

**Institute of Natural Resources NPC**  
**(Registration number 1996/000355/08)**  
**Financial statements**  
**for the year ended 31 December 2024**

# Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

Financial Statements for the year ended 31 December 2024

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	To work towards the wise use of natural resources in pursuit of sustainability for the good of the environment and society.
<b>Directors</b>	Mr. N.M. Dlamini Prof. T. Mabhaudhi Mrs. B. Murray Mr. C.T.H. James Dr. P. Daya Prof. C.N. Proches
<b>Registered office</b>	67 St. Patricks Road Scottsville Pietermaritzburg 3201
<b>Business address</b>	67 St. Patricks Road Scottsville Pietermaritzburg 3201
<b>Postal address</b>	P.O. Box 100396 Scottsville 3209
<b>Bankers</b>	Nedbank Limited Investec Bank Limited
<b>Auditors</b>	Moore Midlands Chartered Accountants (SA) Registered Auditors
<b>Company registration number</b>	1996/000355/08
<b>Level of assurance</b>	These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
<b>Preparer</b>	The financial statements were independently compiled by: K. Lutchmiah CA(SA)
<b>Issued</b>	02 June 2025

# Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

Financial Statements for the year ended 31 December 2024

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The reports and statements set out below comprise the financial statements presented to the board:

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## Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

Financial Statements for the year ended 31 December 2024

### Directors' Responsibilities and Approval

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The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the IFRS for SMEs Accounting Standard. The external auditor is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the IFRS for SMEs Accounting Standard and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2025 and, in light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

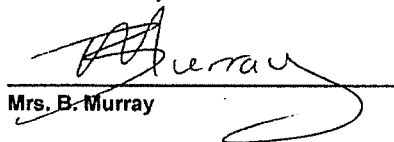
The external auditor is responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor and their report is presented on pages 4 to 6.

The financial statements set out on pages 8 to 21, which have been prepared on the going concern basis, were approved by the board of directors on 02 June 2025 and were signed on their behalf by:



Mr. N.M. Dlamini

Chairperson



Mrs. B. Murray

Financial Director

Pietermaritzburg

## Independent Auditor's Report

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### To the Directors of Institute of Natural Resources NPC

#### Opinion

We have audited the financial statements of Institute of Natural Resources NPC (the company) set out on pages 10 to 21, which comprise the statement of financial position as at 31 December 2024; and the statement of comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Institute of Natural Resources NPC as at 31 December 2024, and its financial performance and cash flows for the year then ended, in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Institute of Natural Resources NPC financial statements for the year ended 31 December 2024", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Independent Auditor's Report**

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### **Responsibilities of the Directors for the Financial Statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Independent Auditor's Report

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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.

Moore

Moore Midlands  
Chartered Accountants (SA)  
Registered Auditors

02/06/2025

DATE

Per: Letisha Subramanien - Director  
Registered Auditor

Pietermaritzburg



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## **Practitioner's Compilation Report**

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**To the directors of Institute of Natural Resources NPC**

I have compiled the financial statements of Institute of Natural Resources NPC, as set out on pages 10 to 21, based on the information you have provided. These financial statements comprise the statement of financial position of Institute of Natural Resources NPC as at 31 December 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

I have applied my expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the IFRS for SMEs Accounting Standard. I have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

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

Since a compilation engagement is not an assurance engagement, I am not required to verify the accuracy or completeness of the information you provided to me to compile these financial statements. Accordingly, I do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the IFRS for SMEs Accounting Standard.

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**K. Lutchmiah**  
Chartered Accountant (SA)

**2 June 2025**  
**Durban**

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Director • K Lutchmiah



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OF CHARTERED ACCOUNTANTS

# Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

Financial Statements for the year ended 31 December 2024

## Directors' Report

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The directors have pleasure in submitting their report on the financial statements of Institute of Natural Resources NPC for the year ended 31 December 2024.

