AGRÉMENT SOUTH AFRICA INNOVATIVE CONSTRUCTION PRODUCT ASSESSMENTS

ANNUAL REPORT 2017/18

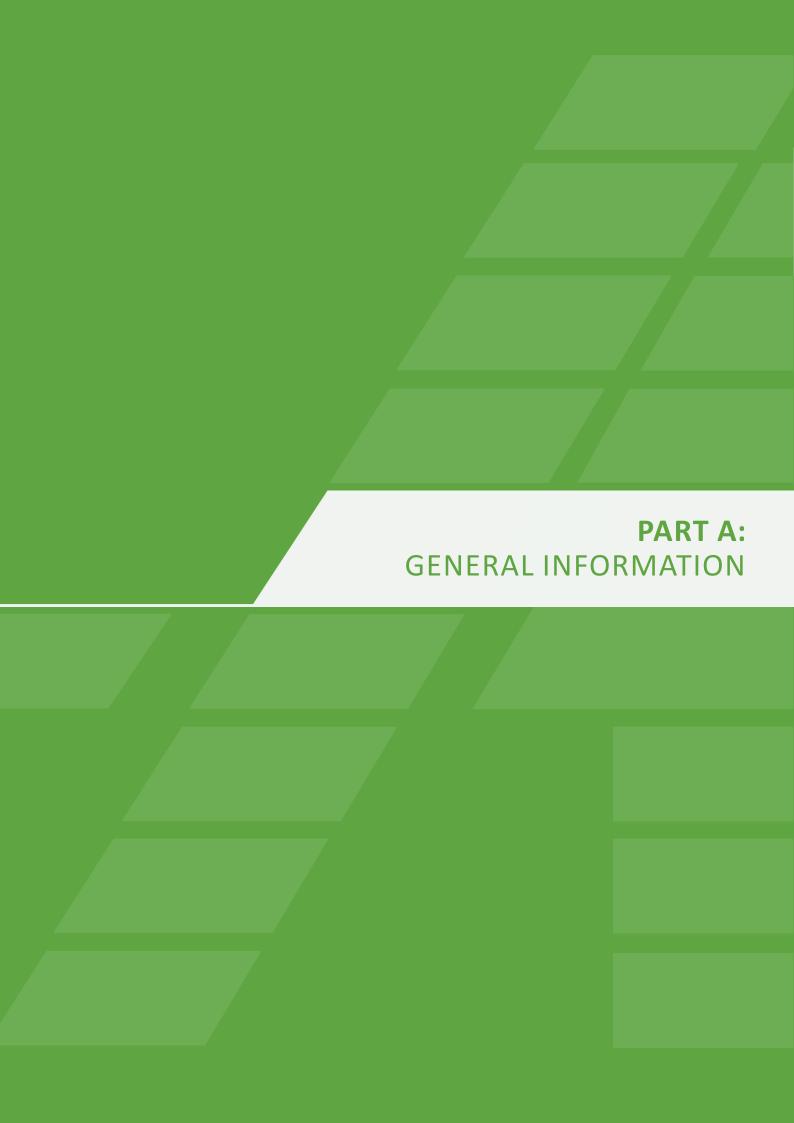




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1. PUBLIC ENTITY'S GENERAL INFORMATION

Registered name of the public entity	Agrément South Africa		
Registration Numbers and/or other relevant numbers	Agrément South Africa Act No 11 of 2015.		
Registered Office address	Building 17B, 2nd Floor, Scientia Campus, Meiring Naudė Road, Brummeria, Pretoria		
Postal Address	P O. Box 72381, Lynnwood Ridge, 0040, South Africa		
Contact telephone numbers	0128413708		
Email address	agrement@agrement.co.za		
Website address	www.agrement.co.za		
External Auditors Information	Auditor General South Africa		
Bankers Information	Absa Bank		
Board Secretary	Ramona Singh		



2. LIST OF ABBREVIATIONS /ACRONYMS

AA	Accounting Authority
AGSA	Auditor General South Africa
ASA	Agrément South Africa
CBE	Council for the Built Environment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
COLTO	Committee of Land Transport Officials
CSIR	Council for Scientific and Industrial Research
GRAP	Generally Recognised Accounting Practice
IDT	Industrial Development Trust
ISAs	International Standards on Auditing
NCRS	National Regulator for Compulsory Specifications
NDP	National Development Plan
NDPW	National Department of Public Works
NHBRC	National Home Builders Registration Council
PAA	Public Audit Act of South Africa
PFMA	Public Finance Management Act
SABS	South African Bureau of Standards
WFTAO	World Federation of Technical Assessments Organisations

3. FOREWORD BY THE MINISTER



As the Executive Authority overseeing the activities of Agrément South Africa which operates under the terms of the Agrément South Africa (Act No. 11 of 2015), in the year under review I saw Agrément South Africa achieve the key milestone of transitioning from being part of the Council for Scientific and Industrial Research (CSIR) to become a stand-alone schedule 3A public entity reporting to the office of the Minister of National Department of Public Works as well as the National Parliament in terms of the Public Management Finance Act, (Act No. 29 of 1999).

In the year under review Agrément South Africa was appointed as the competent body or licensor to establish and operate the Government initiated Eco-Labelling Scheme for building materials and products for the public sector of South Africa. This important initiative was tasked to Agrément South Africa due to the nature of their work which fits in closely with the proposed Eco-Label scheme.

It is envisaged that the scheme will lead to environmentally friendly eco-labelled construction materials and products, and will be incorporated into relevant South African National Standards and the Public Works Standard Specification for Construction Works. Some of the benefits of this scheme will include improved indoor environmental quality and comfort as well as material resource conservation and efficiency.

The National Government will support the scheme by developing guidelines and minimum standards for using environmentally friendly Eco-Labelled products. This will be encouraged by ensuring that government procures construction products which have been successfully evaluated for Eco-Labelling.

The 2017/2018 financial year was a transitional year for ASA and the future will see National Government provide concerted support on the use of Innovative Building Technologies.

ASA continued to play a global role for the safe introduction of satisfactory innovation into the country. This was managed by undertaking technical assessments of innovative products imported by the country as well as via the organisation maintaining key links with other world federation of technical assessment organisations members.

The Board of Agrément South Africa is thanked for its oversight role and steering the organisation through the transitional phase. Furthermore the Executive Management of ASA is recognised for their leadership of the organisation, which enabled it to achieve its strategic mandate in the financial year under review.

The Honourable Mr TW Nxesi (MP)
Minister of Public Works.





As from the 1st April 2018, ASA moved to new premises on the second floor of Building 17B, still within the CSIR Scientia Campus, in Brummeria, Pretoria. The organisation's vision and mission remained the same as did the mandate and the strategic objectives. In addition, the organisation was appointed as the competent body to undertake Eco-Labelling for Government's buildings and products.

The organisation continued to maintain strong strategic links with the other members of the World Federation of Technical Assessment Organisations (WFTAO) sharing technical information for mutual benefit. The National Department of Public Works continued to provide strategic policy direction to the four public entities reporting to the Minister of Public Works.

These sister entities include the Construction Industry Development Board (cidb), the Industrial Development Trust (IDT) and the Council for the Built Environment (CBE). The organisation also played a role in some of the South African Bureau of Standards (SABS) Standards Generation Committees as well as the Industry Advisory Council of the National Home Builders Registration Council (NHBRC). Overall, the organisation played a key role in the introduction of fit-for-purpose innovative construction technologies for the built environment. The National Department of Human Settlements continue to rely on the technical assessments undertaken by the organisation in the selection process of non-standardised building systems and products. The organisation managed to achieve a high level of planned and approved performance targets for the year despite challenges due to transitional arrangements.

During the year under review, the Board established two new sub-committees. These were the Audit and Risk and the Human Resources and Remuneration sub-committees.

4. FOREWORD BY THE CHAIRPERSON

These were set up in compliance with the Public Finance Management Act requirements. The Technical sub-committee of the Board continued to undertake its mandate of overseeing the entire technical assessment process. At the beginning of the reporting period the Board consisted of eight members. Two members, Mr Pepi Silinga and Mr Frank Makamo resigned during the reporting period leaving six members of the Board. The term of office has been extended by the Minister of National Department of Public Works (NDPW).

The Minister is responsible to appoint the Board at an interval of three years as per Agrément South Africa (Act No. 11 of 2015). The Minister appointed eight Board members of whom two resigned in the reporting period. The Board members are:

- Dr Jeffrey Mahachi (Acting Chairperson) University of Johannesburg
- 2. Mr Denzil Fredericks SHEM Consulting and Training (Pty) Ltd
- 3. Mr Frank Makamo South African Bureau of Standards (Resigned)
- 4. Mr Hans Ittmann past Executive Director of CSIR Built Environment
- 5. Mr Pepi Silinga Coega Development Corporation (Resigned)
- 6. Ms Adelaide Ranape Consultant South Africa
- Ms Mariana Marneweck past National Regulator for Compulsory Specifications
- 8. Ms Ntebo Ngcobo University of Johannesburg.

The future of the organisation bodes well as it shall now be the competent body undertaking Eco-Labelling assessment for Government buildings and products. The future will see the organisation enhance its marketing and awareness program with an aim of increasing its visibility and impact. Staff shortages in finance compromised segregation of duties as positions were not filled due to delay in recruitment of new staff members.

The Board would like to thank the Minister of Public Works for the continued guidance and support during the year under review.

Dr Jeffrey Mahachi

(Acting Chairperson of the Board)

5. CHIEF EXECUTIVE OFFICER'S OVERVIEW



As a undertakes technical assessments of non-standard construction systems and products. As a Schedule 3A public entity in terms of the Public Finance Management Act (PFMA) (Act No. 1 of 1999), ASA is accountable to Parliament via its Executive Authority, the Minister of NDPW. ASA was established in 1969 and operated under the auspices of the CSIR until 31st March 2017. On the 1st April 2017 it became a separate entity from the CSIR and the reporting year was a transitional year where the entity was still managed by the CSIR while internal operating processes and procedures were being developed.

In the 2017/2018 financial year ASA total revenue was R32,498,058. This was made up of R29,045,000 being the Annual Government Grant and an amount of R3,453,058 being revenue from exchange transactions. The revenue from exchange transactions was made up of R1,969,724 for rendering of services. R311,909 for international fees earned and an amount of R1,171,425 interest earned. From the above, ASA was able to conduct its mandate as required.

A surplus of R12,273,872 was realised in the year under review mainly due to the delay experienced in the establishment of the legal entity during the transitional period. Of this surplus of R8 000,000 is earmarked for the implementation of the Eco-labelling scheme. Applications to the National Treasury to rollover the surplus will be made in August 2018.

The main reason for underspending was due to the challenges relating to the transitional arrangements including the supply chain processes for furniture as well as the recruitment process of key staff taking much longer than anticipated. There were no significant events after the finalisation of the balance sheet.

The expenditure of ASA was in line with the approved budget. An amount of R10,975,670 was spent on personnel remuneration while R858,189 was expensed on lease payment with the balance of R8,362,049 being spent on general operating expenses of the organisation.

In its infancy stage of operating as a separate legal entity, certain key appointments were made during the reporting year with the Chief Financial Officer and Corporate Services Manager joining the organisation on 1st August 2017. The Audit and Risk Compliance Manager, the Human Resources Practitioner, Financial Accountant and Technical and Administrative Assistant joining the organisation on 1st October 2017. Other vacant positions within the approved structure are in the process of being filled to enable the organisation to achieve its mandate.

ASA became fully operational as a State entity on the 1st of April 2018 under the Agrément South Africa, (Act No. 11 of 2015). As per the Memorandum of Agreement with the CSIR, all support operations were transferred to ASA on the 1st April 2018. This included all Statements of Position figures reported under the CSIR as at 31st March 2018.

The organisation continued to play a key role in supporting infrastructure development professionals by assessing the fitness-for-purpose of non-standard construction systems and products. This role has been the primary mandate of the organisation. The approved products have been used extensively in South Africa and globally. The organisation has continued to maintain international contacts with sister-technical assessment organisations under the auspices of the World Federation of Technical Assessments Organisations (WFTAO).



CHIEF EXECUTIVE OFFICER'S OVERVIEW (CONTINUED)

In the year under review, the organisation was appointed as the competent body to undertake the Eco-Labelling scheme for public sector building materials and products by the National Department of Public Works. The Eco-Labelling Scheme will fit into the National Green Buildings intervention. This will contribute to the use of innovative construction technologies and promote the construction and demolition of recyclables.

The Eco-Labelling scheme will play an important role in the National Environment Management Strategy and contribute towards protecting and improving the environment.

The scheme will integrate with other government, private sector and international schemes and provide Architects, Engineers and Project Managers with credible independent environmental information enabling them to make sound decisions regarding environmentally friendly materials for the built environment. The scheme will contribute towards the global goal of sustainable development.

The year under review saw the organisation develop policies and operating procedures. The key policies were developed by the Executive Management and approved by the Board. These policies will ensure that the supply chain management processes and procedures including segregation of duties are in line with the National Treasury regulations as well as the PFMA.

A few initial challenges relating to information technology connectivity and computer software licences procurement were experienced during the formative months but were solved with the support of the Executive Management and the Board.

The reporting year 2017/2018 will be the first year the organisation is audited as a Schedule 3A public entity. The budget was dually administrated with R13' million being under the administration of the CSIR and R15' million under ASA.

The full grant funding will be audited by the Auditor General of South Africa (AGSA). In this regard, an Audit and Risk Committee was established with Mr Michael Mamotheti appointed as the Chairperson of the Audit and Risk Committee.

ASA does not foresee any financial challenges and is therefore economically viable in the foreseeable future. The future of the organisation looks positive and with the continuously increasing uptake of innovative construction technologies especially in the upper segment of the market, ASA will become more visible to the public in the country as the Eco-Labelling scheme gains momentum. The organisation will develop a marketing and awareness strategy as part of its communications strategy going forward.

The Executive Committee is appreciative of the support from staff members, the Board, the National Department of Public Works' Director-General, Advocate Sam Vukela, the Executive Authority, the Minister of Public Works, Honourable TX Nxesi, MP as well as the Deputy Minister, Jeremy Cronin.

Joseph Odhiambo.

Mr Joe Odhiambo (Chief Executive Officer)

6. BOARD MEMBERS



DR JEFFREY MAHACHI
PhD Structural Engireering,
MSc - Structural Engireering,
MSc - Information Technology,
BSc Hons - Civil Engireering



MR DENZIL FREDERICKS

Managing Director: SHEM consulting and training (Pty) Ltd

Consulting in Occupational Health and Safety Management

Accerdited OHSAS 18001



MRS ADELAIDE RANAPE LLM - Tax, LLM - Commercial Law, B PROC, NDip Corporate Law



MR HANS ITTMANN
MBA, MSc Operations Research, BSc Hons
Operations Research, BMil (BSc)



MRS MARIANA MARNEWECK BSc - Biochemistry, Microbiology, BSc Hons in Biochemistry, M-Phil Future Studies



MRS NTEBO NGCOBO NDip - Civil Engireering, Btech - Civil Engireering, MBA



7. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

To the best of our knowledge and belief, we confirm the following:

- All information and amounts disclosed throughout the Annual Report are consistent;
- The Annual Report is complete, accurate and is free from any omissions except for matters raised in the Auditor's report;
- The Annual Report has been prepared in accordance with the guidelines as issued by National Treasury;
- The Accounting Authority is responsible for the preparation of the Annual Financial Statements and the judgements made in this regard;
- The Accounting Authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information, human resources information and the annual financial statements;
- The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Report reflects the operations, performance information, human resources information and financial affairs of Agrément South Africa for the financial year ended 31st March 2018. Yours faithfully

Loeph Odhiombo.

Mr Joe Odhiambo

Chief Executive Officer

Date 31st July 2018

Dr Jeffrey Mahachi Board Chairperson (Acting)

Date 31st July 2018

8. STRATEGIC OVERVIEW

8.1. VISION

The vision of ASA is to be a world-class centre for technical assessment.

8.2. MISSION

The mission of ASA is to enhance ASA position as the internationally acknowledged South African centre for the assessment and certification of non-standardised construction related products and systems for which there are no South African National Standards.

8.3. VALUES

ASA values are aligned with the values espoused in the Constitution. The core values that underpin the culture of ASA are:

PEOPLE – striving to attain full potential in support of science.

REPUTATION – enhancing relevance, integrity, quality and delivery.

INGENUITY – realising the full intellect of our people in creating solutions.

DIVERSITY – embracing an environment that respects the individual and multi-cultural heritage.

ENERGY – working together to achieve impact through passion, drive and agility.



9. LEGISLATIVE AND OTHER MANDATES

9.1. GENERAL

ASA was established in terms of a delegation of Authority from the then Minister of Public Works in July 1969. The organisation is an entity of the National Department of Public Works (NDPW) and its mandate is within the domain of the built environment and as such, the legislation and mandates that impact on the built environment and public works guide the functioning and operations of ASA.

The organisation is currently a schedule 3A public entity under the Public Finance Management Act and is established under the Agrément South Africa Act, (Act No 11 of 2015). There are several sections of legislation which deal with or have an impact upon certification of innovative and non-standard construction products for infrastructure development. In this regard the following legislative and other mandates must be noted. ASA is compiling internal policies and procedures aligned with the legislation mentioned below for approval by the Executive Authority to ensure compliance.

