

ANNUAL REPORT

2024



**FROM RETAIL TO
RAW MATERIALS:**

**A GROWING
GLOBALLY
COMPETITIVE AND
SUSTAINABLE
CTFL VALUE
CHAIN.**

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INTRODUCTION

Foreword

The annual report for the year ended December 2024 is an integrated financial and impact report. The KZN Clothing and Textiles Cluster (KZN CTC) is a public-private partnership between local apparel manufacturers, retail, local government and other value chain stakeholders.

The cluster is formally established as a not-for-profit company. The report considers financial, economic and programme performance and is available on the KZN CTC website (www.kznctc.org.za), where additional information pertaining to the cluster may also be accessed.

Why clustering?

With the South African economy exposed to intense international competition, it is critical that local firms seek out innovative ways to improve their competitiveness.

One way of doing so is through clustering, which recognises that there are certain support activities that can be better performed in collaboration with other firms confronting similar challenges in the industry.

Though funded in conjunction with government partners, the cluster is an industry-driven initiative, drawing on the leadership and expertise of individuals from a broad range of CTFL member firms. Together, some additional benefits that members hope to achieve include:

- The generation of a critical mass of resources in the industry;
- The rapid identification and dissemination of best practices throughout the industry;
- The reduced cost of upgrading initiatives; and
- Collective action and risk sharing.



OUR MISSION



KwaZulu-Natal (KZN) is one of two hubs for clothing and textile manufacturing in South Africa, with a long history of clothing manufacturing, textile production and entrepreneurship. The industry supports over 28 200 formal jobs in the province, of which 70% are female and 80% African. The sector is also a strong absorber of semi-skilled workers, with 43% of the industry employed without a matric.

The Kwa-Zulu Natal Clothing and Textile Cluster (KZNCTC) is a not-for-profit initiative jointly established by industry and the public sector in 2005 to improve the competitiveness of the clothing, textile, footwear, and leather manufacturing industry in KwaZulu-Natal (KZN).

Our vision is clear: **from retail to raw materials, a growing, globally competitive, sustainable CTFL value chain.** The KZNCTC strives to achieve world-class value chain standards and foster socio-economic transformation for all our member firms through collaboration, knowledge exchange, skills development, benchmarking, and the continuous improvement of individual firms while critically linking high-potential black-owned SMEs to market access and commercial opportunities.

In 2024, we launched Project Assegai, our 2024-2027 business plan, which aims to create **5000 new clothing and textile jobs in the region** through attracting investment, enhancing productivity, driving sustainability and supporting resilience across the sector.

As per previous business plans, the cluster remains committed to several enabling activities: a strong cluster infrastructure to ensure financial and compliance due diligence at the highest level; ensuring the cluster is a community and voice of industry through public relations, communications and networking as well as ensuring data-driven decision making is supported through performance benchmarking, international best practice investigation and applied research.

The four primary activities of the cluster: attracting investment, enhancing productivity, driving sustainability and support resilience will be realised through market access facilitation, skills development, shared learning and manufacturing excellence.

LETTER FROM THE CHAIRPERSON



Dear Valued Members, Funders and Stakeholders of the KZN Clothing & Textile Cluster,

KwaZulu-Natal is one of South Africa's two primary hubs for clothing and textile manufacturing. Our province boasts a rich heritage of production, entrepreneurship, and resilience supporting more than 28,200 formal jobs in KZN. Notably, 70% of this workforce is female and 80% African – serving as both an economic engine and a platform for inclusive development.

In 2024, we adopted our new business plan, with the ambitious goal of creating 5,000 new clothing and textile jobs in the region by attracting investment, enhancing productivity, driving sustainability, and building sector resilience.

Over the past financial year, we brought together more than 100 stakeholders through our shared learning programme and supported 34 small businesses in navigating retail performance standards. In addition, in partnership with six firms, we began assessing their capacity to measure and manage green manufacturing data aligned with the global Higg Index. This work highlighted to the Exco that we needed to do different if we are to meet our ambitious growth targets.