### 1. Nature of business

The Institute of Natural Resources NPC is a non-profit company, having been incorporated under section 8 and 11 of the South African Companies Act 71 of 2008. It is registered as a non-profit organisation with registration number 028-756-NPO. The Institute of Natural Resources NPC is a public benefit organisation which has been approved for the purposes of section 18A(1)(a) with PBO reference number 130004494. The main purpose of the Institute of Natural Resources NPC is to work towards the wise use of natural resources in pursuit of sustainability for the good of the environment and society.

There have been no material changes to the nature of the company's business from the prior year.

### 2. Review of financial results and activities

The financial statements have been prepared in accordance with the IFRS for SMEs Accounting Standard and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

### 3. Directors

The directors in office during the year and to the date of this report are as follows:

Name	Office	Designation	Changes
Mr. N.M. Dlamini	Chairperson	Non-executive Independent	
Prof. T. Mabhaudhi	Executive Director	Executive	
Mrs. B. Murray	Finance Director	Executive	
Dr. P. Daya	Other	Non-executive Independent	
Mr. C.T.H. James	Other	Non-executive Independent	
Prof. A.T. Modi	Other	Non-executive Independent	Resigned 4 September 2024
Prof. C.N. Proches	Other	Non-executive Independent	

### 4. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

### 5. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

### 6. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

### 7. Auditors

Moore Midlands continued in office as auditors for the company for 2024.

### 8. Secretary

The company had no secretary during the year.

# Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

Financial Statements for the year ended 31 December 2024

## Directors' Report

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### 9. Date of authorisation for issue of financial statements

The financial statements have been authorised for issue by the directors on 02 June 2025. No authority was given to anyone to amend the financial statements after the date of issue.

### 10. Liquidity and solvency

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

### 11. Public Service Activities

During the year the Institute of Natural Resources NPC undertook professional work without payment or at a discounted rate to the value of R 145 995 (2023: R 77 430). We are committed to making a meaningful contribution to society as a whole, particularly through:

- Funding key action research projects.
- Participating in problem-solving dialogues and sharing our knowledge at workshops and conferences.
- Publishing scientific papers, articles and booklets.
- Implementing an internship programme.
- Mentoring students and supervising post graduate research.

# Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

Financial Statements for the year ended 31 December 2024

## Statement of Financial Position as at 31 December 2024

	Notes	2024 R	2023 R
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	3 943 969	2 871 955
<b>Current Assets</b>			
Work in progress	3	1 451 685	797 413
Trade and other receivables	4	1 725 491	531 779
Cash and cash equivalents	5	10 389 607	13 416 363
		<b>13 566 783</b>	<b>14 745 555</b>
<b>Total Assets</b>		<b>17 510 752</b>	<b>17 617 510</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Reserves		1 200 000	1 200 000
Retained income		9 471 899	8 909 279
		<b>10 671 899</b>	<b>10 109 279</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	6	1 223 240	901 628
Funds in advance	5	5 615 613	6 606 603
		<b>6 838 853</b>	<b>7 508 231</b>
<b>Total Equity and Liabilities</b>		<b>17 510 752</b>	<b>17 617 510</b>

## Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

Financial Statements for the year ended 31 December 2024

### Statement of Comprehensive Income

	Notes	2024 R	2023 R
Revenue	7	23 329 533	16 584 200
Other operating income	8	327 920	368 889
Other operating expenses	9	(23 907 123)	(17 291 723)
<b>Operating deficit</b>		<b>(249 670)</b>	<b>(338 634)</b>
Investment revenue	10	812 893	721 633
Finance costs	11	(603)	(575)
<b>Surplus for the year</b>		<b>562 620</b>	<b>382 424</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>562 620</b>	<b>382 424</b>

# Institute of Natural Resources NPC

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## Statement of Changes in Equity