9.2. CONSTITUTIONAL AND LEGISLATIVE MANDATE

9.2.1. Constitution

In executing its mandate, ASA must observe the principles of good co-operative governance and intergovernmental relations, as provided for in Section 41 of the Constitution.

9.2.2. National Building Regulations and Building Standards Act of 1977 (Act No. 103 of 1977)

National Building Regulations and Building Standards Act (Act 103 of 1977) provides for the promotion of uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities and the prescribing of building standards.

9.2.3. Occupational Health and Safety Act of 1993 (Act No. 85)

The Occupational Health and Safety Act, (Act No 85 of 1993) provides for the health and safety of persons in the work place and for the health and safety of persons in connection with the use of plant and machinery as well as the protection of persons other than those persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work.

9.2.4. Environmental Conservation Act of 1989 (Act No73 of 1989) It provides for the protection and controlled utilization of the environment.

9.2.5. The National Regulator for Compulsory Specifications Act of 2008 (Act No. 5 of 2008)

This act enables the National Regulator for Compulsory Specifications (NCRS) to issue compulsory specifications (technical regulations) that require conformity of a product or service to health, safety or environmental protection requirements of a standard, or specific provisions of a standard.

No person may import, sell or supply a commodity, product or service to which a compulsory specification applies unless such commodity, product or service complies with and / or has been manufactured in accordance with such specification and, if applicable, marked in the prescribed manner with a distinctive mark, which constitutes a declaration of conformity to requirements.

9.2.6. Committee of Land Transport Officials (COLTO)

Committee of Land Transport Officials recommend the use of Agrément certificated products for which there are no national standards.

9.2.7. Agrément South Africa's policy Mandate

ASA is a statutory board established in terms of ASA Act (No.11 of 2015). The objects of ASA are to:

- provide assurance to specifiers and users of the fitness-forpurpose of non-standardised construction related products or systems;
- support and promote the process of integrated socio-economic development in the Republic as it relates to the construction industry; support and promote the introduction and use of certified non-standardised construction related products or systems in the local or international market; and
- support policy makers to minimize the risk associated with the use of a non-standardised construction related product or system; and be an impartial and internationally acknowledged South African centre for the assessment and confirmation of fitness-for-purpose of non-standardised construction related products or systems.

ASA will discharge its responsibilities through certification of innovative and non-standardised products and systems impartially and without undue influence and keep records of the same.

9.2.8. The Public Finance Management Act No 1 of 1999

The Public Finance Management Act, (Act No. 1 of 1999) promotes the objective of good financial management to maximise service delivery through the proficient use of limited resources.

9.2. POLICY MANDATES

The National Development Plan or Vision 2030 (NDP) has identified infrastructure investment as a priority for South Africa moving forward and provides an effective mechanism to support socioeconomic transformation and to build a new level of economic resilience in an increasingly challenging global environment.

In response to key policy imperatives enunciated in the NDP, ASA will focus on promoting the use of innovative and non-standard construction products for infrastructure provision (housing, water, electricity, sanitation, road network, schools, health centres, clean environment) and employment.

9.3. RELEVANT COURT RULINGS

There were no court rulings which were relevant to Agrément South Africa in the year under review.





10. ORGANISATIONAL ENVIRONMENT

ASA is managed by the Chief Executive Officer assisted by executive management team. The profile of the executive management team is included on the Table below

included on the Table b			
Name	Designation	Qualifications	Experience
Mr. Joe Odhiambo	CEO Agrément South Africa	 MBA (University of Pretoria BA Honours in Building Economics (University of Nairobi, Kenya) MSc in Project Management (University of the Witwatersrand) 	34 years
Mrs. Inge Vieira	Chief Financial Officer	 CA (SA) (SAICA) Baccalaureus Computation/CTA (UNISA Honours Bachelor of Accounting Science (UNISA) 	16 years
Mrs. Sophy Molete	Manager Corporate Services	 National Diploma in Human Resources Management (Nelson Mandela Metropolitan University) Certificate in Managing Employment Process (UNISA) Certificate in Development and Management of Local Government (University of Witwatersrand) Certificate in Provincial and Local Government Law (UNISA) Prosci Change Management Certificate 	17 years
Dr Benson Wekesa	Technical Group Leader	 Pr. Eng (ECSA) MSAICE, Doctorate in Civil Engineering (Tshwane University of Technology) Masters of Science (Brunel University, UK) BSC (hons) Civil Engineering (University of Nairobi) 	29 years
Mr. Samuel Skosana	Technical Group Leader	 B-Tech Degree in Civil Engineering (Durban University of Technology) National Higher Diploma in Architectural Technology Tshwane University of Technology) 	30 years
Mrs. Lucia Montoedi	Audit, Risk and Compliance Manager	 Associate Member - Institute if Internal Auditors South Africa (IIA) CSA Higher Diploma in Computer Auditing (University of Witwatersrand) National Diploma in Internal Auditing (Tshwane University of Technology) B-Tech Degree in Internal Auditing (Tshwane University of Technology) 	12 years

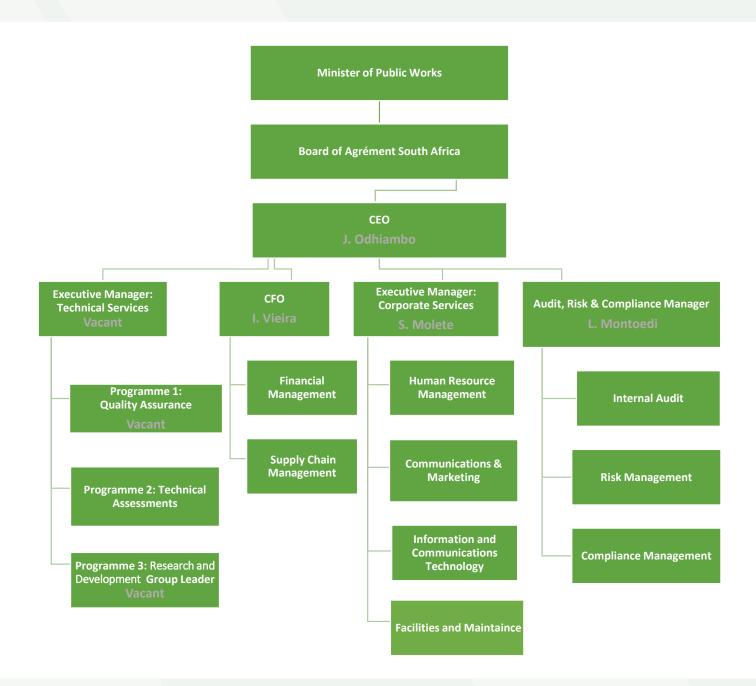
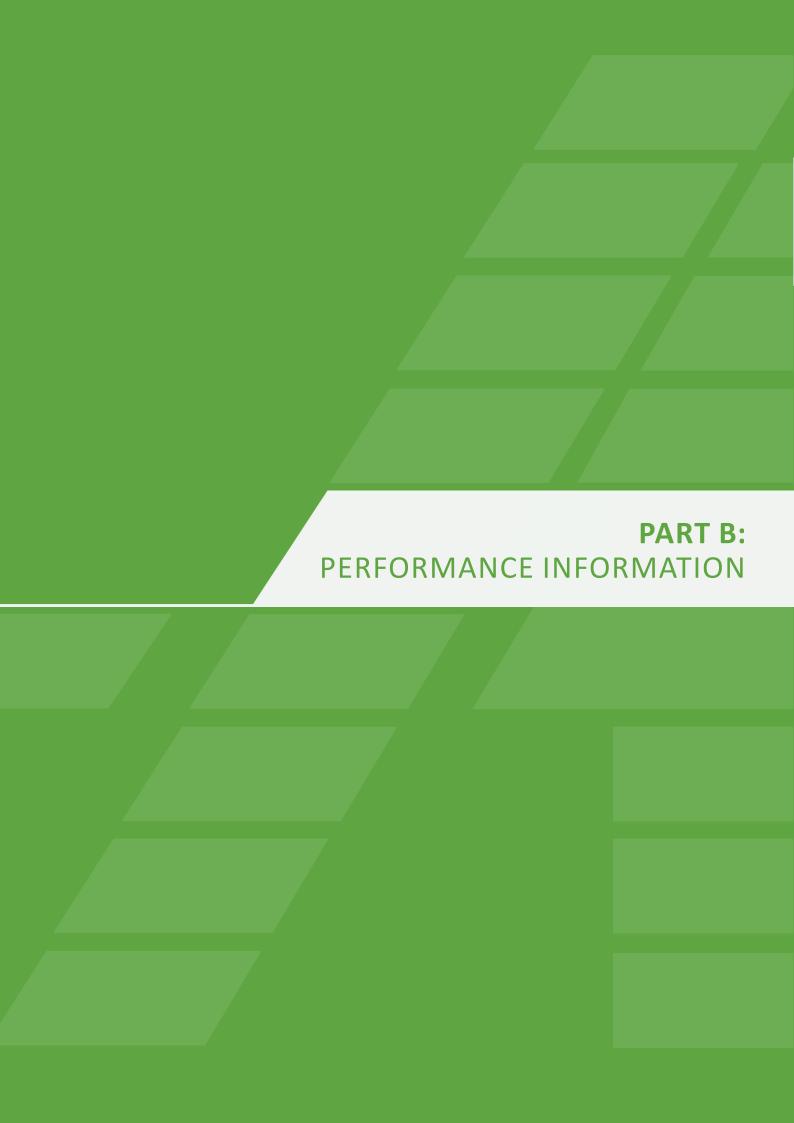


Figure 1: High level organisational structure of Agrément South Africa.





PERFORMANCE INFORMATION

AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

ASA currently performs the necessary audit procedures on performance information to provide limited assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the predetermined objectives heading in the report on other legal and regulatory requirements section of the auditor's report full detailed report on predetermined objectives section 14 of part E.

2. SITUATIONAL ANALYSIS

SERVICE DELIVERY ENVIRONMENT

ASA, an entity of the National Department of Public Works fulfils its mandate through certification of innovative and non-standardised products and systems. The year under review was a success in that 80% of the target was achieved. The key output relates to technical assessment and certification of construction products and systems against set performance criteria and to carry out quality audits thereof.

The output provides assurance to specifiers and users of fitness-forpurpose of construction related products and systems and where applicable to ensure quality in manufacture, erection, application and construction is consistently maintained. In so doing ASA supports and promotes the introduction and use of non-standardised and innovative construction related products or systems in the local and international markets.

It is envisaged that this process will lead to integrated socioeconomic development in the Republic and support policy makers in minimizing the risks associated with the use of non-standardised construction related products or systems.

It is evident from the above that the services of ASA have no direct impact on the public. However, it is a well-known fact that innovation usually leads to reduced cost and construction time. It also acts as an agent of reform in the construction industry through job creation, green economy, ceasing monopoly, material beneficiation etc. Most of ASA's certified products and systems come with the abovementioned advantages.

In rendering its services, ASA has established the cost of assessment to be a hindrance to previously disadvantaged communities to participate fully in this "economy". It is a highly specialised field and most of the clients are from previously advantaged communities.

Also due to its specialised nature service providers are mostly from previously advantaged communities. This impacts negatively on the output. There has generally been no effort made to mentor or transfer skills and institutional knowledge. Under the new Agrément this is being addressed. A new data base and induction courses to increase the pool of service providers is in the process of being implemented.

The Presidential Infrastructure Coordinating Commission Council Resolution to ensure that 60% of all infrastructure development is based on innovative products and systems has had a positive impact on ASA. There has been an increase in the number of applications and uptake of certified systems and products.

ORGANISATIONAL ENVIRONMENT

ASA has operated under CSIR since its inception in 1969. From the 1st April 2018 Agrément South Africa became an independent legal entity with a new organiSational structure in place which is focused on the ASA mandate.

KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

There has been no legislation or policies that affect the technical operation of ASA.

3. STRATEGIC OUTCOME ORIENTED GOAL

The strategic outcome-oriented goal of ASA is to promote the South African Government's objectives of economic development, good governance and raising living standards and prosperity of South African population. The total number of ASA certificates granted to date is over 500 with an average of 12 certificates granted per annum. This is in line with annual trends of technical assessments carried out world-wide by the technical assessment organisations that are members of the World Federation of Technical Assessments Organisations (WFTAO). In the year under review ASA issued a total of 31 certificates which is much higher than the average number of twelve issued annually.



4. PERFORMANCE INFORMATION BY PROGRAMME

PROGRAMME 1: TECHNICAL ASSESSMENT EVALUATION

Strategic Objective: To conduct technical assessment of non-standardised construction related products and systems.

Purpose of the programme: To ensure assessment of non-standardised construction related products and systems for which there are no SABS standards are fit-for-purpose.

Table 1: Programme 1: Technical Assessment Evaluation: Performance indicators and targets for the financial year 2017/18.

The certificates granted promote improved methods of construction thereby contributing towards the strategic outcome of improving the living standards of South Africans.

	Performance Reporting Annual Achievement period 2016/17			Annual Target 2017/18 Annual Achievem		Reasons for deviation
1.	Percentage of applications of non-standardised construction products processed within agreed timeframes.	Annually	32 applications processed meeting the requirements within agreed timeframes 35 technical assessment offers meeting the requirements granted within agreed timeframes.	80% applications processed within agreed timeframes	100% applications of non- standardised construction related products approved	All the applications were complete and compliant.
2.	Percentage of technical assessment offers processed within agreed timeframes.	Annually	32 applications processed meeting the requirements within agreed timeframes.	80% technical assessment offers submitted to applicants who applied to ASA based on the total number of applications formally received within agreed	95% assessment offers submitted to applicants who applied to ASA based on the total number of applications formally received within agreed	Assessment criteria and scope of work were mostly routine and hence availability of experts, in addition, all assessments were successful.
3.	Percentage of Agrément products and systems approved within agreed timeframes.	Annually	28 Agrément products and systems approved meeting the requirements within agreed timeframes.	80% Agrément products and systems approved within agreed timeframes.	100% Agrément products and systems approved within agreed timeframes.	Due diligence was execised during the assesment process and drafting the certification.

PROGRAMME 2: PRODUCTS OR SYSTEMS CERTIFICATION

Strategic Objective: To certify the fitness for purpose of the non-standardized construction related products or systems.

Purpose of the programme: To ensure certification of non-standardised construction related products and systems for which there are no SABS standards are fit-for-purpose.

Table 2: Programme 2: Products or Systems Certification: Performance indicators and Annual targets for the financial year 2017/18.

The certificates granted promote improved methods of construction thereby contributing towards the strategic outcome of improving the living standards of South Africans.

	ormance cator	Reporting period	Annual Achievement Annual Target 2016/17 2017/18		Annual Achievement	Reasons for Deviation
1.	Percentage of non-standardized construction related products or systems certificates issued within agreed timeframes.	Annually	28 non- standardised construction related products or systems certified	80% non-standardized construction related products or systems certificates issued within agreed timeframes	100% non-standardized construction related products or systems certificates issued within agreed timeframes	Due diligence was exercised by Technical Committee in approving draft certificates.

PROGRAMME 3: QUALITY ASSURANCE

Strategic Objective: To conduct quality assurance of all ASA certificates as part of technical assessment process.

Purpose of the programme: To ensure certification of non-standardised construction related products and systems for which there are no SABS standards are fit-for-purpose.

Table 3: Quality Assurance: Performance indicators and Annual targets for the financial year 2017/18.

The quality assurance audits contributes towards improved methods of construction thereby contributing towards the strategic outcome of improving the living standards of South Africans.

	Performance Reporting Indicator period				Annual Achievement	Reasons for Deviation
1.	Percentage of quality inspections conducted for technical assessment process	Annually	28 quality inspections conducted for Agrément certificates.	80% quality inspections conducted for Agrément certificates	100% quality inspections conducted for Agrément certificates	All the applicants Quality management system were compliant.
2.	Percentage of quality inspections conducted for Agrément certificates post certification.	Annually	71 quality inspections conducted for Agrément certificates post certification	80% quality inspections conducted for Agrément certificates post certification	66% quality inspections conducted for Agrément certificates post certification	Some Certificate holders were not in production during the year due to economic reasons hence it was not possible to visit some of the factories.
3.	Percentage of quality inspections conducted for certificate holder's licensees.	Annually	28 quality inspections conducted for Agrément certificates	80% quality inspections conducted for certificate holder's licensees	100% quality inspections conducted for certificate holder's licensees	All the licensee's Quality Management Systems were compliant and resources available.

5. LINKING PERFORMANCE WITH BUDGET

Agrément South Africa has utilised the revenue received for quality inspection and new projects to ensure that certification of projects is completed in terms of the annual performance plan and project plan. Grant income was used to complete the additional operational requirements of the annual inspections and support staff to the core function of technical services.

As Agrément South Africa is dependent on customers voluntarily submitting their requests to the organisation and taking into consideration the declining global economic climate, there has been a slight decrease in the income generated for certification fees in the current year. The budget for operational cost was significantly increased and the balance of R8,235,542 being the retained income of R12,273,872 less the personnel underspending of R4,038,330 will be requested for the approved Eco-Labelling scheme as per the delegation received on 1st March 2018 and the balance will be used to expand the furnishing of the offices for the anticipated finalisation of the staffing establishment. Submission will be made to retain R12,324,921 of the surplus for the mandated Eco-Labelling.

