

Equity Express Securities Exchange Proprietary Limited
(Registration number 2015/197820/07)
Group financial statements
for the year ended 31 March 2022

Odendaal & Co
Chartered Accountants (SA)
Registered Auditor
Issued 26 July 2022

Equity Express Securities Exchange Proprietary Limited

(Registration number: 2015/197820/07)

Group Financial Statements for the year ended 31 March 2022

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To create an infrastructure in which both companies and investors are able to achieve their objectives in an appropriately regulated environment
Directors	Richard Mark Andrews Mark Angus Currie Noah Greenhill Madeleine Elizabeth Kotze Sarita Martin Shaun David Read Flynn Robson Anthony Graeme Linford Wilmot
Registered office	7 Junction Road Bramley Johannesburg 2090
Postal address	PO Box 785261 Sandton Johannesburg 2146
Auditors	Odendaal & Co Chartered Accountants (SA) Registered Auditor
Secretary	Kilgetty Statutory Services (South Africa) Proprietary Limited
Tax reference number	9347228182
Preparer	The group financial statements were internally compiled by: Anthony Wilmot

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Group Financial Statements for the year ended 31 March 2022

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Audit and Risk Committee Report

This report is provided by the audit and risk committee appointed in respect of the 2022 financial year of Equity Express Securities Exchange Proprietary Limited.

1. Members of the Audit and Risk Committee

The members of the audit and risk committee are all independent non-executive directors of the group and include:

Name	Qualification	Changes
RM Andrews	CA(SA)	Resigned, 1 May 2021
G Bhagwandas	B Proc	Resigned, 1 May 2021
N Greenhill	MBA (Wits)	Appointed, 1 May 2021
ME Kotze	CA(SA)	Appointed, 1 May 2021
ZN Kubukeli	Doctor of Philosophy	Resigned, 1 May 2021
S Martin	B.Proc, LLB, MBA (GIBS), Certificate in Compliance Management	Appointed, 1 May 2021; Resigned, 1 September 2021
S Read	BA, LLB, MBA (University of Pretoria)	Appointed, 1 September 2021

The committee is satisfied that the members thereof have the required knowledge and experience as set out in Section 94(5) of the Companies Act 71 of 2008 and Regulation 42 of the Companies Regulation, 2011.

2. Meetings held by the Audit and Risk Committee

The audit and risk committee performs the duties laid upon it by Section 94(7) of the Companies Act 71 of 2008 by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditors.

All members act independently as described in section 94 of the Companies Act.

3. External auditor

The committee satisfied itself through enquiry that the external auditors are independent as defined by the Companies Act 71 of 2008 and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the auditors that internal governance processes within the firm support and demonstrate the claim to independence.

The audit and risk committee in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

4. Group financial statements

Following the review of the group financial statements the audit and risk committee recommend board approval thereof.

5. Functions of the audit and risk committee

The audit and risk committee has adopted formal terms of reference, delegated to it by the board of directors, as its audit and risk committee charter. The audit and risk committee has discharged the functions in terms of its charter as ascribed to it in the terms of the act as follows:

Reviewed the year-end financial statements, culminating in a recommendation to the board to adopt them.

In the course of its review the committee,

- took appropriate steps to ensure that the financial statements are prepared in accordance with International Reporting Standards (IFRS) and in the manner required by the Companies Act of South Africa;
- considered and, when appropriate, made recommendation on internal financial controls;
- dealt with concerns or complaints relating to accounting policies, the auditing or content of annual financial statements, and internal financial controls;

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Audit and Risk Committee Report

- reviewed legal matters that could have a significant impact on the organisation's financial statements;
- reviewed external audit reports on the annual financial statements;
- evaluated the effectiveness of risk management, controls and the governance processes;
- verified the independence of the external auditors and nominated Odendaal & Co as the auditors for 2022 and noted the appointment of Mr Herman Odendaal as the designated auditor;
- approved audit fees and engagement terms of the external auditors;
- determined the nature and extent of allowable non-audit services and approved contract terms for the provision of non-audit services by the external auditors.