	Non-distributable reserve R	Retained income R	Total equity R
<b>Balance at 01 January 2023</b>	<b>1 200 000</b>	<b>8 526 855</b>	<b>9 726 855</b>
Surplus for the year	-	382 424	382 424
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>382 424</b>	<b>382 424</b>
<b>Balance at 01 January 2024</b>	<b>1 200 000</b>	<b>8 909 279</b>	<b>10 109 279</b>
Surplus for the year	-	562 620	562 620
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>562 620</b>	<b>562 620</b>
<b>Balance at 31 December 2024</b>	<b>1 200 000</b>	<b>9 471 899</b>	<b>10 671 899</b>

# Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

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## Statement of Cash Flows

	Notes	2024 R	2023 R
<b>Cash flows from operating activities</b>			
Cash (used in) generated from operations	12	(2 458 969)	5 621 435
Investment revenue		812 893	721 633
Finance costs		(603)	(575)
<b>Net cash from operating activities</b>		<b>(1 646 679)</b>	<b>6 342 493</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(1 393 478)	(561 260)
Proceeds on disposal of property, plant and equipment	2	13 401	12 420
<b>Net cash from investing activities</b>		<b>(1 380 077)</b>	<b>(548 840)</b>
<b>Total cash movement for the year</b>		<b>(3 026 756)</b>	<b>5 793 653</b>
Cash and cash equivalents at the beginning of the year		13 416 363	7 622 710
<b>Total cash and cash equivalents at the end of the year</b>	5	<b>10 389 607</b>	<b>13 416 363</b>

# Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### Corporate information

The Institute of Natural Resources NPC is a non-profit company incorporated under Section 8 and 11 of the Companies Act of South Africa, and Companies Regulations 2013 and is domiciled in the Republic of South Africa.

The registered office of the company is 67 St. Patricks Road, Scottsville, Pietermaritzburg, 3201.

### 1. Presentation of annual financial statements

The financial statements have been prepared in accordance with the IFRS for SMEs Accounting Standard, and the Companies Act of South Africa. The financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period as explained in the accounting policies below, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

#### 1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

##### Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

##### Key sources of estimation uncertainty

##### Financial assets measured at cost and amortised cost

The company assesses its financial assets measured at cost and amortised cost for impairment at each reporting date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the company uses judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

##### Impairment testing

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determines the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

##### Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

##### Useful lives and residual values of property, plant and equipment

Management assesses the appropriateness of the useful lives and residual values of property, plant and equipment at the end of each reporting period. The useful lives and residual values of motor vehicles, furniture and fixtures, buildings and computer equipment are determined based on the company's replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

# Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially carried at cost.

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

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

Item	Depreciation method	Average useful life
Land		Indefinite
Buildings	Straight-line	50 years*
Furniture and fixtures	Straight-line	5 years
Motor vehicles	Straight-line	5 years
Computer equipment	Straight-line	3 years

\*The cost of the buildings are not depreciated as the residual value of the buildings are greater than their carrying amount.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

# Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.3 Financial instruments

#### Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

#### Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

#### Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

#### Financial instruments at fair value

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

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

### 1.4 Tax

#### Tax expenses

The entity has been approved as a Public Benefit Organisation in terms of section 30 of the Income Tax Act of 1962 and the receipts and accruals are exempt from Income tax in terms of s10(1)(cN) of the Act.

### 1.5 Work in progress and funds in advance

Funds in advance are recognised when professional fees or grants are received and where recoverable time or disbursements have not been incurred. On the recognition of the revenue, to the extent that such time or costs have not been recovered, work in progress is raised where it is felt recovery is assured.

### 1.6 Impairment of assets

The company assesses at each reporting date whether there is any indication that assets may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

# Institute of Natural Resources NPC

(Registration number: 1996/000355/08)

Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.7 Employee benefits

#### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

### 1.8 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

### 1.9 Revenue

Revenue is recognised where recoverable time or disbursement costs have been incurred. To the extent that such time or costs have not been recovered, work in progress is raised where it is felt recovery is assured. When professional fees or grants have been received but costs have yet to be incurred, a funds in advance liability is raised.