6. REVENUE COLLECTION

2017/2018			
Sources of revenue	Budgeted	Actual Amount Collected	Over/(Under) Collection
Government Grant	29 045 000	29 045 000	-
Assessment & Annual Fees	4 120 000	2 281 633	(1 838 376)
Interest Received	343 000	1 171 425	828 425

Agrément South Africa has utilised the revenue received for quality inspection and new projects to ensure that certification of projects is completed in terms of the annual performance plan and project plan. Grant income was used to complete the additional operational requirements of the annual inspections and support staff to the core function of technical services.

7. CAPITAL INVESTMENT

As the entity was fully independent from the 1st April 2018, there was no capital investment and assets management plan developed. ASA has planned to move into new premises leased within the CSIR in the new financial year which the infrastructure is currently under maintanance. There were no assets disposals in the 2017/18 financial year.





GOVERNANCE

1. INTRODUCTION

Corporate governance expresses the processes and systems by which the corporates are directed, controlled and held to account. ASA strives to achieve high standards of good governance by embracing the four core values that underpin good governance which are: Fairness, Accountability, Transparency and Responsibility. In ensuring compliance to the principles of governance, a compliance programme will be implemented by ASA to assess adherence to the principles of good governance and to identify areas that require improvements on a regular basis.

2. PORTFOLIO COMMITTEE

The Portfolio Committee is responsible for exercising oversight over the service delivery of ASA, which includes reviewing the financial and non-financial performance information of ASA as it is contained in the Strategic and Annual Performance Plan. The Chairperson of the Board and the Chief Executive Officer were invited to appear before the Portfolio Committee on two occasions, namely, during the period when the Portfolio Committee was discussing the Budget Review Recommendations Report and the Budget Vote.

3. EXECUTIVE AUTHORITY: DEPARTMENT OF PUBLIC WORKS

The Minister of the Department of Public Works (DPW) is responsible for the department that is the Executive Authority of ASA plays a vital role in ensuring that ASA operates within ASA's legislative mandates. The Minister has been given the power to appoint and dismiss the Board of ASA. On an on-going basis, the Minister monitors and evaluates the performance of ASA through reports and interactions. During the year, ASA submitted the following reports in compliance with the PFMA and Framework for Managing Performance Information.

Date of submission	Type of reports
30 th April 2017	4 th Quarter Performance report 2016/17
31st July 2017	1st Quarter Performance Report - 2017/18
31st August 2017	1st Draft Strategic and Annual Performance Plan 2017/2018

31st October 2017	2 nd Quarter Performance Report - 2017/18
30 th November 2017	2 nd Draft Annual Performance Plan 2017/2018
31st January 2018	3 rd Quarter Performance report - 2017/18
31st January 2018	Final Annual Performance Plan
31st August 2018	Annual Report

4. THE ACCOUNTING AUTHORITY: THE BOARD OF ASA

4.1. INTRODUCTION

The Minister appointed eight Board members of whom two resigned in the reporting period. The current Board consists of six members. The term of office has been extended by the Minister of Public Works. The Minister is responsible to appoint the Board at an interval of three years as per Agrément South Africa, (Act No. 11 of 2015).

4.2. THE ROLE OF THE BOARD

The Board is the Accounting Authority in terms of the Public Finance Management Act (PFMA) (Act No. 1 of 1999) and is obliged to comply with the fiduciary duties as set out in the PFMA. The Board has a collective responsibility to provide effective corporate governance and strategic direction that involves adhering to the principle of good governance, risk management and internal controls as stipulated in the PFMA and Treasury Regulations. The role of the Board is as follows:

- Exercise leadership, enterprise, integrity and judgment in directing ASA to achieve continuing prosperity and to act in the best interests of ASA while respecting the principles of transparency and accountability;
- Determine ASA's values and the strategy designed to achieve ASA's purpose;
- Retain full and effective control of the Board and monitoring ASA in implementing Board plans and strategies;
- Monitor and evaluate the implementation of strategies, policies, procedures, processes, management performance criteria and business plans;



- Formulate, monitor and review corporate strategy, major plans of action, financial and risk management and internal control policies, appropriate procurement and provisioning systems, communications policy, annual budgets and business plans;
- Ensure that ASA complies with all relevant laws, regulations, government policies and codes of best business practice and communication with its shareholders and relevant stakeholders openly, transparently and promptly with substance prevailing over form;
- Identify the key risk areas and key performance indicators of ASA, based on both financial and non-financial aspects such as the socio-political and politico-economic expectations of the shareholder;
- Ensure that technology and systems used in ASA are adequate for the proper functioning of ASA through the most efficient and cost-effective use of its assets, processes and human resources;
- Ensure that the shareholder's performance objectives are achieved and can be measured in terms of performance of ASA;
- Develop a clear definition of the levels of materiality or

- sensitivity to determine the scope and delegation of authority and ensure that the Board reserves specific powers and authority for itself. All delegated authority shall be in writing and be regularly evaluated;
- Ensure that Board members are granted unrestricted access to accurate, relevant and timely information on the Board and acting on a fully informed basis, in the utmost good faith, with care, skill, diligence and in the best interests of ASA, while taking the interests of the shareholders and other stakeholders into account;
- Manage potential conflicts of interest between the CEO, Board members and the shareholders and ensure that any such conflicts of interest, or of independence, are regularly and expeditiously dealt with and resolved; and
- Maintain the highest standards of probity, integrity, responsibility and accountability and ensuring that a fair balance is found between conforming to corporate governance principles and the performance of ASA.

4.3. BOARD CHARTER

A Board Charter was developed, approved and implemented on 24 January 2018, during the transitional period.

4.4 COMPOSITION OF THE BOARD

Name	Designation	Date appointed	Date resigned	Other committees	No. Of meetings attended	Qualifications
Dr Jeffrey Mahachi	Acting Board Chairperson	06/09/2010	n/a	HR & Remuneration Technical	3 4	PhD Structural Engireering, MSc - Structural Engireering, MSc - Information Technology, BSc Hons - Civil Engireering,
Mr Denzil Fredericks	Board member	06/09/2010	n/a	HR & Remuneration Technical	2 3	Managing Director. SHEM consulting and training (Pty) Ltd. Consulting in Occupational Health and Safety Management. Accerdited OHSAS 18001 Auditor
Mr Hans Ittmann	Board member/ Technical chairperson	06/09/2010	n/a	Audit and risk Technical HR & Remuneration	2 3	MBA, MSc Operations Research, BSc Hons Operations Research, BMil (BSc)
Mrs Adelaide Ranape	Board member	06/09/2010	n/a	Audit and Risk	2	LLM tax law, LLM Commercial Law, B Proc, NDip Corporate Law
Mrs Mariana Marneweck	Board member	06/09/2010	n/a	Audit and risk Technical	3 5	BSc - Biochemistry, Microbiology, BSc Hons in Biochemistry, M-Phil Future Studies
Mrs Ntebo Ngcobo	Board member/ HR and Remuneration chairperson	06/09/2010	n/a	HR and Remuneration Technical	4 2	Lecture Dept of Civil Eng - University of Johannesburg NDip in Civil Eng. Btech Civil Eng. MBA

4.5. COMMITTEES

The Board has established the committees that it has required within the financial year and delegated its power to those committees to assist it with the fulfilment of its responsibilities in accordance with the provisions of the Agrément South Africa's Board Charter.

COMMITTEE	NO. OF COMMITTEE Meetings held	NO. OF MEMBERS	NAME OF MEMBERS
Audit and Risk committee	3	4	Micheal Mamothethi, Hans Ittmann, Mariana Marneweck and Adelaide Ranape
Human Resources and Remuneration committee	4	4	Denzil Fredericks, Ntebo Ngcobo, Hans Ittmann and Jeffrey Mahachi
Technical committee	5	6	Denzil Fredericks, Ntebo Ngcobo, Hans Ittmann, Jeffrey Mahachi, Mariana Marneweck and Adelaide Ranape
Board	7	6	Denzil Fredericks, Ntebo Ngcobo, Hans Ittmann, Jeffrey Mahachi, Mariana Marneweck and Adelaide Ranape

4.6. REMUNERATION OF BOARD MEMBERS

NAME	REMUINERATION	OTHER ALLOWANCE	OTHER RE-IMBURSMENT	TOTAL
Dr Jeffrey Mahachi	34,911	41,612	20,222	96,745
Mr Denzil Fredericks	9,412	13,020	11,765	34,197
Mr Hans Ittmann	11,765	20,564	14,118	46,447
Mrs Adelaide Ranape	4,706	2,834	4,706	12,246
Mrs Mariana Marneweck	11,765	22,044	19,523	53,332
Mrs Ntebo Ngcobo	14,118	9,924	13,990	38,032

The remuneration for the ARC Chairperson, Mr Michael Mamothethi was 7,941.

5. RISK MANAGMENT

The oversight responsibility over the implementation of ASA risk management lies with the Accounting Authority that has delegated its responsibility to the Audit and Risk Committee.

ASA has in place a risk management framework, policy and strategy. ASA is in the process of implementing risk management within the entity. ASA is currently in the process of conducting risk assessments to determine the effectiveness of its risk management strategy and to identify new and emerging risks. Under the CSIR, ASA only had a strategic risk register which focused on the technical aspects of the entity.

The Executive Management of ASA has been delegated the duties of the Risk Management Committee by the Accounting Authority to implement and monitor the overall system of risk management.

6. INTERNAL AUDIT AND AUDIT COMMITTEE

The Audit and Risk Committee has under its charter the responsibility to oversee ASA on risk management and independently monitor the effectiveness of the system of risk management.

6.1. INTERNAL AUDIT

ASA established the Internal Audit department in October 2017. The role of Internal Audit is to provide independent, objective assurance designed to add value and improve the organisation's operations. In the current financial year ASA was audited under the CSIR until the establishment of the internal audit function in October 2017 when the new entity was formed.

From October 2017 until the financial year-end internal audit was providing advisory and consulting services to the entity. The function was still in the process of being fully developed with the appointment of the Audit, Risk and Compliance Manager in October 2017.



6.2. AUDIT COMMITTEES

The objective of the committee is to provide an independent assurance and assistance to the Board on control, governance, compliance and risk management. The Committee provides the Board with prompt and constructive reports on its findings, especially when issues are identified that could present a material risk to the institution.

AUDIT COMMITTEE MEMBERS

NAME	QUALIFICATIONS	QUALIFICATIONS INTERNAL/ EXTERNAL DATE APPOINTED		DATE RESIGNED	NO OF MEETINGS BOARD MEMBER ATTENDED
Mr Hans Ittmann	MBA, MSc Operations Research, BSc Hons Operations Research	External	06/09/2010	n/a	6
Mr Michael Mamothethi	MBA,Bcompt, Postgrad diploma in Accounting Science (CTA), Higher Diploma in Taxation, Secondary Teacher Diploma	External	24/01/2018	n/a	1
Mrs Mariana Marneweck	BSc Biochemistry, Microbiology/BSc Hons in Biochemistry, Masters	External	06/09/2010	n/a	5
Mrs Adelaide Ranape	LLM tax law, LLM Commercial Law, B Proc, Diploma corporate Law	External	06/09/2010	n/a	3

7. COMPLIANCE WITH LAWS AND REGULATIONS

ASA does not have dedicated compliance functions; however, system, process and policies are in place to provide the Board with assurance that all laws are being complied with. On-going reviews are being performed by our internal and external auditors. The findings are reflected in the specific audit reports as and when issued at completion of audit assignments.

8. FRAUD AND CORRUPTION

ASA is in the process of establishing a fraud and corruption management process through the risk management process which is currently in progress. ASA holds a zero-tolerance attitude to fraud and corruption.

9. MINIMISING CONFLICT OF INTEREST

ASA has adopted a strict compliance policy in relations to the supply chain management. In the year under review ASA has not identified any conflict of interest.

10. CODE OF ETHICS

ASA continually strives to improve the morals and ethics of both its organisational environment and its own conduct. The code of ethics was developed and communicated to all employees as guide.

It is the responsibility of each employee to ensure that he/she:

- Acts within his/her powers, in the interests and for the benefit of ASA;
- Carries out his/her duties with the skill and care to be expected from persons of their knowledge and experience; and
- Ensures that his/her conduct is always based on honesty, fairness, transparency and integrity.

11. HEALTH AND ENVIRONMENTAL ISSUES

ASA strictly complies with the Occupational Health and Safety Amendment Act, No. 181 of 1993. ACT. This provide for the health and safety of persons at work.

12. SOCIAL RESPONSIBILITY

ASA conducts regular visits to tertiary institutions and schools and participates in local and international conferences, seminars and exhibitions relating to its mandate.

13. REPORT OF THE AUDIT COMMITTEE

We pleased to present our annual Audit Committee Report which provides an insight into our work, the issues handled and the focus of the Audit Committee's for the financial year ended 31st March 2018. The Audit Committee assists the Agrément South Africa's Board in fulfilling its oversight responsibilities in areas such as the integrity of financial reporting, the effectiveness of the risk management and internal control system and related governance and compliance matters.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 51 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

Internal audit was providing advisory and consulting services to Agrément South Africa in the current financial year, as it was only established in October 2017 and the entity was in the transitional phase. The Committee review of the advisory and consulting obsevations raised by the Internal Audit work, conducted in the public entity revealed certain weaknesses, which were then raised with the public entity.

The audit committee has raised concern on the reports by prepared the Executive Management in the current financial year.

In-Year Management and Monthly/Quarterly report.

The public entity has been reporting monthly and quarterly to the Treasury as is required by the PFMA.

Evaluation of Financial Statements

The audit committee has reviewed the Annual Financial Statements and Performance Information prepared by the public entity.

Auditor's report

There were no audit issues raised in the prior year as the entity was operating under and audited as a subcomponent of CSIR.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

(Michael Mamotheti)

Chairperson of the Audit Committee Agrément South Africa





HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

In the year under review, Agrément South Africa underwent transition from being a sub-unit of CSIR's Built Environment Unit to becoming an independent entity of the National Department of Public Works (NDPW). The Human Resources priorities were on recruitment of support staff, starting with the appointment of the Chief Financial Officer and Corporate Services Manager on 1st August 2017, to support the CEO and ensure the transition took place by 1st April 2018. Additional support function staff were appointed for Finance, Human Resources and Audit, Risk and Compliance on 1st October 2017.

The transition priorities for Human Resources included developing policies and procedures and setting processes that will ensure the entity continued to operate without disruptions. Eight HR policies were approved. The organisational structure was also revised to ensure proper alignment, segregation of duties, improved operational efficiency and future growth for the entity. The entity established corporate staff benefits which include pension and risk covers as well as medical aid to ensure the staff, formerly CSIR staff, being transitioned to the entity continue to have similar benefits as per section 197 of the Labour Relations Act.

2. HUMAN RESOURCES OVERSIGHT STATISTICS

2.1. PERSONNEL COST BY PROGRAMME/ ACTIVITY/OBJECTIVE

Programme/ activity/objective	Total Expenditure for the entity (R'000)		Personnel exp. as a % of total exp. (R'000)		Average personnel cost per employee (R'000)
Administration	20 224 186	10 975 670	54%	22	499 894

Currently, as per transition, ASA's departments were combined as it was still under transfer from CSIR.

2.2. PERSONNEL COST BY SALARY BAND

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	No of employees	Average cost per employee (R'000)
Top Management	1 592 923	12	1	1 592 923
Senior Management	3 281 558	30	5	656 312
Professionally qualified	6 366 195	58	16	397 887
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	10 975 670	100	22	2 382 116

2.3. PERFOMANCE REWARDS

Agrément South Africa recently approved the Performance Management Policy and is in the process of implementing the performance reward system. The actual amount will be disclosed after completion of the process.



2.4. TRAINING COSTS

Programme/activity/ objective	Personnel Expenditure	Training Expenditure	Training Expenditure as a % of Personnel Costs	No of employees	Average training cost per employee (R'000)
Administration	2 859 829	130 962	1.2	7	18 709

Agrément South Africa has incurred training and developments costs amounting to R130 962.05 for the year under review for the following skills development programmes:

- Sage Pastel training (new payroll system);
- Tuition for studies in Bachelor of Commerce (Law);
- Tuition for studies in Masters in Construction Management;
- Senior Managers Programme;
- Change Management Training;
- Labour Relations; and

2.5. EMPLOYMENT AND VACANCIES

	2016/2017 No. of Employees		2017/2018 No. of Employees	% of vacancies
Administration	16	41	20	48%

	2016/2017 No. of Employees	2017/2018 Approved Posts	2017/2018 No. of Employees	2017/2018 Vacancies	% of vacancies
Top Management	1	1	1	0	0
Senior Management	2	5	5	0	0
Professionally qualified	13	35	16	2	1
Skilled	0	0	0	0	0
Unskilled	0	0	0	0	0
TOTAL	16	41	22	2	1

Explanation: Three Senior Management Support posts were filled by external candidates. Two of those were filled in August and one in October. The internal staff were all technical and did not have the specific requirements for the posts.