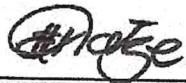
6. Confidential meetings

Audit and risk committee agendas provide for confidential meetings between the committee members and the external auditors.

7. Expertise and experience of finance function

The committee satisfied itself that the composition, experience and skillset of the finance function met the group's requirement.

On behalf of the audit and risk committee:



M Kotze
Chairperson Audit and Risk Committee
Bramley
26 July 2022

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Group Financial Statements for the year ended 31 March 2022

Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the group financial statements and related financial information included in this report. It is their responsibility to ensure that the group financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the group financial statements.

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

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group 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 group 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 group's cash flow forecast for the year to 31 March 2023 and, in the light of this review and the current financial position, they are satisfied that the group has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the group's group financial statements. The group financial statements have been examined by the group's external auditors and their report is presented on page 9.

The group financial statements set out on pages 11 to 25, which have been prepared on the going concern basis, were approved by the directors on 26 July 2022 and were signed on its behalf by:

Approval of group financial statements

Director

Tuesday, 26 July 2022

Director

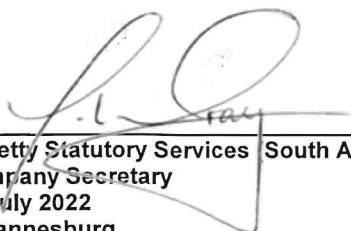
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Group Financial Statements for the year ended 31 March 2022

Declaration by the Company Secretary

In terms of section 88 of the Companies Act, No 71 of 2008, I confirm that for the year ended 31 March 2022, Equity Express Securities Exchange Proprietary Limited has lodged with the Companies and Intellectual Property Commission all such returns and notices as are required of a company in terms of the Act and that all such returns and notices are true, correct and up to date.



Kilgetty Statutory Services (South Africa) Proprietary Limited
Company Secretary
26 July 2022
Johannesburg

Equity Express Securities Exchange Proprietary Limited

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Group Financial Statements for the year ended 31 March 2022

Directors' Report

The directors have pleasure in submitting their report on the group financial statements of Equity Express Securities Exchange Proprietary Limited and the group for the year ended 31 March 2022.

1. Nature of business

Equity Express Securities Exchange Proprietary Limited is a holding company incorporated in South Africa with interests in the financial services industry. The activities of the group are undertaken through the company and its principal subsidiary. The group operates in South Africa.

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

2. Review of financial results and activities

The consolidated group financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

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

3. Share capital

			2022	2021
Authorised				
			Number of shares	
Ordinary shares			100,000	100,000
Issued			2022	2021
			Number of shares	
Ordinary shares	R	R	5,667	5,667
	34,000,000	34,000,000		

There have been no changes to the authorised or issued share capital during the year under review.

4. Dividends

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

5. Directors

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

Directors	Office	Designation	Changes
Richard Mark Andrews		Non-executive	
Geetaben Bhagwandas		Non-executive	Resigned Saturday, 01 May 2021
Mark Angus Currie		Non-executive	
Noah Greenhill		Non-executive	Appointed Saturday, 01 May 2021
Zuko Ntsele Kubukeli		Non-executive	Resigned Saturday, 01 May 2021
Madeleine Elizabeth Kotze		Non-executive	Appointed Saturday, 01 May 2021
Sarita Martin	Chairperson	Non-executive	Appointed Saturday, 01 May 2021
André Pieterse		Non-executive	Resigned Saturday, 01 May 2021
Shaun David Read		Non-executive	Appointed Wednesday, 22 September 2021
Flynn Robson	Head of Risk and Compliance	Executive	
Anthony Graeme Linford Wilmot	Chief Executive Officer	Executive	

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Group Financial Statements for the year ended 31 March 2022

Directors' Report

6. Interests in subsidiaries, associates and joint arrangements

Details of material interests in subsidiary companies, associates and joint arrangements are presented in the consolidated group financial statements in note 5.