Investment revenue is recognised, in profit or loss, using the effective interest rate method.

### 1.10 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

### 1.11 Foreign exchange

#### Foreign currency transactions

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

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

### 1.12 Statement of cash flows

The statement of cash flows is prepared on the direct method, whereby the major classes of gross cash receipts and gross cash payments are disclosed.

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and deposits held on call with banks net of bank overdrafts, all of which are available for use by the company unless otherwise stated.

Investing and financing operations that do not require the use of cash and cash equivalents are excluded from the statement of cash flows.

# Institute of Natural Resources NPC

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Financial Statements for the year ended 31 December 2024

## Notes to the Financial Statements

	2024 R	2023 R
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### 2. Property, plant and equipment

	2024			2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	190 000	-	190 000	190 000	-	190 000
Buildings	2 234 215	(41 435)	2 192 780	2 234 215	(41 435)	2 192 780
Furniture and fixtures	469 216	(222 709)	246 507	384 183	(171 204)	212 979
Motor vehicles	1 105 945	(90 128)	1 015 817	-	-	-
Computer equipment	814 052	(515 187)	298 865	642 272	(366 076)	276 196
<b>Total</b>	<b>4 813 428</b>	<b>(869 459)</b>	<b>3 943 969</b>	<b>3 450 670</b>	<b>(578 715)</b>	<b>2 871 955</b>

#### Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Land	190 000	-	-	-	190 000
Buildings	2 192 780	-	-	-	2 192 780
Furniture and fixtures	212 979	85 033	-	(51 505)	246 507
Motor vehicles	-	1 105 945	-	(90 128)	1 015 817
Computer equipment	276 196	202 500	(19 250)	(160 581)	298 865
	<b>2 871 955</b>	<b>1 393 478</b>	<b>(19 250)</b>	<b>(302 214)</b>	<b>3 943 969</b>

#### Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Land	190 000	-	-	-	190 000
Buildings	2 192 780	-	-	-	2 192 780
Furniture and fixtures	6	228 188	(2)	(15 213)	212 979
Computer equipment	97 595	333 072	(44 333)	(110 138)	276 196
	<b>2 480 381</b>	<b>561 260</b>	<b>(44 335)</b>	<b>(125 351)</b>	<b>2 871 955</b>

#### Details of properties

##### 67 St. Patricks Road - Land

- Purchase price: 21 October 2005	190 000	190 000
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##### 67 St. Patricks Road - Buildings

- Purchase price: 21 October 2005	2 071 725	2 071 725
- Improvements	162 490	162 490
	<b>2 234 215</b>	<b>2 234 215</b>

#### Land and buildings

Land and buildings comprises portions 127, 128, 324, 349 of Erf 1913 Pietermaritzburg, KwaZulu Natal, measuring 5 582 square meters (known as 67 St Patricks Road, Pietermaritzburg). Buildings were not depreciated during the current year as the residual value exceeded the carrying amount.

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## Notes to the Financial Statements

	2024 R	2023 R
<b>3. Work in progress</b>		
Work in progress	1 451 685	797 413
Work in progress is valued as per note 1.5.		
<b>4. Trade and other receivables</b>		
Trade receivables	1 583 438	475 351
Other receivables	142 053	56 428
	<b>1 725 491</b>	<b>531 779</b>
<b>5. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Petty cash	6 105	3 259
Current accounts	1 380 166	1 378 295
Call accounts	9 003 336	12 034 809
	<b>10 389 607</b>	<b>13 416 363</b>
Included in cash and cash equivalents is R5 615 613 (2023: R6 606 603), relating to funds received in advance.		
<b>6. Trade and other payables</b>		
Trade payables	277 420	227 803
Other payables	12 668	12 065
Value-added tax	496	121 122
Accruals and provisions	932 656	540 638
	<b>1 223 240</b>	<b>901 628</b>
<b>7. Revenue</b>		
Revenue from project activity	23 329 533	16 584 200
<b>8. Other income</b>		
Discount received	580	156
Gain on disposal of property, plant and equipment	15 151	-
Honorarium	11 651	-
Rental income	175 170	203 503
Royalty income	125 368	165 230
	<b>327 920</b>	<b>368 889</b>
<b>9. Other operating expenses</b>		
Other operating expenses include the following expenses, amongst others:		
Loss on disposal of property, plant and equipment	-	31 915
Depreciation on property, plant and equipment	302 214	125 351
Employee costs	9 172 531	7 595 657