So, what does different look like in 2025?

First, it means bringing the value chain closer together through direct engagement, more in-person networking and shared learning of best practice. Recently, I had the privilege of joining 15 members on a study tour to the Western Cape – visiting agile, sustainable, export-oriented factories and seeing first-hand what is possible when innovation meets execution. What is great is that we have many examples of operational excellence here too and we'll be setting up more opportunities to visit KZN firms in 2025.

Second, we must confront the issue of costs – particularly if we are to take full advantage of the growing interest from retail to localise. In response, we've launched a productivity programme focused on benchmarking performance and utility costs, identifying improvement opportunities, and deploying targeted support. Complementing this, our Lean Bootcamps in eThekweni and Ladysmith aim to equip businesses with the skills to drive efficiency and growth.

Our commitment to SME development remains unwavering with active programmes to link SMEs to the market and upgrade to meet retail standards.

As custodians of public and private sector funding, we remain committed to strong governance and financial management. I am happy to report that in 2024 we received an unqualified audit from our appointed auditors, Mazars.

I would also like to express our sincere appreciation to eThekweni Municipality and the Economic Development Unit. Your continued support is vital to our collective success. While we may face challenges, I am confident that through partnership and shared purpose, we will overcome them.

To the KZNCTC Executive Committee – thank you. Your leadership, insight, and commitment have shaped the direction of the cluster over the past year.

And a final note of appreciation to our members – It is through your engagement that we can deliver on our mission:

from retail to raw materials, we are building a growing, globally competitive, and sustainable CTFL value chain.



Matasja Ambrosio

Chairperson,
KZN Clothing & Textile Cluster



REMARKS FROM ETHEKWINI MUNICIPALITY



As a key partner in the development and growth of local businesses, the eThekweni Municipality is proud to support the KZN Clothing & Textile Cluster in its efforts to drive economic growth, innovation, and job creation within the region. Our collaborative efforts over the past year have yielded promising results, and we are excited to see the positive impact on both the local economy and the broader community.

At eThekweni Municipality, our mission is to foster sustainable development through strategic partnerships with SMEs, and we are pleased to have played a role in advancing KZNCTC's projects. Through targeted funding and support, we have witnessed tangible progress in enhancing production capacity, expanding market reach, and increasing job opportunities. As result of the outstanding work undertaken by the cluster, the eThekweni Municipality has agreed to support the cluster further in the execution of the 2024-2027 strategy; Project Assegai.

The Business Accelerator Programme, which supports the growth of promising black-owned SMEs into key suppliers for major companies continues to demonstrate its potential to drive localisation and industry growth. The Origin8 programme has successfully brought together over 50 industry stakeholders to share tools and information necessary to aid the growth of potential key suppliers within the CTFL industry. I am confident that it will remain instrumental in expanding market access for a diverse range of suppliers.

The results outlined in this report are a testament to the hard work, dedication, and resilience shown by the cluster and its leadership. We remain committed to our partnership and look forward to continued collaboration as we work together to strengthen the local economy and create opportunities for growth and prosperity in the years ahead.

We would like to congratulate the KZNCTC for the achievements highlighted in this report and express our ongoing support for its future endeavours. Together, we can continue to make significant strides in improving the lives of our members and industry, and create a more sustainable, inclusive economy.

Thank you for your continued partnership



Takalani Rathiyaya

Economic Development Unit,
eThekweni Municipality

MOMENTS FROM THE AGM

Celebrating
Industry,
Insights &
Impact



2024 IN REVIEW

Summary

In 2024, the KZNCTC made significant strides toward supporting the growth and sustainability of the CTFL sector. Notable achievements included the successful launch of our Origin8 programme, regular shared learning opportunities as well as the deployment of our first green measurement programme ('How to Higg') and an assessment of export opportunities inform strategies to enhance the industry's export potential.