There were no significant acquisitions or divestitures during the year ended 31 March 2022.

7. Events after the reporting period

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

8. Going concern

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated group financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the group 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 group. 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 group.

9. Litigation statement

The group is not currently involved in any claim or lawsuit incidental to the ordinary course of business which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

10. Auditors

Odendaal & Co was re-appointed and will continue in office as auditors for the company and its subsidiary for 2022.

11. Secretary

The company secretary is Kilgetty Statutory Services (South Africa) Proprietary Limited.

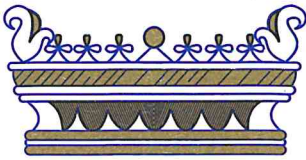
Business address

Ground Floor, Tramore House
3 Waterford Office Park
Waterford Drive
Fourways
2191

12. Statement of disclosure to the company's auditors

With respect to each person who is a director on the day that this report is approved:

- there is, so far as the person is aware, no relevant audit information of which the company's auditors are unaware; and
- the person has taken all the steps that he or she ought to have taken as a director to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.



ODENDAAL & CO

Audit, ACCOUNTING
&
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Independent Auditor's Report

To the shareholders of Equity Express Securities Exchange Proprietary Limited

Opinion

We have audited the group financial statements of Equity Express Securities Exchange Proprietary Limited (the company) set out on pages 11 to 25, which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the group financial statements, including a summary of significant accounting policies.

In our opinion, the group financial statements present fairly, in all material respects, the financial position of Equity Express Securities Exchange Proprietary Limited as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the group financial statements section of our report. We are independent of the company 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 group 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 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. 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 "Equity Express Securities Exchange Proprietary Limited group financial statements for the year ended 31 March 2022", which includes the Directors' Report and Audit and Risk Committee Report as required by the Companies Act 71 of 2008 and the Detailed Income Statement, which we obtained prior to the date of this report. The other information does not include the group financial statements and our auditor's report thereon.

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

Independent Auditor's Report

Responsibilities of the directors for the Group Financial Statements

The directors are responsible for the preparation and fair presentation of the group financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of group financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group financial statements, the directors are responsible for assessing the group'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 or to cease operations, or have no realistic alternative but to do so.

Doctor of Philosophy

Auditor's responsibilities for the audit of the Group Financial Statements

Our objectives are to obtain reasonable assurance about whether the group 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 group 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 group 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 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 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 group 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the group financial statements, including the disclosures, and whether the group financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Odendaal & Co
Herman Odendaal
Partner
Chartered Accountants (SA)
Registered Auditor

26 July 2022
Randburg

Equity Express Securities Exchange Proprietary Limited

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Group Financial Statements for the year ended 31 March 2022

Statement of Financial Position as at 31 March 2022

Figures in Rand	Note(s)	Group		Company	
		2022	2021	2022	2021
Assets					
Non-Current Assets					
Property, plant and equipment	3	59,481	206,430	59,481	206,430
Intangible assets	4	1,966,168	4,915,419	1,966,168	4,915,419
Investments in subsidiaries	5	-	-	100	100
		<u>2,025,649</u>	<u>5,121,849</u>	<u>2,025,749</u>	<u>5,121,949</u>
Current Assets					
Trade and other receivables	6	502,291	454,830	502,291	454,830
Cash and cash equivalents	7	34,728,046	157,352,426	26,039,832	22,196,822
		<u>35,230,337</u>	<u>157,807,256</u>	<u>26,542,123</u>	<u>22,651,652</u>
Total Assets		<u>37,255,986</u>	<u>162,929,105</u>	<u>28,567,872</u>	<u>27,773,601</u>
Equity and Liabilities					
Equity					
Share capital	8	34,000,000	34,000,000	34,000,000	34,000,000
Accumulated losses		(8,520,123)	(10,463,306)	(8,520,023)	(10,463,206)
		<u>25,479,877</u>	<u>23,536,694</u>	<u>25,479,977</u>	<u>23,536,794</u>
Liabilities					
Non-Current Liabilities					
Loans from shareholders	9	-	400,000	-	400,000
Other financial liabilities	10	2,400,000	2,000,000	2,400,000	2,000,000
		<u>2,400,000</u>	<u>2,400,000</u>	<u>2,400,000</u>	<u>2,400,000</u>
Current Liabilities					
Trade and other payables	11	9,376,109	136,992,411	687,895	1,836,807
Total Liabilities		<u>11,776,109</u>	<u>139,392,411</u>	<u>3,087,895</u>	<u>4,236,807</u>
Total Equity and Liabilities		<u>37,255,986</u>	<u>162,929,105</u>	<u>28,567,872</u>	<u>27,773,601</u>