2.6. EMPLOYMENT CHANGES

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at the end of the period
Top Management	1	0	0	1
Senior Management	2	3	0	5
Professionally qualified	13	3	2	14
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	16	6	2	20

2.7 REASONS FOR LEAVING

Reason	Number	% of total no. of staff leaving
Death	0	0
Resignation	2	1
Dismissal	0	0
Retirement	0	0
III health	0	0

Reason	Number	% of total no. of staff leaving
Expiry of contract	0	0
Other	0	0
Total	2	1

2.8. LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

There were no misconducts and disciplinary action in the year under review.

2.9. EMPLOYMENT EQUITY

Levels	MALE								
	African		Coloured	Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target	
Top Management	1	0	0	0	0	0	0	0	
Senior Management	2	0	0	0	0	0	0	0	
Professionally qualified	7	0	0	0	0	0	0	0	
Skilled	0	0	0	0	0	0	0	0	
Semi-skilled	0	0	0	0	0	0	0	0	
Unskilled	0	0	0	0	0	0	0	0	
TOTAL	10	0	0	0	0	0	0	0	

Levels	FEMALE							
	African		Coloured	Coloured		Indian		
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	2	0	0	0	0	0	1	0
Professionally qualified	5	0	0	0	1	0	1	0
Skilled	0	0	0	0	0	0	0	0
Semi-skilled	0	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	7	0	0	0	1	0	2	0

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professionally qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	0	0	0	0

Explanation: Agrément South Africa was in the process of transition in the year under review and employment equity plan with targets had not been developed. There were no employees with disabilities in the year under review.





REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON AGREMENT SOUTH AFRICA

Report on the audit of the financial statements

Opinion

- 1. I have audited the financial statements of Agrément South Africa set out on pages 37, which comprise statement of financial position as at 31st March 2018, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
- 2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Agrément South Africa as at 31st March 2018, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Basis for opinion

- 3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
- 4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
- 5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Comparative figures

7. Agrément South Africa was administered by and housed at the Council for Scientific and Industrial Research (CSIR) since its inception. On 1 April 2017 the Agrément South Africa Act (Act no. 11 of 2015) was enacted making Agrément South Africa a separate entity. As a result, there was a transfer of functions from the CSIR to Agrément South Africa, with an effective date of 1 April 2018. The effect of this transfer is detailed in note 23 and 26 on the financial statements.

Other matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

9. The supplementary information set out on pages 68 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion on it.

Responsibilities of accounting authority for the financial statements

10. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with Standards of GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



11. In preparing the financial statements, the accounting authority is responsible for assessing Agrément South Africa's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting authority either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

- 12. My 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- 13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

- 14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
- 15. My procedures address the reported performance information, which must be based on the approved performance planning documents of the public entity. I have not evaluated the completeness and appropriateness of the performance indicators/ measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
- 16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the public entity for the year ended 31 March 2018:

Programmes	Pages in the annual performance report	
Programme 1: Technical Assessments Evaluation	16	
Programme 2: Products or Systems certification	16	
Programme 3: Quality Assurance	16 - 17	

- 17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
- 18. The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

Programme 1: Technical Assessments Evaluation

Various indicators

19. The method of calculation for the achievement of the indicators listed below was not clearly defined. In addition, the technical indicator descriptions and formal standard operating procedures that predetermined how the achievement would be measured, monitored and reported were inadequate. As a result, I was unable to obtain sufficient appropriate audit evidence to support the reported achievement. I was unable to confirm the reported achievement of the indicators by alternative means. Consequently, I was unable to determine whether any adjustments were required to the achievements as reported in the annual performance report.

Indicator description	Reported achievement
Percentage of applications of non-standardised construction products processed within agreed timeframes.	100%
Percentage of technical assessment offers processed within agreed timeframes	95%
Percentage of Agrément products and systems approved within agreed timeframes	100%

Programme 2: Products or Systems certification

Percentage of applications of non-standardised construction products processed within agreed timeframes.

- 20. The method of calculation for the achievement the indicators listed below was not clearly defined. In addition, the technical indicator descriptions and formal standard operating procedures that predetermined how the achievement would be measured, monitored and reported were inadequate. As a result, I was unable to obtain sufficient appropriate audit evidence to support the reported achievement of target "80% non-standardized construction related products or systems certificates issued within agreed timeframes" reported. I was unable to confirm the reported achievement of the indicator by alternative means. Consequently, I was unable to determine whether any adjustments were required to the achievement of 100% as reported in the annual performance report.
- 21. I did not raise any material findings on the usefulness and reliability of the reported performance information for Programme 3: Quality Assurance.

Other matters,

22. I draw attention to the matters below.

Achievement of planned targets

23. Refer to the annual performance report on pages 16 to 17 for information on the achievement of planned targets for the year and explanations provided for the under/ over achievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph(s) 19 to 20 of this report.



Adjustment of material misstatements

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme1: Technical Assessments Evaluation, Programme 2: Products or Systems certification and Programme 3: Quality Assurance. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

Report on the audit of compliance with legislation

Introduction and scope

- 25. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the public entity with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
- 26. The material findings on compliance with specific matters in key legislations are as follows:

Financial statements, performance and annual reports

27. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework in certain instances as required by section 55(1) (b) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.

Other Information

- 28. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
- 29. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon
- 30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 31. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

- 32. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
- 33. The public entity was established in the current period, and the development and implementation of proper performance planning and management practices to provide for the development of performance indicators and targets was not adequately addressed, resulting in material findings arising in our audit of the annual performance report.

Auditor-General

Auditor - General Pretoria 31st July 2018



ANNEXURE:

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

 As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the public entity's compliance with respect to the selected subject matters.

Financial statements

- 2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I 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 my 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 public
 entity's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority.
- conclude on the appropriateness of the accounting authority's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Agrément South Africa's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease continuing 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.

Communication with those charged with governance

- 3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
- 4. I also confirm to the accounting authority that I have complied with relevant ethical requirements regarding independence and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

Index

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

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Annual Financial Statement and is Unaudited Supplementary Information	67



Annual Financial Statements for the year ended 31 March 2018

Accounting Authority's Responsibilities and Approval

The Board is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Board to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Board acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the Board to meet these responsibilities, the accounting authority sets standards for internal control aimed at reducing the risk of error or deficit 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 entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The Board have reviewed the entity's cash flow forecast for the year to 31 March 2019 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The entity is wholly dependent on the National Department of Public Works for continued funding of operations. The annual financial statements are prepared on the basis that the entity is a going concern and that the National Department of Public Works has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

Although the accounting authority are primarily responsible for the financial affairs of the entity, they are supported by the entity's external auditors.

The external auditors are responsible for independently reviewing and reporting on the entity's annual financial statements. The annual financial statements have been examined by the entity's external auditors and their report is presented on page 29 to 33.

The annual financial statements set out on pages 37 to 66, which have been prepared on the going concern basis, were approved by the accounting authority on 31 May 2018 and were signed on its behalf by:

Dr Jeffrey Mahachi

Acting Chairperson of the Board

Statement of Financial Position as at 31 March 2018

Assets Current Assets 6 274,956 Receivables from exchange transactions 6 274,956 Prepayments 5 369,409 Cash and cash equivalents 7 13,361,612 Non-Current Assets 7 14,005,977 Non-Current Assets 14,137,750 Property, plant and equipment 3 131,773 Total Assets 14,137,750 Liabilities 11 1,113,878 Provisions 9 750,000 Total Liabilities 1,863,878 Total Liabilities 1,863,878 Net Assets 12,273,872 Accumulated surplus 8 12,273,872	Figures in Rand	Note(s)	2018
Receivables from exchange transactions 6 274,956 Prepayments 5 369,409 Cash and cash equivalents 7 13,361,612 14,005,977 Non-Current Assets Property, plant and equipment 3 131,773 Total Assets 14,137,750 Liabilities Current Liabilities 11 1,113,878 Provisions 9 750,000 Total Liabilities 1,863,878 Total Liabilities 1,863,878 Net Assets 12,273,872	Assets		
Prepayments 5 369,409 Cash and cash equivalents 7 13,361,612 14,005,977 Non-Current Assets Property, plant and equipment 3 131,773 Total Assets 14,137,750 Liabilities Payables from exchange transactions 11 1,113,878 Provisions 9 750,000 Total Liabilities 1,863,878 Total Liabilities 1,863,878 Net Assets 12,273,872	Current Assets		
Cash and cash equivalents 7 13,361,612 Non-Current Assets Property, plant and equipment 3 131,773 Total Assets 14,137,750 Liabilities Current Liabilities Payables from exchange transactions 11 1,113,878 Provisions 9 750,000 Total Liabilities 1,863,878 Net Assets 12,273,872	Receivables from exchange transactions	6	274,956
T4,005,977 Non-Current Assets 14,005,977 Property, plant and equipment 3 131,773 Total Assets 14,137,750 Liabilities 2 Payables from exchange transactions 11 1,113,878 Provisions 9 750,000 Total Liabilities 1,863,878 Net Assets 12,273,872	Prepayments	5	369,409
Non-Current Assets 3 131,773 Total Assets 14,137,750 Liabilities Current Liabilities Payables from exchange transactions 11 1,113,878 Provisions 9 750,000 Total Liabilities 1,863,878 Net Assets 12,273,872	Cash and cash equivalents	7	13,361,612
Property, plant and equipment 3 131,773 Total Assets 14,137,750 Liabilities Current Liabilities Payables from exchange transactions 11 1,113,878 Provisions 9 750,000 Total Liabilities 1,863,878 Net Assets 12,273,872		-	14,005,977
Total Assets 14,137,750 Liabilities Current Liabilities Payables from exchange transactions 11 1,113,878 Provisions 9 750,000 Total Liabilities 1,863,878 Net Assets 12,273,872	Non-Current Assets		
Liabilities Current Liabilities 11 1,113,878 Payables from exchange transactions 9 750,000 Provisions 1,863,878 Total Liabilities 1,863,878 Net Assets 12,273,872	Property, plant and equipment	3	131,773
Current Liabilities 11 1,113,878 Payables from exchange transactions 9 750,000 Provisions 1,863,878 Total Liabilities 1,863,878 Net Assets 12,273,872	Total Assets	- -	14,137,750
Payables from exchange transactions 11 1,113,878 Provisions 9 750,000 Total Liabilities 1,863,878 Net Assets 12,273,872	Liabilities		
Payables from exchange transactions 11 1,113,878 Provisions 9 750,000 Total Liabilities 1,863,878 Net Assets 12,273,872	Current Liabilities		
Provisions 9 750,000 1,863,878 1,863,878 Total Liabilities 1,863,878 Net Assets 12,273,872		11	1,113,878
Total Liabilities 1,863,878 Net Assets 12,273,872	•	9	
Net Assets 12,273,872		_	1,863,878
	Total Liabilities	_	1,863,878
Accumulated surplus 8 12,273,872	Net Assets		12,273,872
	Accumulated surplus	8	12,273,872



Statement of Financial Performance

Figures in Rand	Note(s)	2018
Revenue		
Revenue from exchange transactions		
Rendering of services	12	1,969,724
International revenue	12	311,909
Interest received	13	1,171,425
Total revenue from exchange transactions		3,453,058
Revenue from non-exchange transactions		
Government grants & subsidies	14	29,045,000
Total revenue	12	32,498,058
Expenditure		
Employee related costs	15	(10,975,670)
Administration fee	16	(4,912,434)
Depreciation and amortisation	3	(28,278)
Lease rentals on operating lease	4	(858,189)
Operating Expenses	17	(3,449,615)
Total expenditure		(20,224,186)
Surplus for the year		12,273,872

Statement of Changes in Net Assets

Figures in Rand	Accumulated Total net surplus assets
Balance at 01 April 2017 Changes in net assets Surplus for the year	- 12,273,872 12,273,872
Total changes	12,273,872 12,273,872
Balance at 31 March 2018	12,273,872 12,273,872
Note	8



Cash Flow Statement

Figures in Rand	Note(s)	2018
Cash flows from operating activities		
Receipts		
Grant and subsidies		29,045,000
Rendering of services		1,637,268
Interest income		1,171,425
		31,853,693
Payments		
Employee costs		(9,512,002)
Suppliers		(8,820,028)
		(18,332,030)
Net cash flows from operating activities	18	13,521,662
Cash flows from investing activities		
Purchase of property, plant and equipment	3	(160,051)
Cash flows from financing activities		
Net increase/(decrease) in cash and cash equivalents		13,361,611
Cash and cash equivalents at the end of the year	7	13,361,611

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis		Reference
Figures in Rand					actual	
Statement of Financial Performa	ince					
Revenue						
Revenue from exchange transactions						
Rendering of services	3,488,000	-	3,488,000	1,969,724	(1,518,276)	29
International Revenue	632,000	-	632,000	,	(320,091)	29
Interest received - investment	343,000	-	343,000	1,171,425	828,425	29
Total revenue from exchange transactions	4,463,000	-	4,463,000	3,453,058	(1,009,942)	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants & subsidies	29,045,000	-	29,045,000	29,045,000	-	
Total revenue	33,508,000	-	33,508,000	32,498,058	(1,009,942)	
Expenditure						
Personnel	(15,014,000)	_	(15,014,000)) (10,975,670)	4,038,330	29
Administration	(10,011,000)	_	-	(4,912,434)		20
Depreciation and amortisation	(634,000)	_	(634,000)			29
ease rentals on operating lease	(1,625,000)	-	(1,625,000		766,811	29
General Expenses	(16,235,000)	_	(16,235,000	, ,	12,785,385	29
Total expenditure	(33,508,000)	-	(33,508,000)) (20,224,186)	13,283,814	
Surplus before taxation	-	-	-	12,273,872	12,273,872	
Actual Amount on Comparable Basis as Presented in the Budget and Actual	-	-	-	12,273,872	12,273,872	
Comparative Statement						
= Reconciliation						
Reconciliation						



Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis		Reference
Figures in Rand					actual	
Statement of Financial Position						
Assets						
Current Assets						
Receivables from exchange transactions	-	-		274,956	274,956	29
Prepayments	-	_	-	369,409	369,409	29
Cash and cash equivalents	-	-		13,361,612	13,361,612	29
_	-	-		14,005,977	14,005,977	
Non-Current Assets						
Property, plant and equipment	-	-	-	131,773	131,773	29
Total Assets	-	-		14,137,750	14,137,750	
Liabilities						
Current Liabilities						
Payables from exchange transactions	-	-	-	1,113,877	1,113,877	29
Provisions	-	-		750,000	750,000	29
_	-	-		1,863,877	1,863,877	
Total Liabilities	-	-	-	1,863,877	1,863,877	
Net Assets	-	-		12,273,873	12,273,873	
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Accumulated surplus	_	-		12,273,873	12,273,873	29

Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies were developed in the current period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.3 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:

Trade receivables / Held to maturity investments and/or loans and receivables

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Impairment testing

All assets and liabilities are tested for impairment, based on the available information at the time of testing, and management's assessment of the assets and liabilities.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 9 - Provisions.

Effective interest rate

The entity used the prime interest rate to discount future cash flows.

Intangible assets

If the computer hardware can operate without the software, then the software is recognised as an intangible asset and not property, plant and equipment.

Property, plant and equipment

Property and equipment are considered for impairment if there is any reason to believe after applying the internal and external impairment indicators that impairment may be necessary. Residual values and estimated useful lives are assessed on an annual basis. The residual value of all other assets are estimated.

Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

it is probable that future economic benefits or service potential associated with the item will flow to the entity; and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include 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.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

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

Item	Depreciation method	Average useful life
Furniture and fixtures Office equipment	Straight line Straight line	6 - 15 years 8 - 12 years
Computer equipment Leasehold improvements	Straight line Straight line	3 - 5 years Term of the lease
Machinery and equipment Laboratory equipment	Straight line Straight line	5 - 10 years 5 - 15 years
Minor computer equipment	Straight line	Fully depreciated within year of purchase

Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.4 Property, plant and equipment (continued)

Minor office equipment Straight line Fully depreciated within

year of purchase

Minor furniture and fixtures

Straight line

Fully depreciated within

year of purchase

Minor machinery and equipment

Straight line

Fully depreciated within

year of purchase

Minor laboratory equipment

Straight line

Fully depreciated within

vear of purchase

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimates.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate, unless expectations differ from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset. All items with a cost below R5 000.00 are considered minor assets and will be fully depreciated within the year that it is purchased. The depreciation charge for each period is recognised in surplus and deficit, unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the entity holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note).

1.5 Intangible assets

An asset is identifiable if it either:

is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or

arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and

the cost or fair value of the asset can be measured reliably.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.5 Intangible assets (continued)

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

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

Item	Depreciation method	Average useful life
Patents, trademarks and other rights	Straight line	Tested annually for impairment
Computer software	Straight line	3 - 5 years

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

If the computer hardware can operate without the software, then the software is recognised as an intangible asset and not property, plant and equipment.