In partnership with our 85+ members, ranging from JSE-listed retailers to small clothing manufacturers, we continued to create a coalition focused on growth, inclusion and the pursuit of manufacturing excellence. In 2024 we achieved:

+100

KZN CTC stakeholders
brought together
through our shared
learning programme



12

Manufacturing
Meet Ups



34 SME'S

supported through
capacity building



Our members participated in several key programmes throughout the year, including our SME Accelerator programme, How To Higg programme, and Shared Learning programme.

ORIGIN8 PROGRAMME



On 21 May 2024, the KZNCTC proudly launched the “Origin8: From Start-Up to Scale-Up” programme, marking a milestone in our journey of supporting SMEs in the CTFL industry. The event brought together 52 industry stakeholders, including retailers, manufacturers, and SME suppliers, fostering collaboration and knowledge-sharing.

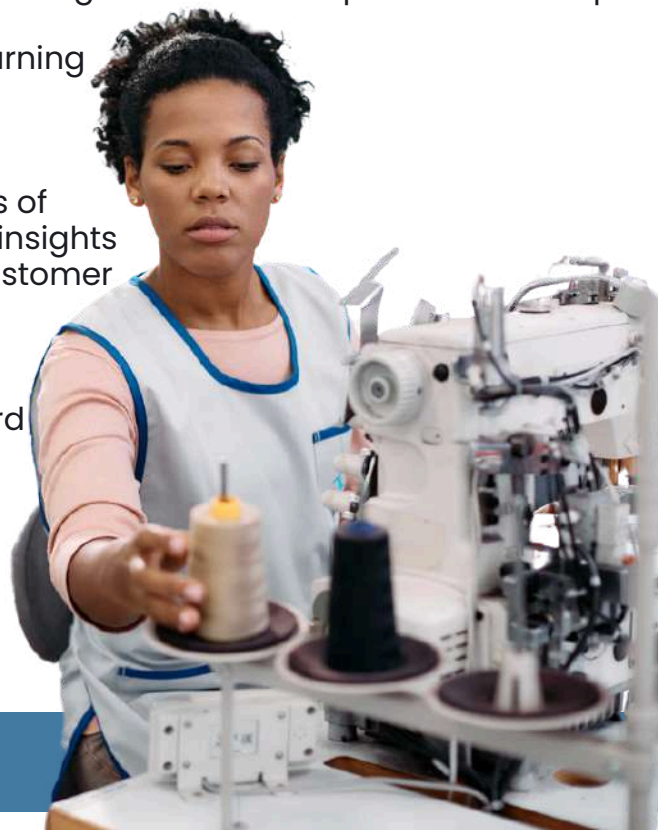
The programme equipped participants with the “6Cs framework”—Commitment, Capability, Competitiveness, Compliance, Capacity, and Cash—helping SMEs align their offerings to meet customer expectations and strengthen their value propositions. A highlight of the event was an interactive panel discussion, featuring representatives from major South African retailers and manufacturers, including Mr Price Group, TFG, Ackermans, Pepkor, and Woolworths. This session enabled direct engagement with key customers, offering insights into localisation opportunities, supply-side dynamics, and challenges.

In addition to providing actionable knowledge, the programme linked SMEs with new customers and enhanced networking opportunities within the industry. The 34 SME participants were granted associate membership to the KZNCTC, unlocking access to resources and support tailored to help their businesses scale and thrive in the competitive CTFL landscape.

On 18 September 2024, the KZNCTC hosted the Origin8 Comparative Shop and Costing Workshop at the Toyota Wessels Institute for Manufacturing Studies. This impactful workshop brought together 20 emerging and established SMMs from the CTFL sector for a day of hands-on learning and collaboration.

The first session provided participants with practical techniques for conducting comparative walkthroughs of retail stores. This approach helped them gain critical insights into the competitive landscape, better understand customer needs, and refine their market positioning.