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Group Financial Statements for the year ended 31 March 2022

Statement of Comprehensive Income

Figures in Rand	Note(s)	Group		Company	
		2022	2021	2022	2021
Revenue	12	10,978,799	14,092,469	10,978,799	14,092,469
Cost of sales		(315,225)	(315,225)	(315,225)	(315,225)
Gross profit		10,663,574	13,777,244	10,663,574	13,777,244
Operating expenses		(11,611,014)	(12,066,594)	(11,611,014)	(12,066,594)
Operating (loss) profit		(947,440)	1,710,650	(947,440)	1,710,650
Investment revenue	14	2,979,429	1,618,623	2,979,429	1,618,623
Finance costs	15	(88,806)	(88,449)	(88,806)	(88,449)
Profit for the year		1,943,183	3,240,824	1,943,183	3,240,824

Equity Express Securities Exchange Proprietary Limited

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Group Financial Statements for the year ended 31 March 2022

Statement of Changes in Equity

Figures in Rand	Share capital	Accumulated losses	Total equity
Group			
Balance at 01 April 2020	34,000,000	(13,704,130)	20,295,870
Profit for the year	-	3,240,824	3,240,824
Balance at 01 April 2021	34,000,000	(10,463,306)	23,536,694
Profit for the year	-	1,943,183	1,943,183
Balance at 31 March 2022	34,000,000	(8,520,123)	25,479,877
Note(s)	8		
Company			
Balance at 01 April 2020	34,000,000	(13,704,030)	20,295,970
Profit for the year	-	3,240,824	3,240,824
Balance at 01 April 2021	34,000,000	(10,463,206)	23,536,794
Profit for the year	-	1,943,183	1,943,183
Balance at 31 March 2022	34,000,000	(8,520,023)	25,479,977
Note(s)	8		

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Group Financial Statements for the year ended 31 March 2022

Statement of Cash Flows

Figures in Rand	Note(s)	Group		Company	
		2022	2021	2022	2021
Cash flows from operating activities					
Cash generated (used) in operations	18	(125,445,263)	133,696,200	1,022,127	6,173,690
Interest income		2,979,429	1,618,623	2,979,429	1,618,623
Finance costs		(88,806)	(88,449)	(88,806)	(88,449)
Net cash from operating activities		(122,554,640)	135,226,374	3,912,750	7,703,864
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(69,740)	-	(69,740)	-
Cash flows from financing activities					
Raising of other financial liabilities		400,000	300,000	400,000	300,000
Repayment of shareholders loan		(400,000)	(200,000)	(400,000)	(200,000)
Net cash from financing activities		-	100,000	-	100,000
Total cash movement for the year		(122,624,380)	135,326,374	3,843,010	7,803,864
Cash at the beginning of the year		157,352,426	22,026,052	22,196,822	14,392,958
Total cash at end of the year	7	34,728,046	157,352,426	26,039,832	22,196,822

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Group Financial Statements for the year ended 31 March 2022

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The group financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The group financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Consolidation

Basis of consolidation

The consolidated group financial statements incorporate the group financial statements of the company and all of its subsidiaries.