1.6 Financial instruments

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

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.6 Financial instruments (continued)

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

cash;

a residual interest of another entity; or

a contractual right to:

- receive cash or another financial asset from another entity; or
- exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

deliver cash or another financial asset to another entity; or

exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

equity instruments or similar forms of unitised capital;

a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

derivatives:

combined instruments that are designated at fair value;

instruments held for trading. A financial instrument is held for trading if:

- it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
- on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
- non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
- financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.6 Financial instruments (continued)

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class

Receivables from exchange transactions

Cash and cash equivalents

Pre-payments

Category

Financial asset measured at amortised cost Financial asset measured at amortised cost Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class

Payables from exchange transactions

Provisions

Residual interest1

Residual interest2

Category

Financial liability measured at amortised cost Financial liability measured at amortised cost

Measured at fair value

Measured at cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

the contractual rights to the cash flows from the financial asset expire, are settled or waived;

the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.6 Financial instruments (continued)

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Dividends or similar distributions relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.8 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

the period of time over which an asset is expected to be used by the entity; or the number of production or similar units expected to be obtained from the asset by the entity.



Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.8 Impairment of cash-generating assets (continued)

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

1.9 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

Termination benefits are employee benefits payable as a result of either:

an entity's decision to terminate an employee's employment before the normal retirement date; or an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide postemployment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.9 Employee benefits (continued)

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

wages, salaries and social security contributions;

short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;

bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and

non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

1.10 Provisions and contingencies

Provisions are recognised when:

the entity has a present obligation as a result of a past event;

it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and

a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.10 Provisions and contingencies (continued)

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 20.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The entity recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

financial difficulty of the debtor;

defaults or delinquencies in interest and capital repayments by the debtor;

breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and

a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the entity for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the entity considers that an outflow of economic resources is probable, an entity recognises the obligation at the higher of:

the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and

the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

1.11 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.11 Revenue from exchange transactions (continued)

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Rendering of services

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

the amount of revenue can be measured reliably;

it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; the stage of completion of the transaction at the reporting date can be measured reliably; and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the 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

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and

The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.12 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.



Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.12 Revenue from non-exchange transactions (continued)

Government grants

Government grants are recognised as revenue when:

it is probable that the economic benefits or service potential associated with the transaction will flow to the entity, the amount of the revenue can be measured reliably, and

to the extent that there has been compliance with any restrictions associated with the grant.

The entity assesses the degree of certainty attached to the flow of future economic benefits or service potential on the basis of the available evidence. Certain grants payable by one level of government to another are subject to the availability of funds. Revenue from these grants is only recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the entity. An announcement at the beginning of a financial year that grants may be available for qualifying entities in accordance with an agreed programme may not be sufficient evidence of the probability of the flow. Revenue is then only recognised once evidence of the probability of the flow becomes available.

1.13 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.14 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

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

1.15 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.16 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.17 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.17 Irregular expenditure (continued)

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.18 Budget information

Entity are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2017/04/01 to 2018/03/31.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

1.19 Related parties

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.20 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and

those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

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2. New standards and interpretations

2.1 Standards and Interpretations early adopted

The entity has chosen to early adopt GRAP 106.

2.2 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2018 or later periods:

Standard	// Interpretation:	Effective date: Years beginning on or	Expected impact:
	GRAP 34: Separate Financial Statements	after 01 April 2099	Unlikely there will be a material impact
	GRAP 20: Related parties	01 April 2019	Unlikely there will be a material impact
	GRAP 106 (as amended 2016): Transfers of functions between entities not under common control	01 April 2019	Impact is currently being assessed
	GRAP 17 (as amended 2016): Property, Plant and Equipment	01 April 2018	Unlikely there will be a material impact
	GRAP 21 (as amended 2016): Impairment of non-cash- generating assets	01 April 2018	Unlikely there will be a material impact
	GRAP 26 (as amended 2016): Impairment of cash- generating assets	01 April 2018	Unlikely there will be a material impact
	generaling accord		
	GRAP 31 (as amended 2016): Intangible Assets	01 April 2018	Unlikely there will be a material impact
	Directive 12: The Selection of an Appropriate Reporting Framework by Public Entities	01 April 2018	Unlikely there will be a material impact

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Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment

Office equipment Computer equipment

Total

Reconciliation of property, plant and equipment - 2018

Office equipment Computer equipment

balance		Additions	Depreciation	lotai
	-	16,581	-	16,581
	-	143,470	(28,278)	115,192
	-	160,051	(28,278)	131,773

Pledged as security

None of Agrément South Africa's property, plant and equipment have been pledged as security for any liability or contingent liability.

The residual values of property, plant and equipment have been assessed to be neglible, as a result they have not been considered in the calculation of the depreciable amount.

4. Operating lease liability

Operating lease payments represent rental payable by Agrément South Africa for its office accommodation. The new office lease was negotiated for an initial term of three years from 1 March 2018, with no set percentage escalation per annum. R858 189.00 was expensed over the current period for the office accommodation provided under the agreement with the CSIR and the initial payment for the new office accommodation.



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Notes to the Annual Financial Statements

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Operating lease liability (continued)

The operating lease expense is therefore not smoothed over the straightline.

All lease agreements have fixed repayments and no arrangements have been entered into for contingent rent.

The lease agreement do not impose any restrictions on Agrément South Africa.

Prepayments

Prepayment consist of the pre-payment as per agreement for the office accommodation to the value of R148 167.11 and contract amounts for technical evaluation projects to the value of R221 242.00.

Receivables from exchange transactions

Trademark	15,014
Deposits	259,942
	274,956

Fair value of trade and other receivables

Trade and other receivables from exchange transactions approximates their fair value.

No trade and other receivable was impaired at year end.

Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances 13,361,612

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating

zaA-1+ 13,361,612

Accumulated surplus

Accumulated surplus - 2018

	Accumulated Surplus	Total
Accumulated Surplus for the year	12,273,873	12,273,873

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Notes to the Annual Financial Statements

9. Provisions

Reconciliation of provisions - 2018

	Opening	Additions	Total
	Balance		
Provision for bonus payment	_	750,000	750,000

During the year, Agrément South Africa raised a provision for bonus payment in relation to performance bonus for the performance period April 2017 to March 2018. The provision for bonus payment is prepared on the basis of prior year's actual performance, which was 5% of the basic salary. Management is of the view that the amount will be adequate to cover the performance bonus of the organisation for the 2017/2018 financial year.

10. Income Tax Exemption

Agrément South Africa is exempt from Income Tax in terms of section 10 (1)(cA0(i) of the Income Tax Act.

11. Payables from exchange transactions

Trade payables	76,871
Payments received in advanced - contract in process	323,340
PAYE and UIF payable	613,676
Accrued leave pay	99,991
	1,113,878

Fair value of trade and other payables

Trade and other payables from exchange transactions approximates their fair values.

12. Revenue

Rendering of services	1,969,724
International revenue	311,909
Interest received	1,171,425
Government grants & subsidies	29,045,000
Gain on Foreign Exchange	607
	32,498,665

The amount included in revenue arising from exchanges of goods or services are as follows:

The amount included in revenue arising from exchanges of goods or services are as follows:	
Rendering of services	1,969,724
International Revenue	311,909
Interest received - investment	1,171,425
	3,453,058

The amount included in revenue arising from non-exchange transactions is as follows:

Government grants & subsidies 29,045,000



Annual Financial Statements for the year ended 31 March 2018

Notes to the Annual Financial Statements

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13. Investment revenue	
Currency exchange revenue	
Gain on foreign exchange	607
Interest revenue	
Bank	1,171,425
	1,172,032
14. Government grants and subsidies	
Operating grants	
Government grant	29,045,000
15. Employee related costs	
Basic	9,923,482
Bonus Paid Bonus Provision	<u>302,188</u> 750,000
Bolius i Tovision	10,975,670
Remuneration of Chief Executive Officer	
Annual Remuneration	1,556,923
Car Allowance	36,000
	1,592,923

Included in personnel cost above is the CEO's remuneration, as itemised under Remuneration of the Chief Executive Officer for the period 1 April 2017 to 31 March 2018. J Odhiambo was appointed on 1 June 2003 and was appointed as the Acting Chief Executive Officer from 1 April 2017 to 31 March 2018. J Odhiambo was permanently appointed as the Chief Executive Officer from 1 April 2018.

Remuneration of Chief Finance Officer

Annual Remuneration - 8 months only

665,148

Included in personnel cost above is the CFO's remuneration, as itemised under Remuneration of the Chief Financial Officer for the period 1 August 2017 to 31 March 2018. I Vieira was appointed on 1 August 2017.

Corporate and Human Resources (Corporate Services)

Annual Remuneration - 8 months only

665,148

Included in personnel cost above is the Executive Manager Corporate Service's remuneration, as itemised under Remuneration of the Executive Manager Corporate Service for the period 1 August 2017 to 31 March 2018. S Molete was appointed on 1 August 2017.

16. Administrative expenditure

Administration fees - CSIR

4,912,434

The fee was paid to the CSIR for administrative support.

Notes to the Annual Financial Statements

Figures in Rand	2018
17. Operating expenses	
Advertising Auditors remuneration Bank charges Catering Computer expenses Consulting and professional fees Entertainment Use of asset Gifts Printing and stationery Repairs and maintenance Subscriptions and membership fees Telephone and fax Training Travel - local Travel - overseas	226,938 11,799 11,335 38,384 274,700 864,117 3,679 221,415 8,260 286,765 20,842 26,163 530,824 161,894 658,156 104,344
	3,449,615

Included in consulting and professional fees is remuneration to the Board and Committee members as per note 22.

18. Cash generated from operations

Surplus Adjustments for:	12,273,872
Depreciation and amortisation Movements in provisions	28,278 750,000
Changes in working capital: Receivables from exchange transactions Prepayments Payables from exchange transactions	(274,956) (369,409) 1,113,877
	13,521,662



Annual Financial Statements for the year ended 31 March 2018

Notes to the Annual Financial Statements

Figures in Rand	2018
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19. Commitments

Authorised capital expenditure

Already contracted for but not provided for

Leasehold improvement

2,723,192

Total capital commitments

Already contracted for but not provided for

2,723,192

Authorised operational expenditure

At the end of the financial year, Agrément South Africa had commitments under non-cancellable agreements with suppliers. These committed expenditure relates to the office leasehold improvement which have been entered into, though work has not been fully completed.

Operating leases - as lessee (expense)

Minimum lease payments due

- within one year
- in second to fifth year inclusive

1,793,602
3,437,737
5,231,339

5,231,339

Operating lease payments represent rentals payable by the entity for its office accommodation. Agrément South Africa entered into a three year renewable lease for its office accommodation on 21 February 2018 effective from 1 March 2018 and rentals are fixed for the period with no fixed escalation percentage. No contingent rent is payable.

20. Contingent liabilities

In terms of section 53(3) of the PFMA, Agrément South Africa has to obtain approval from National Treasury to retain accumulated surplus funds at year-end. The budget for the 2017/2018 financial year was underutilize by R9,418,908.00.

National Treasury 9,418,908

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21. Related parties

Relationships

Board Members Executive Authority Management agency Sister entities Refer to Accounting Authority' report National Department of Public Works Council for Scientific and Industrial Research (CSIR) Construction Industry Development Board (CIDB) Council for the Built Environment (CBE) Independent Development Trust (IDT)

Related party transactions

Interest received from related parties

CSIR 137,808

Rent paid to related parties

CSIR 832,795

Administration fees paid to related parties

CSIR 4,912,434

Grant Received

National Department of Public Works 29,045,000

Key management information

Class	Description	Number
Non-executive board members (Refer to	Board Members	8
Accounting Authority's report)		
Audit and Risk Committee	Audit and Risk Committee Members	3
Executive management	Senior Management	3
Human Resources and Remuneration	REMCO Committee Members	4
Committee		
Technical Committee	TECO Committee	3

Remuneration of management

22. Board and committee's emoluments

Non-executive

2018

	Board' fees	Committees fees	Other fees (Travel and	Total
			Other meetings)	
Dr Jeffrey Mahachi	34,911	20,222	41,612	96,745
Mr Denzil Fredericks	9,412	11,765	13,020	34,197
Mr Hans Ittmann	11,765	14,118	20,564	46,447
Mr Michael Mamotheti	7,758	-	183	7,941
Mrs Adelaide Ranape	4,706	4,706	2,834	12,246
Mrs Mariana Marneweck	11,765	19,523	22,044	53,332
Ms Ntebo Ngcobo	14,118	13,990	9,924	38,032
	94,435	84,324	110,181	288,940

23. Comparative figures

No comparative figures have been presented as these are the first annual financial statements of the entity



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Figures in Rand 2018

23. Comparative figures (continued)

Agrément South Africa was enacted on 1 April 2017 as per the Agrément South Africa Act No. 11 of 2015, therefore the transfer of functions from the CSIR on the effective date as per the Memorandum of Agreement will take effect on 1 April 2018. Therefore reporting and disclosure has been complied with in accordance with GRAP 106.

Agrément South Africa was established by a Ministerial delegation of Authority in 1969. Since its inception it has been administered by and housed at the Council for Scientific and Industrial Research (CSIR). The National Department of Public Works (NDPW) has effectively managed the process of creating Agrément South Africa as a juristic person. The Agrément South Africa Bill was tabled before the National Council of Provinces and the National Assembly in Parliament and passed. The Agrément South Africa Act was accented to by the Honourable President of the Republic of South Africa as Act No 11 of 2015.

The acquisition-date fair value of the total consideration transferred and the acquisition-date fair value of each major class of consideration will be evaluated in the measurement period as per GRAP 106.71 but will not exceed two years. For the following class of consideration the provisional amounts are:

- Tangible assets R3 442 000
- Liabilities incurred R236 200.

Acquired receivables will be evaluated in the measurement period as per GRAP 106.71 but will not exceed two years. The provisional amount of the fair value of the receivables from contracts are R3 356 290. This amount represents the gross contractual value and as the contracts are pre-funded represents the best estimate at the acquisition date of the contractual cash flow to be expected to be collected.

In terms of legislation as the CSIR is a Schedule 3B entity there will be no surplus or deficit since the acquisition date. All revenue and surpluses for the current reporting period has been reported in the Statement of Performance and Statement of Net Assets.

At time of presentation of the annual financial statements the Memorandum of Agreement term for reconciliation and payment was not effective yet and therefore there is no amount to be disclosed in the Statement of Financial Performance.

The collective amounts for assets and liabilities will be disclosed in the annual financial statements ending on 31 March 2019 At present there are no know contingent consideration assets or contingent consideration liabilities.

24. Risk management

Financial risk management

The entity's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk.

Liquidity risk

The entity manages liquidity risk through proper management of working capital, capital expenditure and cash flow; and by variance reports between actual and budgeted amounts.

Additional text

At 31 March 201 Less than 1 Between 1

Trade and other payables from exchange transactions

Annual Financial Statements for the year ended 31 March 2018

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24. Risk management (continued)

Credit risk

The financial assets that potentially subject the entity to the risk of non-performance by counter parties, and thereby subject the entity to concentrations of credit risk consist mainly of cash and cash equivalents and other financial assets. The credit risk is controlled through the application of approved regulations, limits and monitoring procedures.

Credit risk consists mainly of cash deposits and cash equivalents. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Credit risk with respect to other financial assets and receivables are limited, due to the nature of the entity's revenue transactions. The entity does not have any significant exposure to any individual customer. Accordingly, the entity does not consider having any significant concentration for credit risk, which had not been adequately provided for.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument

Receivables from exchange transactions Cash and Cash Equivalents **2018** 274,956 13,361,612

Market risk

Interest rate risk

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in the market interest rates.

25. Going concern

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

The Executive Authority continues to provide the grant funding, as indicated in the MTEF over the MTEF period, to fund the ongoing operations of Agrément South Africa.

26. Events after the reporting date

Agrément South Africa was established by a Ministerial delegation of Authority in 1969. Since its inception it has been administered by and housed at the Council for Scientific and Industrial Research (CSIR). The National Department of Public Works (NDPW) has effectively managed the process of creating Agrément South Africa as a juristic person. The Agrément South Africa Bill was tabled before the National Council of Provinces and the National Assembly in Parliament and passed. The Agrément South Africa Act was accented to by the Honourable President of the Republic of South Africa as Act No 11 of 2015.

Agrément South Africa therefore was established in the current financial period ending 31 March 2018, being assisted by the CSIR in terms of administrative support. Certain items will transfer as per the signed Memorandum of Agreement after 60 days after year end to Agrément South Africa. Refer to note 23 for detail.

Agrément South Africa applied in terms of section 53(3) of the PFMA for approval from National Treasury to retain the accumulated surplus funds at year end of R 12 273 873. The funds will be utilised to fund the Eco-Labeling project as mandated by the National Department of Public Works and for the payment of the new office furniture. R8 000 000.00 is to be requested for the Eco-Labeling Project as mandated by the National Department of Public Works and R1 700 000.00 for new office furniture.

27. Fruitless and wasteful expenditure

In the current financial year there is no fruitless and wasteful expenditure identified.



Annual Financial Statements for the year ended 31 March 2018

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28. Irregular expenditure

In the current financial year there is no irregular expenditure identified.

29. Budget differences

Material differences between budget and actual amounts

Below are the reasons for the variances on Agrément South Africa's actual performance compared to the budget for the year ended 31 March 2018.

Revenue from exchange transactions

This represents income from external contracts that choose Agrément South Africa for certification and isn't liable by law to choose Agrément South Africa for certification.

