the Group's agility and adaptability to change, which allows us to sustain and successfully manage the business.

Cash and liquidity – now

- Group-wide initiatives to reduce spend and protect liquidity
- R110 million capex savings due to aggressive capex management and the sale of underutilised assets (Refer to graph on page 2)
- Introduction of a new decontamination service, growing our humanitarian efforts and Group revenue
- Savings of R250 million, which negated the impact of the R275 million decline in profit
- Access to R1 billion in cash and facilities as at 30 June 2020

Managing expenditure and viability – short-term actions

- Implemented a three-month salary cut across the board, resulting in zero retrenchments due to the pandemic
- Secured government aid, e.g. TERS, ETI and JobKeeper
- Refined, adapted and changed our business strategies
- Reduced costs by restructuring our Form-Scaff and Kwikform businesses as a result of the difficult construction environment which arose before Covid-19 and the lockdown
- Secured property and vehicle lease payment holidays
- Implemented short-term discretionary spend cuts
- Readjusted budgets for the 2021 financial year based on updated scenarios

Protecting key assets and value drivers – medium-term actions

- Changed the way we interact with customers and do business
- Protected our employees' health, safety and income

RESPONSIBLE CORPORATE CITIZENSHIP

How Group entities work together towards corporate citizenship and sustainable development goals.

WACO INTERNATIONAL

Environmental action

Environmental management is governed by a Group environmental policy and annual environmental plans developed by each business. An environmental peer group comprising operational executives responsible for safety, health and environment (SHE) ensures that the operators' SHE management plans are compatible with the Group policy and best practice is shared across the Group.

15 LIFE ON LAND

Health and safety

Waco International aims to achieve zero harm in the work environments under its control and supervision. The Group instils a values-based, common sense approach to safety to achieve its goal of zero harm.

LTIFR: **0.42**

Waco's LTIFR target of 0.5 is lower than internationally accepted norms

3 GOOD HEALTH AND WELL-BEING

WACO INTERNATIONAL continued

Human resources

Waco International's ability to attract, retain and develop human capital throughout the Group supports the achievement of its strategic goals. The employee value proposition combines transparency and engagement, fair remuneration, training and development. Management owns 11.94% of the Group's ordinary shares, which ensures their continued alignment with the strategy.

Waco's training and development initiatives are aimed at all employees. To date, we have enrolled:

111 cadets[1]
247 managers[2]
150 managers[3]
2 500 WACO employees enrolled in the Employee Wellness Programme

Transformation

Transformation is a strategic imperative for Waco International.

Black ownership to date: **52% and BEE level 2**

Environment

Waco International accepts its responsibility to protect environmental resources and endeavours to minimise its impact with monitoring, incident reporting and continuous operational efficiency improvement. The Group recognises that it can reduce costs by lowering its consumption of fuel, power and raw materials.

Major incidents: **0**

[1] Waco Africa Cadet Scheme
[2] Business Leaders Development Programme
[3] Executive Development Programme

WACO INTERNATIONAL continued

Innovation

Innovation is integral to Waco International's culture and intellectual capital and supports the achievement of the Group's growth objectives.

Innovation register examined by peers

Corporate social investment

The Group revised its approach to corporate social investment (CSI) to ensure long-term sustained interventions rather than "handouts". CSIs are allocated to projects that support communities in need, employ workers from communities near the Group's operations and participate in the upliftment of local communities.

The Waco International Charitable Foundation, established in 2007 with a donation from management, aims to provide the children of permanent full-time employees with tertiary education bursaries. More than 100 students have benefited since the foundation's inception.

Bursaries to the value of R5.8 million

Lethabo community engagement at Bekezala Primary School

WACO AFRICA

Transformation action

Waco Africa achieved a level 2 B-BBEE rating effective until November 2020. The Waco Africa Cadet Scheme provides high-potential individuals from previously disadvantaged backgrounds with core business skills. The scheme is offered to existing employees who do not have a matric certificate or a National Qualifications Framework (NQF) level 4 qualification. Cadettes are enrolled on a learnership involving practical work and after-hours study towards an NQF level 4 in general management, followed by on-the-job mentorship and exposure to different elements of the business. This is available to internal or external graduate NQF level 4 candidates who receive on-the-job mentorship. 27 new cadettes were placed in the 2019/2020 general management learnership programme. Waco is also sponsoring university students in civil engineering, mechanics and logistics.

37% of our middle senior management are black of which most have come through from our training interventions.

Corporate social investment

Waco Africa provides an Adult Basic Education and Training Programme for employees to improve their basic literacy and numeracy skills.

Abacus: Sontraal Hospital in Paarl

Responsible corporate citizenship action

The Competition Commission has referred a complaint against Waco and six other respondents for adjudication before the Competition Tribunal.