Control exists when the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries are included in the consolidated group financial statements from the effective date of acquisition to the effective date of disposal. All intragroup transactions, balances, income and expenses are eliminated.

Investments in subsidiaries are accounted for at cost less any accumulated impairment losses, in the company's separate group financial statements.

Subsidiaries

The results of subsidiaries are included in the group annual financial statements from the effective date of acquisition to the effective date of disposal. All intra-group transactions, balances and unrealised gains and losses are eliminated in full on consolidation. Profits and losses arising from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

1.2 Significant judgements and sources of estimation uncertainty

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 group financial statements.

Key sources of estimation uncertainty

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

1.3 Property, plant and equipment

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

Property, plant and equipment is initially measured 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

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Group Financial Statements for the year ended 31 March 2022

Accounting Policies

1.3 Property, plant and equipment (continued)

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 group.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
IT equipment	Straight line	3 years

Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

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 profit or loss 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 profit or loss when the item is derecognised.

1.4 Intangible assets

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

Research and development costs are recognised as an expense in the period incurred.

Amortisation is provided to write down the intangible assets, on a straight-line basis, as follows:

Item	Amortisation method	Average useful life
License fees	Straight line	4 years

The residual value, amortisation period and amortisation method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

1.5 Financial instruments

Initial measurement

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

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Accounting Policies

1.5 Financial instruments (continued)

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 profit or loss.

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.

1.6 Tax

Current tax assets and liabilities

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

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.7 Leases

The directors considered IFRS 16 and did not make any amendments as the impact was not material on the group or company's financial statements.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.8 Impairment of assets

The group assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill may be impaired.

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

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Accounting Policies

1.8 Impairment of assets (continued)

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

1.9 Share capital and equity

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the year in which they are declared.

1.10 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.

1.11 Revenue

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The stage of completion is determined by surveys of work performed. When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

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

1.12 Borrowing costs

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

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Group Financial Statements for the year ended 31 March 2022

Notes to the Group Financial Statements

2. New Standards and Interpretations

The IASB issued a number of standards, amendments to standards and interpretations during the year ended 31 March 2022.

Amendments to IAS 16 'Property, Plant and Equipment'

Proceeds before Intended Use Annual periods beginning on or after 1 January 2022 (Published May 2020). The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss.

Impact: Not applicable, no sales of such nature are undertaken by the Group.

Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' on Onerous Contracts

Cost of Fulfilling a Contract Annual periods beginning on or after 1 January 2022 (Published May 2020). The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract.

Impact: Not applicable, no cost to fulfil the contract are undertaken by the Group.

Amendment to IAS 1 'Presentation of Financial Statements' on Classification of Liabilities as Current or Non-Current

Annual periods beginning on or after 1 January 2022 (Published Jan 2020) The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant).

Impact: This amendment impacts the classification of the short-term portion of borrowings.

The Group is currently compliant in this regard.

Disclosure of Accounting Policies

Amendments to IAS 1 and IFRS Practice Statement 2 Annual periods beginning on or after 1 January 2023. The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

Impact: the Group will assess the impact on effective date.

Definition of Accounting Estimates

Amendments to IAS 8 Annual periods beginning on or after 1 January 2023. The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

Impact: the Group will assess the impact on effective date.

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Group Financial Statements for the year ended 31 March 2022

Notes to the Group Financial Statements

3. Property, plant and equipment

Group	2022			2021		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
IT equipment	1,024,837	(965,356)	59,481	955,097	(748,667)	206,430

Company	2022			2021		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
IT equipment	1,024,837	(965,356)	59,481	955,097	(748,667)	206,430

Reconciliation of property, plant and equipment - Group - 2022

	Opening balance	Additions	Depreciation	Closing balance
IT equipment	206,430	69,740	(216,689)	59,481

Reconciliation of property, plant and equipment - Group - 2021

	Opening balance	Depreciation	Closing balance
IT equipment	515,553	(309,123)	206,430

Reconciliation of property, plant and equipment - Company - 2022

	Opening balance	Additions	Depreciation	Closing balance
IT equipment	206,430	69,740	(216,689)	59,481

Reconciliation of property, plant and equipment - Company - 2021

	Opening balance	Depreciation	Closing balance
IT equipment	515,553	(309,123)	206,430

Registers with details of the above are available for inspection by shareholders or their duly authorised representatives at the registered office of the company and its respective subsidiary.