Favourable interest income was higher due to lower cash expenditure than anticipated as well as the gain on foreign exchange transactions as this is not guaranteed that Agrément South Africa would have foreign transactions

Personnel Costs

The anticipated staffing of Agrément South Africa has been halted as per Ministerial instruction and staffing was only started in the last guarter of the financial year.

Depreciation and amortisation

Less assets were bought to increase the depreciation amount as anticipated.

Lease rentals and operating lease

The variance is due to favourable cost savings that could be implemented.

General Expenses

Variance is due to committed funds not yet expensed and the administrative fee not anticipated at the time of the budget preparations.

Current Assets

Agrément as a new entity did not budget for these assets as there was uncertainty at the time of the budget submission.

Non-current Assets

Variance is due to the fact that the need for the assets were only identified later in the year.

Current liabilities

The amounts are due because of the transitioning and subsequent costs.

Supplementary Information

The supplementary information is provided for the benefit of the users, does not form part of the Annual Financial Statements and is unaudited.

The information is in relation to the comparative information as presented under the CSIR for the period ending 31 March 2017.

Revenue

Revenue from exchange transactions	Rendering of services 3,684,620	International revenue 545,261	Interest received 260,575	Gain on foreign exchange transactions 3,134	Total 4,493,590
2. Government Grant					
				Grant income	Total
National Department of Public Works				12,434,300	12,434,300
3. Expenditure					
		Administration fee	Lease rentals on operating lease		Total
Expenditure for the year excluding VAT	7,866,386	3,424,003	563,277	2,972,103	14,825,769





PROJECTS HIGHLIGHTS AND INFORMATION

As previously stated, Agrément South Africa fulfils its mandate through the assessment and certification of innovative and non-standardised products and systems. The performance of products and systems assessed against set criteria while manufacture and, where applicable, installation or erection are assessed in terms of a documented and approved quality management system. During the 2017-2018 financial year 31 products/systems were successfully assessed and certificates issued. In granting the certificates the Technical Committee of the Board satisfied itself that due diligence was exercised during the assessment process.

The products/systems included road products, building systems, water tanks, water drainage system, building cracks repair and water proofing systems, and a window frame. Roads products include traffic monitoring systems which are a first in the history of Agrément South Africa.

Under this category we also have pile foundation systems. In rendering its services Agrément South Africa has established that the cost of assessments is a hindrance to previously disadvantaged prospective clients. In addition, most experts involved in assessments and testing are from previously advantaged communities. This impacts negatively on the output especially in terms of National transformation agenda. Currently, a data base is being established in order to increase the pool of service providers available to Agrément South Africa. Also, a new organisational structure has been established to enhance technical output and performance.

Below is a brief description of the systems and products that were successfully assessed and granted certificates of approval by the Board.





APPROVED CERTIFICATES 2017/18

Polymer Modified Bitumen Stabilizing Material (PMBSM):
 (a) Certificate no. 2017/564 (b) Certificate no. 2017/543



Two certificates were issued to New Age Road Solutions (Pty) Ltd for polymer modified bitumen stabilizing material (PMBSM). One for the South African market and the other to be used only in Namibia due to different soil conditions and construction standards.

PMBSM is a polymer modified bitumen emulsion used for stabilizing road base construction materials in non-paved gravel roads. It is manufactured by combining polymers and bitumen emulsion. PMBSM can be diluted with water and the resultant mixture added to natural gravels to form a water resistant, elastic and robust layer.

The mix design and application rate depend on the site specific material and the required road design specifications.

In South Africa PMBSM is applied in accordance with the requirements of SANRAL's manual South African Pavement Engineering Manual (SAPEM) 2013 and South African Bitumen Association (SABITA)'s TG2 Technical Guideline document.

Geotex 500 and 600 Series Macro-Synthetic Fibres: Certificate No. 2017/546



Geotex 500 and 600 series Macro-Synthetic Fibres are crimped, macro-synthetic fibers which are manufactured from a natural polypropylene homo polymer.

The fibres are manufactured in a continuous process which includes the stretching of fibre to improve tensile strength. The fibres have a density ranging between 0.88 - 0.9 kg/m3

When used in accordance with the manufacturer's guidelines, the fibres help to reduce plastic shrinkage cracking in both reinforced as well as unreinforced concrete. The fibres also impart toughness and impact resistance to concrete.

3. Non-Wet Construction Building System: Certificate No. 2017/561



The Non-Wet Construction Building System is for the construction of single-storey structures that utilise a conventional raft foundation with thickened edge beams and precast reinforced concrete wall panels to engineer's specifications. Roofs are designed according to a rational design as per the provision of SANS 10400-L. The wall panels are factory produced and have a thickness of 150 mm. The lengths and widths of the panels vary depending on the requirements of the client. Window, door openings and service connections are incorporated during the manufacturing process.

The wall panels are recessed to allow for mechanical interlocking to the roof, foundation and adjacent panels. External wall panels are finished externally with 15 mm of Pratliperl plaster and internally with a 3 to 5 mm cementitious skim plaster. Internal wall panels are plastered on either face with 3 to 5 mm thick skim coat and finished with conventional or Agrément approved paint.

4. Eco Build Sandbag Building System: Certificate No. 2012/417 (Amended 2017)



The system is a timber frame structure consisting of timber lattice beams (Eco Beams) as vertical and horizontal studs and wall plates with sandbags as infill material.

The walls are finished by securing steel wire mesh to both sides of the frame structure and plastering with conventional sand-cement plaster 25 mm thick.

The foundation and ground floor slabs are conventional concrete strip footing and surface beds with screed finish which are always the responsibility of a professional engineer.

Electrical and plumbing services are positioned in walls between infill bags before the application of plaster. The roof is constructed of Eco beams, timber rafters or conventional timber trusses and light- or heavy-weight cladding. Window and door frames are incorporated as in timber frame structures and are conventional.

Smink Flock Water and Liquid Storage Tanks: Certificate No. 2017/542



The tanks are manufactured through a rotationally moulding process using locally produced raw material supplied by SASOL. The tanks are manufactured in different colours as requested by the client and vary in size from 1000 litres to 5000 litres.

The tanks have a black inner lining as an algae prevention measure. The tanks come with a high quality 50/40 mm overflow at the top and a 40 mm tank connector at the bottom.



6. SANY House Africa Building System: Certificate No. 2017/538



The system is for construction of single-storey structures that comprise a concrete foundation, ground-floor slab, precast concrete wall panels and a timber roof.

The foundations are conventional and are always the responsibility of a registered competent person.

The prefabricated reinforced concrete wall panels are factory produced in an assembly line and are cast horizontally. External wall panels are 120 mm thick and internal wall panels are 80 mm thick.

Both external and external wall panels are plastered with a 15 mm thick layer of Pratliperl® plaster. Wall panels are cast as a complete unit with external swabbing as the finish coat.

Roofs comprise a reinforced concrete beam spanning between the gable end walls supporting timber rafters. Roofs are clad in conventional roofing tiles. Window and door openings and service connections are incorporated into the precast concrete panels.

GHS ClipPlus Wall Technology Building System: Certificate No. 2017/553



The superstructure walls are constructed of interlocking UV-resistant Polyvinyl-chloride (PVC) modules filled with concrete.

Roofs can either be constructed from light-weight steel or timber trusses, with light- or heavy-weight roof cladding. Insulated ceilings are always installed.

Window and door frames are conventional or Agrément approved and are purpose made to suit the design of the building.

Plumbing and electrical conduits are installed using cable pipes and junction boxes pre-installed in the wall profiles during the manufacturing process.

These services are specified and installed in accordance with good building practice.

8. EVG 3D Panel Construction System: Certificate No. 2017/554



Foundations and surface bed are conventional and are always the responsibility of an approved competent person.

Walls of the system are prefabricated in the factory prior to erection on site. Wall panels consist of an expanded polystyrene (EPS) core with two plane-parallel welded wire mesh sheets (cover meshes), which act as a plaster key, placed on either side of the EPS core. Walls are finished with 50 mm thick shotcrete on either side of the EPS core.

A reinforced concrete ring beam is cast on top of external and loadbearing walls. External corner, internal wall and T-junctions are reinforced with L-shaped strips of welded wire mesh, fastened onto the wall panel welded wire mesh.

Roofs comprise galvanized light-weight steel trusses and purlins clad with conventional roofing tiles. Roof construction is the responsibility of an approved competent person. Window and door frames are conventional or Agrément approved and are purpose made to suit the design of the building.

9. RWPA Building System: Certificate No. 2017/559



The RWPA Building System is a timber frame structure designed and erected on site under the control of a professional engineer or approved competent person.

Foundations are isolated reinforced concrete bases set on a 1500 mm grid with a tubular plastic post (125 mm \emptyset) cast into each base. Floors are suspended comprising a timber frame, a damp-proof membrane and wood plastic composite (WPC) cladding panels.

Walls frames consist of timber studs, noggins, top and bottom wall plates. Walls are clad externally with WPC panels and lined internally with gypsum fire resistant board finished in conventional acrylic paint. Wall cavities are filled with Lambda board.

Roofs are of timber rafter construction supporting sheet metal cladding gypsum ceilings. Window and door frames are conventional or Agrément approved and are purpose made to suit the design of the building. Services are either surface mounted or installed in walls.

10. PolyCare Building System: Certificate No. 2018/562



The system utilizes polymer concrete blocks that are assembled on site.

The foundations are constructed of conventional concrete designed by a competent person. Blocks are joined together with metal plates and further reinforced with threaded steel rods. Cores of blocks are filled with expanded polystyrene.

Roofs can be constructed from light-weight steel or timber trusses and clad in either light- or heavy-weight roof coverings. Insulated ceilings are always installed.

Window and door frames are conventional or Agrément approved and are purpose made to suit the design of the building. Services are surface mounted onto walls and installed in accordance with good building practice.

11. Aluminium Elastomeric Bridge Deck Joint BSP 65 AE & BSP 80 AE: Certificate No.2017/544



The bridge deck joint is a single rubber seal fixed between two aluminium claw brackets encased in Flexicon elastomeric concrete.

The joint is intended for use in asphalt or concrete bridge structures in all regions in South Africa and in all types of corrosive environment where:

the movement range is not greater than 65 mm for the BSP 65AE and 80 mm for the BSP 80AE;- skew angles of joints are not greater than 45 degrees; roads carrying more than 2000 vehicles per lane per day of which 15 % are classified as heavy have a joint width of 200 mm and a depth of 80 mm to 135 mm.



Degafill Pothole Mix: Interim Agrément Certificate No. 2018/563 (Valid until May 2020)



Degafill Pothole Mix is for the repair of Type 1 potholes in asphalt and concrete substrates in all regions of South Africa.

The application is a Category 1 Patching Product which means the certificate is valid for emergency repair and "throw and go" applications.

Degafill Pothole Mix is a cold applied system manufactured from methyl methacrylate resin, filler and scatter.

13. Greenlite Concrete Jumbo Blocks Building System: Certificate 2017/558



Walls are erected of factory produced light-weight masonry concrete blocks, comprising a mixture of Expanded Polystyrene (EPS) beads, cement, water and additives. blocks have a minimum compressive strength of 3 MPa.

Blocks are pre-grooved and are supplied with keys to facilitate interlocking. The blocks are laid in conventional stretcher bond pattern.

The first course is laid on 50% porcelain tile adhesive and conventional mortar while the remaining courses are bedded in tile adhesive as mortar.

Before plastering a standard slush mixture of cement, bonding agent, sand and water is applied to walls, thereafter, a final layer of conventional plaster is applied.

Foundations are conventional and are always the responsibility of an approved competent person.

Roofs comprise light-weight steel or timber truss construction with metal sheeting or concrete tiles or any Agrément South Africa approved cladding.

Services are specified and installed in accordance with good building practice.

Everite Hebel AAC Block Building System: Certificate No.: 2017/555



Everite Hebel Autoclaved Aerated Concrete (AAC) Block Building System is light-weight concrete masonry system. Blocks are factory produced from hydraulic binders (cement, lime & fly ash), fine sand, aluminium powder (expansion agent) and water.

Exterior and interior walls are constructed by laying the blocks in a conventional stretcher bond using thin proprietary mortar. The walls are plastered on both sides with conventional cement plaster.

Foundations are conventional concrete strip footings or concrete rafts with thickened edge beams which are always the responsibility of a registered competent person.

Roof structures are conventional, steel or timber trusses which are designed by a registered competent person and erected and fixed to the wall under his supervision.

The roof structure is clad with light- or heavy-weight cladding. The services are specified and installed in accordance with good building practice.

15. Fishnet and PET Bottles Building System: Certificate No 2017/556



The system is for single storey buildings and utilises fishnets and PET bottles. The foundations are conventional concrete strip footing with foundation-wall and plinth constructed of only the 2 litre PET bottles.

The walls are constructed by filling the bottles either with sand or fly ash and packed in an interlocking pattern and imbedded in a cement mortar mix. The walls are clad with a Nylon 6 fishnet, which acts as plaster-key and plastered with conventional plaster on both sides. The walls are then finished with good quality paint.

Roofs are either conventional timber/steel trusses on a perimeter concrete ring beam with light- or heavy-weight cladding. Alternatively, the roof may be a reinforced concrete slab overlaid in expanded polystyrene which in turn is covered by concrete topping. Roofs are always the responsibility of a registered competent person.

Electrical and plumbing services are positioned in wall cores or, where possible, within the plaster finish.

16. Seaqual Full-Bore Drainage System: Certificate No. 2017/540



The drainage system is an integrated rain water drainage system that consists of a number of components.

The components comprise a variety of F-Boxes, round red dust covers, waterproofing flange and domed grate. The F-boxes components are manufactured from ABS (Acrylonitrile Butadiene Styrene) plastic.

The F-Box is usually cast into the concrete slab or floor during construction phase and comes with a rubber seal and seal retaining ring. The waterproofing flange is made from UV proof glass-filled nylon and houses the domed grate.

The domed grate is manufactured from virgin Polypropylene with added UV stabilisers and colourants. The grate is fixed to the waterproofing flange by four bolts.

17. Seaqual F-Box WetFloor Drainage System: Certificate 2017/541



Seaqual F-Box WetFloor Drainage System is an integrated floor drainage system that consists of a number of components. These components comprise two sets. First set includes F-Boxes, waterproofing flange and round dust covers and the second set includes the M-sert, well, well cap, O-ring, grate and square protection cover.

The F-box is manufactured from ABS (Acrylonitrile Butadiene Stryrene) plastic. It forms the main body of the drain and is available in different sizes and configurations. It is usually cast into the concrete slab or floor during construction phase. A waterproofing flange, also made from ABS, is inserted with the F-Box.

The flange has weep holes to allow drainage of any water seeping through the tile grouting. The Well-trap consists of two components: a "well" and "well-trap" both made from polypropylene. The trap prevents gasses from escaping.

The M-sert is manufactured from ABS plastic and houses the grate. The M-sert is available in 110 mm x 110 mm or 200 mm x 200 mm dimensions. Grates are available in different options and sizes depending on the M-sert size and desired finish material.



18. S50 Fibre Reinforced Crack Repair and Water Proofing System: Certificate No. 2017/551



The system is intended for use in repairing and waterproofing cracked walls. It comprise a combination of high strength cementitious/copolymer modified mortar and Durox Texgrid N10.

A structural engineer must always assess the intensity of the crack and cause thereof prior to the use of this product. The mortar uses Nano engineering technology to form an extremely adhesive barrier to prevent water penetration.

The Durox Texgrid N10 is a textile mesh manufactured from polypropylene treated with cryplon and is used as reinforcement for the modified mortar.

S50 Fibre Reinforced Crack Repair and Water Proofing System's modified mortar is supplied in bags in powder form while binders are in liquid form. Mixing is carried out on site and once thoroughly mixed, it is sprayed or brushed onto prepared walls, troweled smooth and finished.

Polyglass Evolight S & Evolight S Mineral Waterproofing Membranes: Certificate No. 2017/557



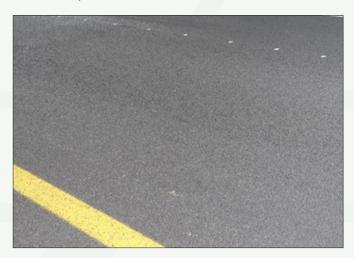
Polyglass Evolight S & Evolight S Mineral Waterproofing Membranes are plastomeric waterproofing membranes manufactured using distilled bitumen-based compound, polyester spunbond and an ultra-light REOXTHENE technology.

The bitumen compound and the spunbond polyester are stabilized and reinforced with longitudinal glass fibre threads through the REOXTHENE technology.

Polyglass Evolight S Waterproofing Membrane's top surface is coated with talc, sand, light-weight polypropylene and non-woven fabric, the underside is protected and faced with a non-sticky polyethylene film.

The membrane is supplied in rolls 3 mm, 4 mm or 4,5 mm thick x 1 000 mm wide x 10 000 mm long.

AquaFRICTIONCourse Road Surfacing System: Certificate No.2017/442



AFC is a 10 mm nominal maximum particle size ultra-thin friction course (UTFC) bituminous surfacing system, with a nominal compacted thickness of between 16 mm and 20 mm.

The product consists of an open-graded asphalt placed on a film of COLTACK L tack coat by self-priming paver.

The tack coat provides a seal to the existing surface, while the AFC mix provides the functional friction course.