The complaint relates to alleged tender collusion or price fixing in respect of a tender put out by Eskom. Waco transparently submitted a tender on its own as well as in conjunction with three JV partners as requested by the client. The hearing is set to commence in the first quarter of 2021 and witness statements will be exchanged. Waco denies any wrongdoing in the matter.

WACO
Kwikform Acquisition Holdings (Pty) Ltd

WACO KWIKFORM

Environmental action

Waco Kwikform has an ongoing initiative aimed at reducing the use of resources (labour and material) as part of the War on Waste Programme.

Kwikform: Sunshine Coast University Hospital; South East Queensland

Sanitech SANITECH

Environmental action

Over the past few years, Sanitech has developed several resource-efficient solutions for the increasingly water-stressed Southern African region. The steam clean toilet uses steam and a rotating bowl to save water and bypass the need for water infrastructure. The new informal concept (NIC) toilet reduces water usage by up to 100 times less than a conventional domestic toilet. To reduce the costs associated with waste removal, Sanitech developed portable and scalable wastewater and water treatment plants to enable it to treat waste on site.

6 CLEAN WATER AND SANITATION

Sanitech: Innovation in Action – Sanitech's Sentinel

Innovation action

Sanitech, through its hygiene solutions division, developed and launched a range of sanitising and protective solutions to help flatten the curve and stop the spread of the coronavirus pandemic. COVID-19 sanitation services include specialised decontamination and general sanitisation for all spaces – workplaces, schools, hospitals, clinics, supermarkets, malls, airports, homes, etc.

Sanitech's specialised sanitisation products include:

- Sani-Tunnel (see video link below)
- Sanifog (a disinfectant non-toxic aerosol fogger)
- Touch-free sanitiser dispensers
- Sani-screen cubicle
- Desk sneeze guards
- Airguard sanitiser
- Infrared thermometers

Consumable products include:

- Personal use sanitisers and dispensing systems, sterilised wipes and PPE, for example masks and gloves
- PPE disposal kits

All of Sanitech's solutions and products aim to adhere to and support Government rules and lockdown regulations.

Scan the QR Code to read the leaflet

Corporate social investment action

There are an estimated 5 million pit latrines in South Africa. Though Government has stated that plain pit and bucket latrines are unacceptable at schools, over 4 000 schools across the country only have plain pit latrines as toilets, and more than 30 schools in the Eastern Cape have no ablution facilities at all.

Sanitech, in partnership with Jasper Power recently installed 50 Khusela Dry Sanitation Toilets in Ntsatsabane Community in the Northern Cape

abacus
SPACE SOLUTIONS

ABACUS

Innovation action

Abacus released the EzeeSpace testing booth in response to the need for on-site medical testing stations. The pressurised, airborne infectious disease testing station allows two employees to be tested simultaneously while keeping testing personnel safe.

3 GOOD HEALTH AND WELL-BEING

Scan the QR Code to read the leaflet

EzeeSpace Infectious Diseases Testing Booth for Safe- Xero-Exposure Screening.

ADMINISTRATION

WACO INTERNATIONAL

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Email: dharishanp@wacoint.co.za

Company Secretary: Mark Towler
Email: markt@wacoint.co.za

Whistle-blowers' line facility contact details

Call: 0800 20 50 65
Fax: 0865 222 816/031 308 0550
Email: information@whistleblowing.co.za
Post: Information Administrator,
PO Box 51006, Musgrave, 4062

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SkyJacks

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SGB-Cape

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Abacus Space Solutions

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Switchboard: +27 11 397 8150

Web: www.abacusspace.co.za

Premier Modular

Physical address: Catfoss Lane,
Brandesburton,
Driffield
East Yorkshire, United
Kingdom, Y025 8EJ
Switchboard: +44 1964 545 000

Web: www.premiermodular.co.uk

WACO international

Bopa Moruo Fund 1 (Pty) Ltd	Waco Africa Employee Share Benefit Trust

100%	100%	69.9%	25.1%	5%

WACO Pipes UK Holdings Ltd	WACO Kwikform Acquisition Holdings (Pty) Ltd	WACO africa
		52% Black-owned BEE Level 2
Premier MODULAR EXCELLENCE UK	WACO Australia	Companies registered in: Botswana, DRC, South Africa, Kenya, Ghana, Lesotho, Mauritius, Mozambique, Tanzania, Namibia, Nigeria, eSwatini, Zambia
	HIRE WEST Australia	form-scaff Africa
	Star Scaffolds Australia	SGB-CAPE Africa
	WACO APL New Zealand	abacus SPACE SOLUTIONS Africa
	UNITED SCAFFOLDING GROUP New Zealand	Sanitech Africa
		SkyJacks Africa

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