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Group Financial Statements for the year ended 31 March 2022

Notes to the Group Financial Statements

4. Intangible assets

Group	2022			2021		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
License fees	11,797,005	(9,830,837)	1,966,168	11,797,005	(6,881,586)	4,915,419

Company	2022			2021		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
License fees	11,797,005	(9,830,837)	1,966,168	11,797,005	(6,881,586)	4,915,419

Reconciliation of intangible assets - Group - 2022

	Opening balance	Amortisation	Total
License fees	4,915,419	(2,949,251)	1,966,168

Reconciliation of intangible assets - Group - 2021

	Opening balance	Amortisation	Total
License fees	7,864,670	(2,949,251)	4,915,419

Reconciliation of intangible assets - Company - 2022

	Opening balance	Amortisation	Total
License fees	4,915,419	(2,949,251)	1,966,168

Reconciliation of intangible assets - Company - 2021

	Opening balance	Amortisation	Total
Licenses and franchises	7,864,670	(2,949,251)	4,915,419

5. Investments in subsidiaries

Name of subsidiary	% holding 2022	% holding 2021	Carrying amount 2022	Carrying amount 2021
Equity Express Securities Exchange Nominees Proprietary Limited	100.00 %	100.00 %	100	100

The entity is incorporated in South Africa and share the year end of the group.

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Notes to the Group Financial Statements

Figures in Rand	Group		Company	
	2022	2021	2022	2021
6. Trade and other receivables				
Trade receivables	475,921	428,460	475,921	428,460
Deposits	26,370	26,370	26,370	26,370
	502,291	454,830	502,291	454,830
7. Cash and cash equivalents				
Cash and cash equivalents consist of:				
Bank balances	516,772	1,143,256	516,772	1,143,256
Short-term deposits	25,523,060	21,053,566	25,523,060	21,053,566
Investors' cash	8,688,214	135,155,604	-	-
	34,728,046	157,352,426	26,039,832	22,196,822
An amount of R 8,688,214 (2021: R 135,155,604) is restricted from use as it relates to the funds of investors of schemes listed on the exchange.				
8. Share capital				
Reconciliation of number of shares issued:				
Reported as at 01 April 2021	5,667	5,667	5,667	5,667
Issued				
Ordinary	34,000,000	34,000,000	34,000,000	34,000,000
9. Loans from shareholders				
Singular IP (Pty) Ltd	-	400,000	-	400,000
The loan was repaid during the year.				
10. Other financial liabilities				
At amortised cost				
Singular Systems (Pty) Ltd	2,400,000	2,000,000	2,400,000	2,000,000
The loan bears interest at 3,5% (2021 : 3%) per annum and is repayable on request from the directors of Singular Systems.				
Non-current liabilities				
At amortised cost	2,400,000	2,000,000	2,400,000	2,000,000
11. Trade and other payables				
Trade payables	176,489	420,822	176,489	420,822
VAT	37,001	407,236	37,001	407,236
Accrued leave pay	90,267	281,808	90,267	281,808
Accrued audit fees	67,500	75,000	67,500	75,000
Other accrued expenses	316,638	651,941	316,638	651,941
External investors' funds	8,688,214	135,155,604	-	-
	9,376,109	136,992,411	687,895	1,836,807

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Group Financial Statements for the year ended 31 March 2022