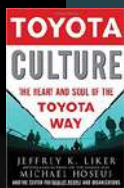
In the second session, participants learned how to accurately cost and price products, measure Standard Minute Values, and apply these principles within their production operations. The interactive format, led by industry experts, ensured that SMMs received actionable tools and resources to enhance their businesses. The event also fostered valuable networking opportunities, strengthening connections within the sector.



ORIGIN8

From Start-Up to Scale-Up





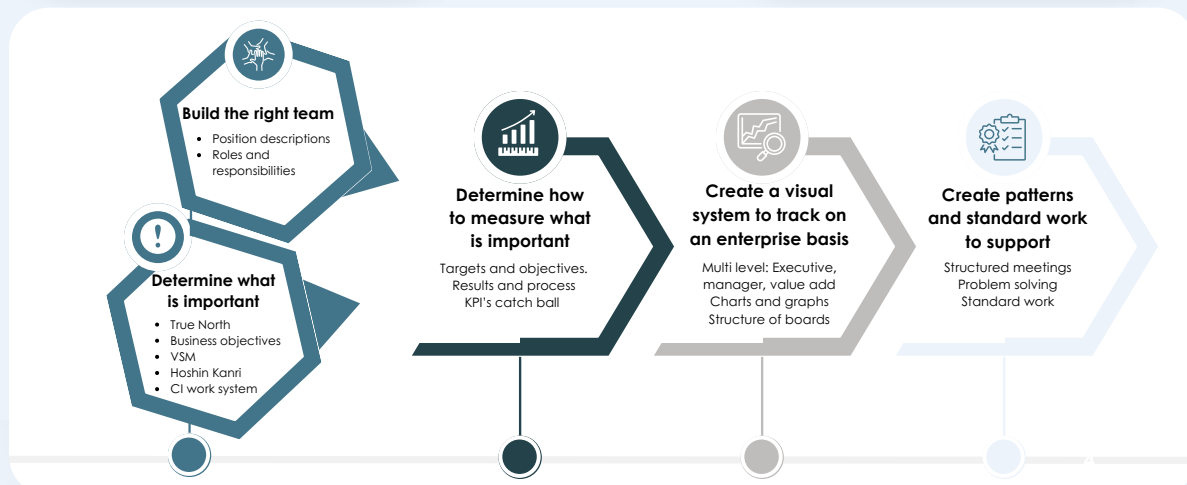
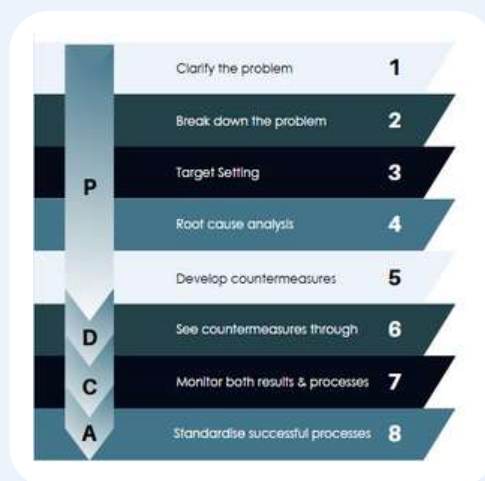
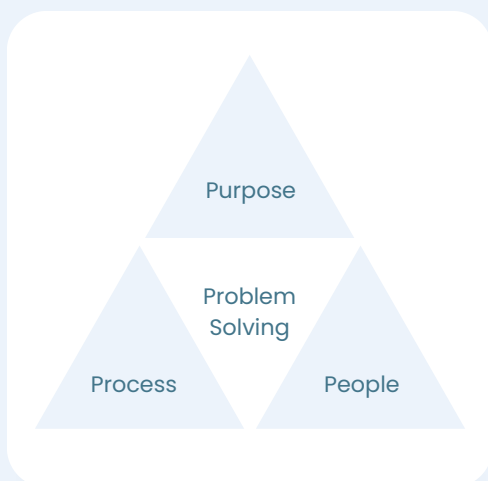
OUR 4P PROGRAMME