A mix design is performed for every project. A registered professional pavement design engineer ensures that the design was carried out in accordance with the design method as stipulated by Aqua Transport and Plant Hire (Pty) Ltd (Asphalt Division).

21. Novachip-Thin Bituminous Surfacing System: Certificate No.2017/334



The system is laid with a nominal compacted thickness of between 10 mm and 20 mm. The product consists of an open-graded asphalt placed on a film of NOVATACK tack coat by a self-priming paver. The function of the tack coat is to seal the existing surface and to ensure a high tensile bonding between the NOVACHIP mix and the existing surface.

The NOVACHIP mix provides the functional friction course. The product is designed for manufacture in a conventional asphalt plant mixer.

The mix proportions may vary slightly from area to area, depending on the actual grading received from the stone supplier, but must meet specifications with respect to grading, strength, shape, polished stone value and aggregate/bitumen compatibility etc.

22. NOVATOP Building System: Certificate No. 2017/547



The system is for single- and double-storey structures and utilizes factory produced wall, suspended floor decking and roof panels. Foundations and surface beds are conventional and designed by a professional engineer or approved competent person.

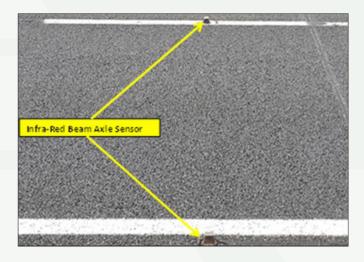
The external wall panels consist of NOVATOP solidwood core lined externally with gypsum board onto which vertical battens are fixed followed by Pavatherm-Combi insulation boards.

Internal wall panels consist of NOVATOP solidwood panel fixed to galvanised steel U-channel studs encapsulating a Pavetherm-Combi board lined with gypsum board.

NOVATOP suspended floor decking consists of NOVATOP solidwood panels with transverse and longitudinal ribs 200 mm wide spaced at 200 mm centres to engineer's specification. Roof panels are made of hollow ribbed NOVATOP solidwood panels filled with mineral wool and five layers of NOVATOP solidwood panels clad with light- or medium-weight cladding.

Window and door frames are installed into pre-cut openings in accordance with good building practices. Plumbing can be pre-fixed or surface mounted onto the composite panels. Electrical conduits are surface mounted.

TES Infra-Red Beam Axle Sensors Traffic Monitoring System Type B1:2017/.549



The system consists of a dual intrusive loop, BOSVARK traffic logger, Infra-Red Beam Axle Sensors, battery, Colseal or similar approved sealant and 3G modem.

The Infra-Red Beam Axle Sensor is a combination of two "pods" with specially designed electronics that use an infra-red beam covered with SAILS 501 Epoxy and Colseal. The BOSVARK traffic logger is a low-cost, light-weight device for capturing traffic data.

The dual loops are permanently embedded into concrete or asphalt pavement and covered with Colseal or similar approved sealant. Generally, the loops are lane width dependent and they consist of polyvinylchloride (PVC) insulated wires.

TES Infra-Red Beam Axle Sensors Traffic Monitoring System Type B1 are installed over the full width of a roadway on new and existing roads. Site requirements are as specified in Chapter 10 of the TMH



24. TES Class I Weigh-in-Motion Monitoring System Type B1: Certificate No.2017/548



The system consists of a dual intrusive loop, BOSVARK traffic logger, Off-scale hit sensors (OS), dual ZCS-30 bending plate sensor, battery, Colseal or similar approved sealant and 3G modem that downloads data.

The system is classified as Class I permanent weigh-in-motion (WIM) monitoring system when combined/integrated with an Agrément approved traffic monitoring system Type B1.

25. TES Class II Weigh-in Motion Monitoring System Type B1: Certificate No. 2017/550



The system consists of a dual intrusive loop, BOSVARK traffic logger, Off-scale hit sensors (OS), Single ZCS-30 bending plate sensor, battery, Colseal or similar approved sealant and 3G modem.

The system is classified as Class II permanent weigh-in-motion (WIM) monitoring system when combined/integrated with an Agrément approved traffic monitoring system Type B1

26. Surefoot Pile Foundation System: Certificate No. 2017/560



The system depends upon a combination of skin friction and end bearing to achieve the required load capacity. The system is based on principles and formulations typically used in the design of conventional piled foundation systems.

The design, construction and classification of eligible sites are always the responsibility of competent persons and in accordance with the requirement of SANS 10161 and SANS 10400-H.

The system consists of a steel base plate (acting as micro pile group cap) of thickness ranging from 4 mm to 10 mm and steel piles (circular hollow sections) of overall diameter of 42.4 mm, and thickness ranging from 2.6 mm to 4.0 mm.

The Surefoot base plate are cold-formed and are available in various sizes. The steel is hot-dip galvanised and conforms to the requirements of SANS 121/ISO 1461.

The piles are driven through guiding sleeves located on the Surefoot base plate.

27. Luxwood Wall Panel Building System: Certificate No. 2017/537



The system is for single-storey buildings and utilizes factory produced Wood Plastic Composite (WPC) extruded hollow core polymer panels (Luxwood panels) clad with Polex Board (calcium silicate board with fibres) on both sides.

The foundations are conventional and always the responsibility of a competent person. The Luxwood panels are manufactured to a standard width of 450 mm x 100 mm thickness with lengths varying from 2440 mm to 3000 mm.

The panel is hollow with rib spacing of 150 mm. A 9 mm thick Polex board is cut to sheets of 1220 mm x 2440 mm for cladding on both sides of the panel.

The panels have male and female interlocking ends and are affixed with a series of self-drilling Tek screws pre-galvanized channels in accordance with ISO/SANS 4998 or ISO/SANS 3575 which act as base rail and perimeter ring beams. Conventional timber or lightweight steel roofing is designed by a competent person.

Window and door frames are installed into pre-cut openings. Services are surface mounted onto the walls or along the floor with appropriate trunking or conduit, or fitted into pre-drilled holes provided in panels.

28. Atlas Plastics Water and Liquid Storage Tanks: Certificate No.2017/539



Atlas Plastics Water and Liquid Storage Tanks are moulded from a linear low density polyethylene (LLDPE) through a rotational moulding process.

The raw materials used in the manufacture are the HR 486 grade of Low Linear Density Polyethylene (LLDPE) polymer as well as H359 polymer supplied by ACD Rotoflo and SASOL Polymers.

This material is a compounded food grade material which is safe to harvest and store the drinking water.

Atlas Plastics Water and Liquid Storage Tanks are designed to withstand hydrostatic pressure and manufactured from UV resistant virgin material.

The tanks are lined internally with a black layer of UV resistant polyethylene which helps to prevent algae growth.

The additives in the material include an antioxidant, UV stabilizer and an internal mould release agent.



29. Polyfibre Awning Window Frames: Certificate No. 2017/545



The window frame comprise window head, jambs, sill, mullions and sash profiles manufactured from an extruded heterogeneous blend of impure recycled plastic, reinforced with cellulosic fibres.

The extruded profiles are brown in colour and sealed with Nova 14 Novaseal to enhance appearance, render protection against weathering and to remove any plastics odour.

Ironmongery is conventional and window panes are 4 mm float glass meeting the requirements of **SANS 50572-2**.

Window panes are secured in frames by means of beads glued in place or by using conventional wood frame putty meeting the requirements of SANS 680.

Frames are handled, transported, stored on site and installed in accordance with good building practice in a similar manner to that used for standard timber window frames.

30. Roller Compacted Concrete (RCC) certificate No. 2017/552.



RCC takes its name from the method of application. It is described as concrete compacted using roller compactors. For effective consolidation, the consistency of concrete should be zero-slump.

The mix design for RCC is slightly different from conventional concrete in that the objective is to produce a mixture that has sufficient paste volume to coat the aggregates and to fill the voids. Any of the basic proportioning methods i.e. concrete consistency testing, the solid suspension model, the optimal paste volume, and soil compaction testing methods can be used by an approved competent person.

Aggregate sizes for RCC are similar to conventional concrete. Crushed aggregates are preferable due to the sharp interlocking edges of the particles, which help to reduce segregation, provide higher strengths and improved aggregate interlock at joints and cracks. The content of fine particles required is higher than that of conventional concrete.

Generally, dense and well-graded blends with a nominal maximum size aggregate not exceeding 19 mm are recommended. The moisture content in the mix should be such that the mix is dry enough to support the weight of a vibratory roller, yet wet enough to ensure an even distribution of the cement paste.

RCC is placed in single or multiple layers of 150 mm or 200 mm thicknesses. Steel drum vibratory rollers are used for compaction to a density as specified in the design. Similar to conventional concrete, RCC pavements require curing. The surface must be kept moist for 7 days or until a curing compound is applied in accordance with the manufacturer's manual.



DIRECTORY OF ACTIVE CERTIFICATES 2017/2018

ACTIVE CERTIFICATES

CERTIFICATE TYPE	CER NO.	CERTIFICATE TITLE	COMPANY NAME
Bridge Deck Joints	2002/293 2004/305 2004/306 2004/307 2004/308 2004/309 2004/311 2004/312 2012/427 2013/440 2013/441 2016/510 2017/544	Thormajoint Bridge Deck Expansion Joint System Thormajoint Bridge Deck Expansion Joint System Maurer D80C (FP) Bridge Deck Expansion Joint Maurer Multi-element Bridge deck expansion Joint BSP 40 Bridge Deck Expansion Joint BSP 80 Bridge Deck Expansion Joint Honel E80 Bridge Deck Expansion Joint Honel GAM 80 - 480 Series Bridge Deck Expansion Joint FPC-SA80 Single Element Febajoint Bridge Deck Expansion Joint Britflex (BEJ) Bridge Deck Expansion Joint System Tensa Finger RSFD Bridge Deck Joint Aluminium Elastomeric Bridge Deck Joint BSP 65AE & BSP 80AE	DSC-Zendon cc Bridge Jointing & Rehabilitation Contractors DSC-Zendon cc DSC-Zendon cc DSC-Zendon cc DSC-Zendon cc Honel Structural Products (Pty) Ltd Honel Structural Products (Pty) Ltd Freyssinet Posten (Pty) Ltd StonCor Africa (Pty) Ltd Mageba SA DSC-Zendon cc
Ceilings	2006/323	Isoboard® Nail Up Insulated Ceilings	Isofoam (South Africa) (Pty) Ltd
Concrete Additives	1994/231 2000/282 2017/546	MoladiADMIX Oxyfibre Cryplon Fibres Geotex 500 and 600 Series Macro-Synthetic Fibres	MCS Technologies cc t/a Moladi Oxyfibre (Pty) Ltd Plusnet/ Geotex (a division of Carolline Investments
Damp Proofing	2000/283 2001/284 2001/285 2014/468	Gundle USB 170 GB under surface-bed membrane Gundle Gunplas DPC 250 Gundle USB 170 GB Damp-Proof membrane Gundle Anti-Termite Damp-Proof Course and Membrane	Gundle API (Pty) Ltd Gundle API (Pty) Ltd Gundle API (Pty) Ltd Novara Profile Extrusions (Pty) Ltd t/a Gundle API
Insulation	2000/276 2000/277 2001/287 2005/320 2010/382	Isoboard® Cavity Wall Insulation Isoboard® Inverted Roof Insulation Isoboard® Over Purlin Roof Insulation Isotherm Thermal Insulation IsoBoard® Over Rafter and Truss Insulation	Isofoam (South Africa) (Pty) Ltd Isofoam (South Africa) (Pty) Ltd Isofoam (South Africa) (Pty) Ltd Brits Textiles, a division of Seardel (Pty) Ltd Isofoam (South Africa) (Pty) Ltd
Plumbing	1996/241 2011/392 2011/393 2016/525 2017/540 2017/541	Contactim Geberit HDPE Above Ground Soil Geberit Pluvia Syphonic Roof Drainage System Pro Close Slip-Clutch Garden Bib Tap Seaqual Full-Bore Drainage System Seaqual F-Box Wet Floor Drainage System	Contactim (Pty) Ltd Geberit Southern Africa (Pty) Ltd Geberit Southern Africa (Pty) Ltd Kielder Komponents cc Seaqual (Pty) Ltd Seaqual (Pty) Ltd
Product	2009/359 2011/385 2012/415 2012/419 2013/433 2014/461 2015/476 2015/489 2015/493 2016/534 2017/539 2017/542 2017/545	JoJo Septic Tanks JoJo Liquid Storage Tanks Calcamite Water and Liquid Storage Tanks EcoTanks Water and Liquid Storage Tanks RotoTank™ Water and Liquid Storage Tanks Yebo Water and Liquid Storage Tanks KRM Water and Liquid Storage Tanks HIGH DENSITY POLYMER ENVIRODOOR TCE Plastic Water Storage Tanks Makoro Water and Liquid Storage Tanks Converted Containers & Modular Structure Atlas Plastics Water and Liquid Storage Tanks Smink Flomac Water and Liquid Storage Tanks Polyfibre Awning Window frames	JoJo Tanks (Pty) Ltd JoJo Tanks (Pty) Ltd Calcamite Sanitary Services (Pty) Ltd Ecopolymers cc t/a EcoTanks Affirm Manufacturing Services (Pty) Ltd Quick Traders 1029cc KRM Plastics (Pty) Ltd Envirosan Sanitation Solutions cc Tariosync (Pty) Ltd t/a TCE Plastics Makoro Tank Technologies (Pty) Ltd Container World (Pty) Ltd Atlas Plastics (Pty) Ltd Smink (Pty) Ltd

CERTIFICATE TYPE	CER NO.	CERTIFICATE TITLE	COMPANY NAME
Roofing Products	2000/274 2003/296 2004/304 2007/332 2008/341 2008/344 2009/366 2009/367 2009/369 2011/384 2011/387 2012/425 2014/464 2016/527 2016/535	Gundle Gunplas UT 180 Undertile Membrane Gundle Gunplas UT 250 Undertile Membrane Monier Roofing Undertile Membrane Gundle UT Woven Tile Underlay Marulelo Roofing Undertile Membrane Compactroll Ridge and Hip Capping Easyflash Spunsulation 3 Roofing Radiant Barrier Spunsulation 5 Roofing Radiant Barrier Spunsulation 5 Light Roofing Radiant Barrier Spunsulation Roofing Undertile Membrane Spunsulation 4 Contractors Choice Spunsulation Illumina Roofing Radiant Barrier Optiflash Waterproofing System RogaPlas Black Undertile Membrane Atlas Roofing SIPS	Gundle API (Pty) Ltd Gundle API (Pty) Ltd Monier Roofing (Pty) Ltd SA Gundle API (Pty) Ltd Monier Roofing (Pty) Ltd Monier Roofing (Pty) Ltd SA Monier Roofing (Pty) Ltd SA Monier Roofing (Pty) Ltd SA Spunbond Holdings (Pty) Ltd t/a Spunchem International Optima Coatings (Pty) Ltd Roga Plastics cc t/a JemPlas, GeoPlas & RogaPlas Mr Roof Clean cc - t/a Atlas Roofing
Sanitation Products	1994/226 1994/228 2003/299 2003/300 2014/466 2015/475 2015/491 2015/494	Calcamite 1250 litre On-site Sanitary Disposal System Calcamite 1500 litre Liquid Capacity On-site Sanitation Cemforce Easy Loo VIP Toilet System Cemforce Easy Loo Urine Diversion Toilet System SMARTSAN Recycle Digester Sanitation System Ventilated Improved Pit and Urine Diversion Toilet System Jets Vacuum Sanitation System Direct Sanitation Application System	Calcamite Sanitary Services (Pty) Ltd Calcamite Sanitary Services (Pty) Ltd Cemforce cc Cemforce cc Nano Water Technologies Africa (Pty) Ltd Envirosan Sanitation Solutions cc SA Biotech (Pty) Ltd Sanitas Advanced Technology Sanitation (Pty) Ltd
Thin bituminous surfacing systems	2007/334 2010/381 2013/442 2013/448 2016/515 2017/334 2017/442	NOVACHIP thin bituminous surfacing system UL-M 20/10 Thin bituminous road surfacing AquaFRICTIONCourse road surfacing system Friction Pave: Thin bituminous surfacing system Polo-Pave NOVACHIP Thin bituminous surfacing system AquaFRICTIONCourse road surfacing system	Murray and Roberts Infrastructure (Pty) Ltd National Asphalt (Pty) Ltd Aqua Transport and Plant Hire (Pty) Ltd Friction Pave Partnership JV Polokwane Surfacing (Pty) Ltd Concor Infrastructure (Pty) Ltd Aqua Transport and Plant Hire (Pty) Ltd
Wall Coatings	2000/278 2000/279 2005/313 2005/314 2006/322 2007/339 2009/352 2011/388 2011/399 2012/420 2014/459 2014/473 2015/480 2015/481 2016/512	Cemcrete Cemwash Cemcrete Stipplecrete Techfin System Glutone Wall Coating Khusela Emanzini Coating System Top Paint Waterrepellent Latex Paint Prominent Paints Waterproofing Wall Coating Weatherprufe Sealcoat Coating System Sheerflex Coating System Valamanzi Coating System Valamanzi Coating System Africote One Coat PVA Wall Coating Plascon Wallseal Coating System Nucover Wall Coating Sutherland Sheen Coating System Sutherland Tex Coating System Amoriguard Wall Coating System	Cemcrete (Pty) Ltd Cemcrete (Pty) Ltd Technical Finishes (Pty) Ltd Technical Finishes (Pty) Ltd Technical Finishes (Pty) Ltd Ultraline (Pty) Ltd Top Paints (Pty) Ltd Prominent Paints (Pty) Ltd Market Demand Trading No 263 (Pty) Ltd Dekro Paints (Pty) Ltd Optima Coatings (Pty) Ltd Africote International (Pty) Ltd Kansai Plascon (Pty) Ltd Xeracote cc t/a Olympia International Paints O'Grady Coatings (Pty) Ltd O'Grady Coatings (Pty) Ltd Amoriguard (Pty) Ltd
Walling and Building Systems	1988/178 1989/191 1989/194 1989/195 1990/201 1990/205 1993/223 1996/237 1999/272 2001/289 2002/291 2004/310 2005/316 2007/331 2007/336	Cavcon Modular Building System National and Overseas Factory Built Buildings Kwikframe Building System Goldflex 800 Building System Goldflex 100 Building System FSM Building System Neopor Building System Hydraform Building System Robust Building System Imison Building Frocess Aruba™ 2000 Series Building System Imison Stud Column Walling System Goldflex 800 Seismic Building System Ikhaya Future House Building System Automa polyblock Building System Imison 3 Building System Imison 3 Building System	Cavcon Building Systems National and Overseas Modular Construction Giuseppe Gaspari, Sandra Kukard, Andrew Christopher Group Five Construction (Pty) Ltd Group Five Construction (Pty) Ltd Fabricated Steel Manufacturing Co (Pty) Ltd Khuthala Consulting (Pty) Ltd Hydraform Developments (Pty) Ltd Robust Structures (Pty) Ltd Imison (Pty) Ltd Aruba Construction CC Imison (Pty) Ltd Group Five Construction (Pty) Ltd Ikhaya Futurehouse Systems (Pty) Ltd Imison (Pty) Ltd Construction (Pty) Ltd
	1996/237 1999/272 2001/289 2002/291 2004/310 2005/316 2007/331 2007/336	Hydraform Building System Robust Building System Imison Building Process Aruba™ 2000 Series Building System Imison Stud Column Walling System Goldflex 800 Seismic Building System Ikhaya Future House Building System Automa polyblock Building System	Hydraform Developments (Pty) Ltd Robust Structures (Pty) Ltd Imison (Pty) Ltd Aruba Construction CC Imison (Pty) Ltd Group Five Construction (Pty) Ltd Ikhaya Futurehouse Systems (Pty) Ltd Automa Building Products (Pty) Ltd