Notes to the Group Financial Statements

Figures in Rand	Group		Company	
	2022	2021	2022	2021
12. Revenue				
Annual listing fees	949,143	1,078,877	949,143	1,078,877
Initial listing fee	300,000	-	300,000	-
STRATE revenue	363,269	248,338	363,269	248,338
Hosting fee	2,032,911	1,878,223	2,032,911	1,878,223
Transaction fees	7,333,476	10,887,031	7,333,476	10,887,031
	<u>10,978,799</u>	<u>14,092,469</u>	<u>10,978,799</u>	<u>14,092,469</u>
13. Depreciation, amortisation and impairments				
The following items are included within depreciation, amortisation and impairments:				
Depreciation				
Property, plant and equipment	<u>216,689</u>	<u>309,123</u>	<u>216,689</u>	<u>309,123</u>
Amortisation				
Intangible assets	<u>2,949,251</u>	<u>2,949,251</u>	<u>2,949,251</u>	<u>2,949,251</u>
Total depreciation, amortisation and impairments				
Depreciation	216,689	309,123	216,689	309,123
Amortisation	2,949,251	2,949,251	2,949,251	2,949,251
	<u>3,165,940</u>	<u>3,258,374</u>	<u>3,165,940</u>	<u>3,258,374</u>
14. Investment revenue				
Interest revenue				
Bank	<u>2,979,429</u>	<u>1,618,623</u>	<u>2,979,429</u>	<u>1,618,623</u>
15. Finance costs				
Non-current borrowings	85,916	88,449	85,916	88,449
Interest paid to SARS	2,890	-	2,890	-
	<u>88,806</u>	<u>88,449</u>	<u>88,806</u>	<u>88,449</u>
16. Taxation				
No provision has been made for 2022 tax as the group is utilising an assessed loss. The estimated tax loss available for set off against future taxable income is R 10,464,966 (2021: R 12,546,208).				
17. Auditor's remuneration				
Fees	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>

Equity Express Securities Exchange Proprietary Limited

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Group Financial Statements for the year ended 31 March 2022

Notes to the Group Financial Statements

Figures in Rand	Group		Company	
	2022	2021	2022	2021
18. Cash (used in) generated from operations				
Profit before taxation	1,943,183	3,240,824	1,943,183	3,240,824
Adjustments for:				
Depreciation and amortisation	3,165,940	3,258,374	3,165,940	3,258,374
Interest received	(2,979,429)	(1,618,623)	(2,979,429)	(1,618,623)
Finance costs	88,806	88,449	88,806	88,449
Changes in working capital:				
Trade and other receivables	(47,461)	(179,271)	(47,461)	(179,271)
Trade and other payables	(127,616,302)	128,906,447	(1,148,912)	1,383,937
	(125,445,263)	133,696,200	1,022,127	6,173,690

19. Related parties

Relationships

Subsidiaries

Shareholders with significant influence

Members of key management

Refer to note 5

Monotix Software (Pty) Ltd

F Robson

A Wilmot

Related party balances and transactions with other related parties

Related party balances

Loan accounts - Owing to related parties

Singular IP (Pty) Ltd

-

(400,000)

Singular Systems (Pty) Ltd

(2,400,000)

(2,000,000)

Deposits

Crimson King Properties 364 (Pty) Ltd

26,370

26,370

Related party transactions

Interest paid to related parties

Singular IP (Pty) Ltd

15,418

22,942

Singular Systems (Pty) Ltd

70,498

65,507

Rent paid to related parties

Crimson King Properties 364 (Pty) Ltd

471,114

462,866

Operating expenses

Singular Systems (Pty) Ltd - HR and Accounting

141,780

137,280

Singular Systems (Pty) Ltd - IT Support

74,775

293,866

Singular Systems (Pty) Ltd - Software licence fee

2,108,900

2,041,543

Equity Express Securities Exchange Proprietary Limited

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Group Financial Statements for the year ended 31 March 2022

Notes to the Group Financial Statements

20. Directors' remuneration

Executive

2022

	Emoluments	Other benefits	Total
Flynn Robson	203,650	48,000	251,650
Anthony Graeme Linford Wilmot	1,036,712	348,000	1,384,712
	1,240,362	396,000	1,636,362