WITH GLOBAL LEAN CULTURE EXPERT, MIKE HOSEUS

The KZNCTC Manufacturing Meetup Webinar series facilitated the 4P Programme through a comprehensive exploration of each aspect of the 4P Culture framework namely;

Purpose, Process, People and, Problem Solving. Under the guidance of global lean expert and co-author of the best-selling book 'The Toyota Way', Mike Hoseus, the first two sessions on Purpose and Process offered attendees actionable strategies to optimise operational workflows and define organisational purpose in today's dynamic business landscape. The sessions emphasised that effective organisational culture is not accidental, but rather the result of clear purpose, structured systems, and leadership alignment.

The final sessions of the series focused on People and Problem solving. The webinar on People offered insight into how organisations can create a culture that values and develops their workforce by aligning people systems with organisational goals, promoting from within, and fostering continuous improvement. The final session on Problem Solving, described as the core of the framework by Hoseus. The session highlighted the importance of building a culture where employees at all levels engage in continuous problem solving, with the event offering practical examples for integrating these practices into organisations. The webinar series was successful with a peak attendance of 152 participants, including participation from 17 KZNCTC member firms. The series equipped firms with practical frameworks to transform organisational culture through purpose-driven leadership and operational excellence.



HOW TO HIGG

ENVIRONMENTAL MEASUREMENT



The need for greater sustainability within the clothing and textile value chain is becoming increasingly critical for both local retail competitiveness and access to export markets. However, manufacturers continue to face significant challenges in navigating the complex landscape of sustainability, particularly due to high levels of information asymmetry.

The How to HIGG programme was introduced to address this gap by promoting the use of shared resources and collective efficiencies to reduce fabric waste and energy consumption. The project aimed not only to enable greener manufacturing processes but also to improve cost competitiveness.

Building on previous sustainability initiatives conducted within the automotive sector, the pilot project began with the development of a baseline understanding of key sustainability principles and the measurement of manufacturing emissions. The project utilised the Higg Facility Environmental Module (FEM), an internationally recognised sustainability assessment tool that standardises how manufacturers evaluate and improve their environmental performance. Participating clothing and textile firms collected data on Scope 1, Scope 2, and a selection of eight categories for Scope 3 emissions. At the conclusion of the project, each firm received an individualised report and benchmark for their environmental practices. These reports also included practical recommendations for improving sustainability, along with case studies on global best practices.

On 29 August, the KZNCTC hosted a successful Idea Generation Day, where cluster members reflected on their experiences with the Higg Index and shared practical insights into achieving compliance. During facilitated discussions, the waste management group highlighted the need for improved waste tracking systems, raising concerns about the lack of visibility into the final destination of fabric waste and the logistical challenges of managing high volumes. Meanwhile, the energy group identified limited access to real-time usage data as a key barrier to operational efficiency. However, they also recognised opportunities to leverage existing peak demand management systems and adopt technologies such as solar power and variable speed drives to reduce energy costs and environmental impact.

The How to HIGG programme was instrumental in collectively educating members not only on the fundamentals of sustainable manufacturing but also on the associated benefits of improved cost competitiveness.





EXPORT STUDY

The KZNCTC Export Study was published in October to provide cluster members with a clear and practical resource on viable export opportunities for clothing and textile manufacturers in KwaZulu-Natal. In light of constrained domestic demand and the seasonal fluctuations in local clothing production, the Retail-Clothing, Textile, Footwear and Leather (R-CTFL) Masterplan identifies export diversification as a key strategy for achieving long-term growth and sector resilience. Building on desktop research, existing cluster data and stakeholder interviews, the study culminated insights of each to identify high-potential export markets namely; Europe, the United Kingdom, the United States of America, and Africa. This analysis offered structured guidance on export-ready product categories, relevant trade agreements, and common barriers to market entry. To complement the report, a dedicated export webinar was facilitated to deliver the report's findings in an accessible manner. During the session, Leon Buhr of Equator Belts shared a valuable perspective from his export experience, including strategies for overcoming operational challenges and building resilience in international markets. Combined, the study and webinar serve as practical tools to support KZN manufacturers' journey to evolve from locally focused businesses into globally competitive exporters.