CERTIFICATE TYPE	CER NO.	CERTIFICATE TITLE	COMPANY NAME
	2009/354	Banbric Building System	Banbric Building cc
	2009/358	ITAS Modular Building System	I.T.A Security Co (Pty) Ltd
	2009/368	Alternative Steel Frame Building System	Tower Technology (Pty) Ltd
	2009/M56	Bright-Kid Container Conversions	Breidert Education Development cc
	2010/372	Blast Building System	Didutex (Pty) Ltd
	2010/376	Mi Panel 1 Building System	MiBT SA Pty (Ltd)
	2010/377	Mega Building System	Mega Green Structures (Pty) Ltd
	2011/397	Compressed Earth Blocks Building System	Use-It
	2011/398	Ec-construction Building System	MR Gregory Francis Xavier Walker
	2011/401	Modular Home Building System	Ekhaya Jabulani Housing Projects (Pty) Ltd
	2011/403	Concretex Building System	Paveprint cc T/A Concretex
	2012/405	Envirowall Building System	Habitat Modular Construction (Pty) Ltd
	2012/406	Harmili Building System	Kwikspace Modular Buildings (Pty) Ltd
	2012/407	UCO Solidwall Building System	United Fibre Cement Company (Pty) Ltd
	2012/414	Oceansafe Building System	Exelis Development (Pty) Ltd
	2012/417	Eco Build Sandbag Building System	Green Perspectives cc
	2012/422	SARDA Building System	Sarda Building Systems B.V
	2012/424	Tutungeni Building System	Tutungeni Precast cc
	2012/426	Khaya Readykit Building System	Khaya Readykit (Pty) Ltd
	2012/429	Cellular Concrete Building System	NRF housing (Pty) Ltd
	2013/430	RBM Greenbuild Building System	RBM Greenbuild (Pty) Ltd
	2013/432	Uvuyo Building System	Uvuyo Trading 109 (Pty) Ltd
	2013/434	Flex Building System	Adventure Shells (Pty) Ltd
	2013/437	RPM PHD Building System	Pego Phd (Pty) Ltd
	2013/439	Specialised Insulated Panel Building System	Specialised Panel Manufacturing cc
	2013/445	UkuZwana Building System Power	UkuZwana Project Management Solutions (Pty) Ltd
	2014/450	Profile Building System	Shell Case (Pty) Ltd
	2014/453	Ezee Build Modular Building System	Ezee Build Developments cc
	2014/456	Legna Solidwall Building System	Legna Creative Enterprises cc
Walling and	2014/457	GHS Wall Technology Building System	GHS GMBH
Building Systems	2014/458	RIC Prefabricated Building System	Rodger Ian Carter's Technical Services (Pty)
0 ,	2014/463	Sterling Building System	Sanjo FabTech Sterling (Pty) Ltd
	2014/467	JK Structure Building System	GIB Developments (Pty) Ltd
	2014/471	Benex Masonry Building System	Garden Cities NPC (RF)
	2014/474	FSM FR Polycore Building System	Fabricated Steel Manufacturing Co (Pty) Ltd
	2015/477	Green Crete Building System	Get Connected Holdings (Pty) Ltd.
	2015/478	Modular Fibre Reinforced Concrete Building System	Malopo Construction SA
	2015/482	Besta Board Building System	Fast Track Contracting Africa (Pty) Ltd
	2015/483	Boen Eco Solutions Building System	EcoSolutions (Pty) Ltd
	2015/484	GeoPanel Formwork System	GeoPlast South Africa (Pty) Ltd
	2015/485	Geoplast Modulo Foundation System	GeoPlast South Africa (Pty) Ltd
	2015/486	Shouguang Prefabricated Building System	Shouguang Sunrise Construction Engineering Co., Ltd
	2015/487	Kwikspace Modular Building System	Kwikspace Modular Buildings (Pty) Ltd
	2015/488	Polyform Building System	Polyform South Africa
	2015/490	Abacus Ezee Space Building System	Waco Africa (Pty) Ltd t/a Abacus Space Solutions
	2015/495	ABOD HOUSE BUILDING SYSTEM	HMR Homes (Pty) Ltd
	2015/504	Selcrete Building System	HJOTT SOUTH AFRICA (PTY) LTD
	2016/517	Abscon Prefabricated Building System	Absolute Containers (Pty) Ltd
	2016/506	Bravo Max Building System	Bravo Max (Pty) Ltd
	2016/508	I-Wall Building System	Insulated Build Manufacturing (Pty) Ltd
	2016/509	Everite Hebel AAC Building System	EVERITE (Pty) Ltd
	2016/511	Afripanel Modular Building System	Aboard Group
	2016/513	Modular Housing Container Building System	Equitable Housing Group (Pty) Ltd
	2016/514	K3T WALL PANEL SYSTEM	Esttar International (Pty) Ltd
	2016/523	iGreen Building System	The Legacy Trust
	2016/524	FORSA Aluminium Formwork System for Reinforced Concrete Buildings	FORSA SA
	2016/529	BNBM Dry Wall Building System	Anganna Investments 70 (Pty) Ltd
	2016/530	African Modular Building System	African Modular Building Solutions cc
	2016/530	African Modular Building System	African Modular Building Solutions cc
	2016/531	EEZI Thermal Modular Building System	EEZI Group Africa
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CERTIFICATE TYPE	CER NO.	CERTIFICATE TITLE	COMPANY NAME	
2017/537 2017/538 2017/547 2017/553 2017/554 2017/555 2017/555 2017/556 2017/558 2017/559 2017/560 2017/561 0C1/2001 0C2/2003		Luxwood Wall Panel Building System SANY Building System NOVATOP Solidwood Building System GHS ClipPlus Wall Technology Building System EVG 3D Panel Construction System EVERITE HEBEL AAC Block Building System Fishnet and PET Bottles Building System Greenlite Concrete Jumbo Blocks Building System RWPA Building System Surefoot Pile Foundation System Non-wet construction Building system Besa Building System Besa 2 Building System	Intelligent Building Systems Africa SANY Construction Industry Development Africa (Pty) AGROP Nova a.s. GHS GMBH EVG 3D Africa (Pty) Ltd EVERITE (Pty) Ltd SA Samarpan Foundation NPC Greenlite Concrete (Pty) Ltd RWPA Solutions (Pty) Ltd Surefoot Africa (Pty) Ltd CMIG Drawin South Africa Pty Ltd Agrement South Africa Agrement South Africa	
Waterproofing	1992/219 1997/261 1998/262 2017/551 2017/557	Derbigum SP Waterproofing Index Fidia `P` Roof Waterproofing Index Testudo 20 Waterproofing S50 Fibre Reinforced Crack Repair and Water Proofing System Polyglass Evolight S & Evolight S Mineral Waterproofing Membranes	Derbigum Manufacturing (Pty) Ltd ABE Construction Chemicals (Pty) Ltd ABE Construction Chemicals (Pty) Ltd Geotech Nano Chemicals (Pty) Ltd Polyglass SPA	
Non-traditional soil stabiliser	2015/496 2017/543	Ecobond: Non-Traditional Soil Stabilizer Polymer Modified Bitumen Stabilising Material (PMBSM)	Techneco (Pty) Ltd New Age Road Solutions (Pty) Ltd	
Software	2012/412 2012/413 2013/443 2013/444 2014/470	BSIMAC (Version 9) Building Energy Analysis Software DESIGNBUILDER (Version 4.0) Building Energy Analysis Software StarFront Software for designing compliant aluminium windows and doors IES Virtual Environment Software (Version VE 2013) Crealco U-Solve Whole Window and Door	Alec Johannsen Consulting Engineers Greenbuild Consultants Wispeco (Pty) Ltd Integrated Environmental Solutions (IES) LTD Wispeco (Pty) Ltd	
Roads Products	2010/375 2012/408 2013/446 2016/516 2017/552	Enviro Prime Pro-Phalt Infrared Road Repair System Non-tacky Tack Coat (nt-cote) THE ROAD REJUVENATOR RCC Ready Mix	Tarspray cc Pro-Phalt SA (Pty) Ltd Tarspray cc Tarspray cc Cosal Consultants cc	
Traffic Monitoring Systems	2015/497 2015/498 2015/499 2015/500 2015/501 2015/502 2015/503 2016/518 2017/549	Mikros Dual Stick-on Loop Traffic Monitoring System Permanent Dual Traffic Monitoring System with TELOOP8 Permanent Dual Traffic Monitoring System withTELOOP8-F Permanent Axle Traffic Monitoring System withAUTOPIZO8 Permanent Axle Traffic Monitoring System with PICOTEL8 Permanent Axle Traffic Monitoring System with WYPROS I PWIM TES Non-Intrusive Loop Traffic Monitoring SystemPermanent Axle Traffic Monitoring System Type A1 with PICOTEL8-SDT TES Infra-Red Beam Axle Sensors Traffic Monitoring System Type B1	Mikros Systems (Pty) Ltd t/a Syntell Group Company TES Trust Mikros Systems (Pty) Ltd t/a Syntell Group Company TES Trust	
Weigh-In-Motion Monitoring Systems	2016/519 2016/520 2016/521 2017/548 2017/550	Class I Weigh-in-Motion Monitoring System Type B1 with WYPROS II BP for CZL Bending Plate Sensors Class II Weigh-in-Motion Monitoring System Type B1 with WYPROS I Kistler WIM for Kistler Lineas Sensors Class II Weigh-in-Motion Monitoring System Type B1 with WYPROS II BP for PAT Bending Plate Sensors TES Class I Weigh-in-Motion Monitoring System Type B1 TES Class II Weigh-in-Motion Monitoring System Type B1	Mikros Systems (Pty) Ltd t/a Syntell Group Company Mikros Systems (Pty) Ltd t/a Syntell Group Company Mikros Systems (Pty) Ltd t/a Syntell Group Company TES Trust TES Trust	



DIRECTORY OF INACTIVE CERTIFICATES 2017/2018

INACTIVE CERTIFICATES

CERTIFICATE TYPE	CER NO.	CERTIFICATE TITLE	COMPANY NAME
Product	2011/395 2011/396 2011/396	Betcrete Polycrete Window Sill Betcrete Polycrete Door Frames and Windows Betcrete Polymer Window and Door Frames	MG Innovation t/a Betcrete MG Innovation t/a Betcrete MG Innovation t/a Betcrete
Roofing Products	2010/378 2010/362	Infra-Flash Self Adhesive Sealant Resintile Roof Tiles Spunsalation 5 Roofing Radiant Barrier Spunsalation Roofing Radiant Barrier	Infraset A Business Unit of Aveng Africa Ltd. Plastiworld Trading (PTY) LTD T/A Resintile asd asd
Wall Coatings		Brickseal Cementitious Wall Coating Flexiwall Coating System	Zambezi Mining Services (Pty) Ltd Duram (Pty) Ltd
	2003/303 2009/351 2011/391 2011/400 2012/409 88/178 96/246 96/245 96/244 2008/350	1DR Build Building System CSIR Modular House Building System Amsa's Alternative Building System Mi Panel 2 Building System Amsa's Protea Building System Cavcon Modular Building System Abkin's J1 Building System (M) Abkin's Norman 2 Building System Abkin's Simon 4 Building System CMA Building Foundation Beams Con-Cottage Building System Crane Building System Dri-Block Building System Eapro A Building Method Eapro M Building Method	H W Visser Designing & Planning CSIR Built Environment Arcelor Mittal South Africa Steel Service Centre MiBT SA Pty (Ltd) Arcelor Mittal South Africa Steel Service Centre Cavcon Building Systems Abkin's Housing System (Pty) Ltd Abkin's Housing System (Pty) Ltd I.T.A Security Co (Pty) Ltd Concrete Manufacturers Association CONCOR Holdings (Pty) Ltd Agrément South Africa Dri-Block (Pty) Ltd Easec (Pty) Ltd Easec (Pty) Ltd
	90/210	Estra Building System Formington Phoenix System I	Estra Homes (SA) (Pty) Ltd Formington Systems (Pty) Limited
Walling and Building Systems	97/256 96/238	Formington Phoenix System II Frame-Tech Building System Gethal Building System Izoblok Building System Josseph Shoshany Chopsa K M L Pre-Engineered Homes	Formington Systems (Pty) Limited Circle Capital Developments (Pty) Ltd Ceiling Solutions (Pty) Ltd Meeting of Minds cc Stauch Vorster Architects Styrox Holdings (Pty) Ltd
	1994/M42 99/270 86/154 97/259 1997/M46	Locktite Block Building System LSF Building System LTA Rimon M2 Emmedue Building System Matla Housing System MDA Housing System Megacom Housing System	Guy Bright (Pty) Ltd Liege Developments & Projects (Pty) Ltd Josseph Shoshany Horizon Homes Thatch Lock cc Rocla (Pty) Ltd Michael Dyson Associates Ltd Megacom Housing (Pty) Ltd
		Megacom Mantag Building System Mg Sip Building System Panelcast Buildings Portable Container Building System RBM Greenbuild Building System	Megacom Housing (Pty) Ltd Marble Gold 231 Pty (Ltd) Alan Serritslev Creative Aluminium T/A Merakeng Solutions RBM Greenbuild (Pty) Ltd

CERTIFICATE TYPE	CER NO.	CERTIFICATE TITLE	COMPANY NAME
	1994/41	Riftec Kit House	Tarspray cc
		Sandwich Modular Panel Housing System	University of Pretoria
		ScipsT Building System	Africa SCIPS cc
	98/268	Space Frame Construction System	Isofoam (South Africa) (Pty) Ltd
	96/240	Tronco Building System	Quick Sill cc
	2011/383	Vela Steel Building System	Vela Steel Building System (Pty) Ltd
Walling and Building Systems	95/235	Vertibar Building System	kwena ya sebeletrading enterprise cc
	1998/M51	Waffle-Crete Mantag System	United Fibre Cement Company (Pty) Ltd
		Wigwam	Freyssinet Posten (Pty) Ltd
		Wolfbrick Building System	kwena ya sebeletrading enterprise cc
		Wonder Panel Building System	kwena ya sebeletrading enterprise cc
		World Housing Solutions Building System	Yokoyo Investments (Pty) Ltd
		Yangshu Sandwich Wall Panel Building System	Yangshu Integrated House Building
		Zenzele Building System	Provincial Administration: Eastern Cape
Cold Stores		Isowall System	Isowall Southern Africa (Pty) Ltd
Non-traditional soil stabiliser		PC FOR ROADS Non-traditional soil additive	Marble Gold 453 (Pty) Ltd trading as PowerCem So





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Agrément South Africa
Fit-for-purpose
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E loketse morero
E siametse morero
Ho loketse morero
Ukungqamelana nenjongo
E lungele injongo
Yi ringanele vikongomelo