2021

	Emoluments	Other benefits	Total
Flynn Robson	312,628	90,000	402,628
Anthony Graeme Linford Wilmot	896,724	348,000	1,244,724
	1,209,352	438,000	1,647,352

Non-executive

2022

	Directors' fees	Total
Richard Mark Andrews	45,000	45,000
Noah Greenhill	45,000	45,000
Madeleine Elizabeth Kotze	45,000	45,000
Sarita Martin	45,000	45,000
Shaun David Read	15,000	15,000
	195,000	195,000

2021

	Other fees (Consultancy fees)	Total
Richard Mark Andrews	45,000	45,000

Equity Express Securities Exchange Proprietary Limited

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Group Financial Statements for the year ended 31 March 2022

Detailed Income Statement

Figures in Rand	Note(s)	Group		Company	
		2022	2021	2022	2021
Revenue					
Rendering of services		10,978,799	14,092,469	10,978,799	14,092,469
Cost of sales					
Purchases		(315,225)	(315,225)	(315,225)	(315,225)
Gross profit		10,663,574	13,777,244	10,663,574	13,777,244
Other income					
Interest received	14	2,979,429	1,618,623	2,979,429	1,618,623
Operating expenses					
Accounting fees		(331,658)	(312,823)	(331,658)	(312,823)
Advertising		(5,431)	(17,120)	(5,431)	(17,120)
Auditors remuneration	17	(75,000)	(75,000)	(75,000)	(75,000)
Bank charges		(177,727)	(132,369)	(177,727)	(132,369)
Computer expenses		(162,745)	(68,632)	(162,745)	(68,632)
Consulting and professional fees		50,000	(95,000)	50,000	(95,000)
Consumables		(10,197)	(4,256)	(10,197)	(4,256)
Depreciation and amortisation	13	(3,165,940)	(3,258,374)	(3,165,940)	(3,258,374)
Employee costs		(3,741,364)	(3,666,683)	(3,741,364)	(3,666,683)
IT expenses		(407,424)	(372,844)	(407,424)	(372,844)
Infrastructure support		(74,775)	(293,866)	(74,775)	(293,866)
Insurance		(80,864)	(72,570)	(80,864)	(72,570)
Lease rentals on operating lease		(547,699)	(552,848)	(547,699)	(552,848)
Legal expenses		-	(300,000)	-	(300,000)
Motor vehicle expenses		(5,117)	(3,346)	(5,117)	(3,346)
Regulator fees		(719,483)	(696,568)	(719,483)	(696,568)
Repairs and maintenance		(33,234)	(80,347)	(33,234)	(80,347)
Software licence fee		(2,108,900)	(2,041,543)	(2,108,900)	(2,041,543)
Staff welfare		(11,128)	(5,403)	(11,128)	(5,403)
Telephone and fax		(2,328)	(17,002)	(2,328)	(17,002)
		(11,611,014)	(12,066,594)	(11,611,014)	(12,066,594)
Operating profit		2,031,989	3,329,273	2,031,989	3,329,273
Finance costs	15	(88,806)	(88,449)	(88,806)	(88,449)
Profit for the year		1,943,183	3,240,824	1,943,183	3,240,824

Equity Express Securities Exchange Proprietary Limited

(Taxpayer reference number 9347228182)

(Registration number: 2015/197820/07)

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Tax Computation

Figures in Rand	2022
Net profit per income statement	1 943 183
Permanent differences (Non-deductible/Non taxable items)	
Interest paid to SARS	2 890
Temporary differences	
Accrued leave pay - Prior year	(281 808)
Accrued leave pay - Current	90 267
Depreciation according to financial statements	3 165 940
Wear and tear allowance	(2 839 230)
	135 169
Calculated tax profit for the year	2 081 242
Assessed loss brought forward	(12 546 208)
Assessed loss for 2022 - carried forward	(10 464 966)
Tax thereon @ 28% in the Rand	-