Key Takeaways :

01

Exporting unlocks global growth for KZN firms with scalable, quality-driven products, particularly into high-income markets like the EU, UK, and USA, where demand for differentiated offerings is strong.

02

South Africa enjoys strategic trade advantages through agreements such as AGOA, AfCFTA, and EU/UK duty-free access; however, contemporary geopolitical shifts, gaps in international quality compliance and sustainability standards inhibit manufacturers from fully capitalising on these advantages.

03

The key challenges faced by firms include meeting international quality and sustainability standards, poor logistics and infrastructure, and inconsistent local policy support.

04

Products with authentic local identity, short lead times, and ethical production stories hold strong appeal. Especially in premium and conscious consumer segments abroad.

05

eCommerce and social media marketing are powerful tools for reaching international consumers at scale, with especially strong uptake in digitally advanced markets such as the UK and USA.

SUCCESS STORIES



ARGENTO'S GROWTH THROUGH KZNCTC SUPPORT

Joudalle Govender

Argento, a 100% Black female-owned SME based in Tongaat and led by Joudalle Govender alongside her husband TK Govender, has achieved remarkable growth since participating in the FY21-22 KZN Clothing & Textile Cluster Accelerator. With expert coaching and training in costing, capacity planning, and quality systems, Argento enhanced its operations and sustainability. Six employees were trained in foundational costing, leading to the development of an improved costing tool and further pricing refinements. A capacity planning tool increased output per line by approximately 20%, enabling Argento to secure more orders.

Additionally, a skills matrix and a quality manual were developed, identifying further opportunities for training and system improvements. These interventions have positioned Argento for success, resulting in expanded orders from Mr Price Sport and a new customer, Isuzu.

Highlights



20% Increase in Output Per Line. Capacity planning tool implementation boosted productivity, enabling Argento to take on more orders.



Expanded Customer Base: additional orders from Mr Price Sport and gained a new customer, Isuzu.



Upskilled Workforce. Six employees trained in costing, resulting in better pricing strategies.



Enhanced Quality Systems. Developed a skills matrix and quality manual, identifying further training and improvement opportunities.

REAPSO SA'S JOURNEY TO GROWTH

Mahlatsi Mashile

Reapso SA, a 100% Black female-owned Cut-Make-Trim (CMT) business founded by Mahlatsi Mashile, has achieved remarkable growth through collaborations with prominent retailers such as Mr Price Group, Pepkor Speciality, TFG, and Woolworths. With additional support from a Supplier Development project with MRP Sport, Reapso unlocked a Letter of Interest (LOI) for three menswear products and R7 million in IDC funding.

Training on costing interventions enabled the team to align with Mr Price Sport's pricing requirements, achieving a 7.5% cost improvement across three products. Factory renovations, including new machinery investments, are underway to enhance capacity in their 850m² space. Recruitment efforts are focused on filling 19 machinist roles, a Human Resources Manager, and a Production Manager, while a practical machinist assessment tool has been developed. These advancements position Reapso for sustainable scaling aligned with customer demands.