# Institute of Natural Resources NPC

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Financial Statements for the year ended 31 December 2024

## Notes to the Financial Statements

	2024 R	2023 R
<b>10. Investment revenue</b>		
Interest revenue		
Financial institutions	812 893	721 633
<b>11. Finance costs</b>		
Trade and other payables	603	575
<b>12. Cash (used in) generated from operations</b>		
Surplus before taxation	562 620	382 424
Adjustments for:		
Depreciation on property, plant and equipment	302 214	125 351
(Gain) loss on disposal of property, plant and equipment	(15 151)	31 915
Investment revenue	(812 893)	(721 633)
Finance costs	603	575
Non-cash movements in property, plant and equipment	21 000	-
Changes in working capital:		
(Increase)/Decrease in work in progress	(654 272)	3 280 474
(Increase)/Decrease in trade and other receivables	(1 193 712)	2 126 117
Increase/(Decrease) in trade and other payables	321 612	(425 084)
(Decrease)/Increase in funds in advance	(990 990)	821 296
	<b>(2 458 969)</b>	<b>5 621 435</b>

### 13. Directors' remuneration

#### Executive

#### 2024

	Basic salary	Bonus	Cellphone allowances	Travel reimbursements	Leave commuted	Total
Prof. T. Mabhaudhi	1 290 000	26 875	7 200	-	-	1 324 075
Mrs. B. Murray	996 896	20 769	3 600	426	19 168	1 040 859
	<b>2 286 896</b>	<b>47 644</b>	<b>10 800</b>	<b>426</b>	<b>19 168</b>	<b>2 364 934</b>

#### 2023

	Basic salary	Bonus	Cellphone allowances	Travel reimbursements	Leave commuted	Total
Prof. T. Mabhaudhi	300 000	6 250	1 800	-	-	308 050
Mrs. B. Murray	1 019 010	19 320	3 600	510	17 831	1 060 271
	<b>1 319 010</b>	<b>25 570</b>	<b>5 400</b>	<b>510</b>	<b>17 831</b>	<b>1 368 321</b>

# Institute of Natural Resources NPC

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Financial Statements for the year ended 31 December 2024

## Notes to the Financial Statements

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### 14. Related parties

#### Relationships

##### Common directors

Fountainhill Estate  
Baynesfield Estate  
The Yazi Centre for Science and Society in Africa  
Umgungundlovu Economic Development Agency  
Achievement Awards Group (Pty) Ltd  
Amanzi Ethu Nobuntu NPC  
Ngogozabantu PT  
Crops for the Future – Southern Africa  
AT Modi Agri – Consulting  
Mawande Property Investment  
Kurima Masibambane  
AAGroup Creative Studio  
Resonate Leadership Academy

##### Directors

Prof. T. Mabhaudhi  
Mrs. B. Murray  
Mr. C.T.H. James  
Mr. N.M. Dlamini  
Dr. P. Daya  
Prof. C.N. Proches

### 15. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

### 16. Events after the reporting period

The directors are not aware of any material event, which occurred after the reporting date and up to the date of approval of the financial statements, which require adjustment or disclosure in the annual financial statements.