Highlights

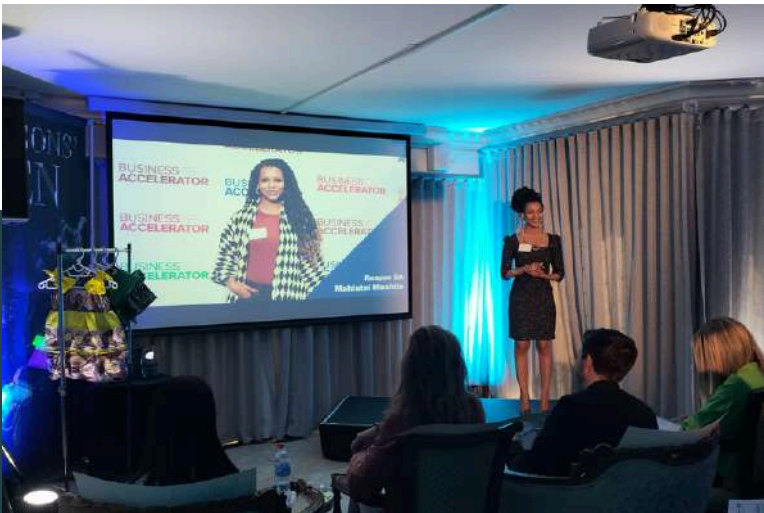


Secured R7 Million in Funding. Reapso received R7 million in IDC funding, unlocking new growth potential.

Retailer-Endorsed Growth. Support from leading retailers including Woolworths, TFG, and Pepkor Speciality.

7.5% Cost Improvement. Costing training led to more competitive pricing, achieving a 7.5% cost reduction across three product lines.

Capacity Expansion & Recruitment Drive. Factory upgrades underway, 19 new machinists and 2 new key managers.



DEEMAS INTERNATIONAL: SCALING THROUGH INNOVATION AND COLLABORATION

Shashika Ahamat

Deemas International, a 100% Black-owned importer/exporter and supplier of industrial sewing equipment and related technologies, has successfully leveraged the KZNCTC Accelerator to scale its business. Since joining in March 2023, the SME progressed through rigorous capacity-building phases, culminating in a standout pitch at the cluster’s “Dragons’ Den” event, which captured the attention of major retailers such as Mr Price Group, Pepkor Speciality, TFG, and Woolworths.

Deemas completed financial and risk assessments and a “Scale Up X-Ray” diagnostic, which highlighted the need to expand their consulting services. This new offering has been embraced by several Accelerator alumni, strengthening Deemas’s market position. The business received one-on-one mentorship and support to stabilise delivery, scale production, and meet customer growth needs, leading to the hiring of four new employees. Additionally, Deemas unlocked opportunities to supply machines and consulting services to Reapso, a 2023 Accelerator SME alumnus. In April 2024, Deemas graduated into the cluster’s Accelerator SME Alumni network, ensuring ongoing support for sustainable growth and success.

Highlights



Pitch Success at “Dragons’ Den”. Gained interest from major retailers including Mr Price Group, Pepkor Speciality, TFG, and Woolworths.



Expanded Service Offering. “Scale Up X-Ray” revealed new business potential.



Job Creation & Scaling. Business growth led to 4 new hires and strengthened capacity.



Business-to-Business Growth. Unlocked new supply and consulting opportunities.



IMPROVING EFFICIENCY AND QUALITY THROUGH ENHANCED LABELLING PROCEDURES

Amogelang Gilbert, Nortex

In response to production delays caused by improperly labelled standard cabinets in the dye house, which hindered colour matching and batch approvals, the company implemented a solution to improve operational flow. Work instructions were revised to incorporate clear labelling procedures, with specific responsibility assigned for packing and maintaining labelling standards. This intervention resulted in a significant boost in efficiency, as the streamlined colour matching process reduced time wastage. Downtime in production was minimised, leading to less idle time in the finishing-up department.

The new labelling system also improved quality control by ensuring more accurate colour matching, which in turn elevated product quality. The updated procedures fostered a more organised and motivated workforce, with clearer roles contributing to improved morale. Additionally, the optimisation of production processes led to cost savings by reducing waste and rework. This initiative has been key to enhancing both the efficiency and quality of production operations.

Highlights



Reduced Downtime & Wasted Time. New labelling system minimised delays in colour matching and reduced idle time.

Improved Product Quality. More accurate colour matching led to fewer reworks and higher quality output.

Cost Savings. Optimised processes resulted in less waste and lower production costs.



2024 CALENDAR



- Manufacturing Meet-up: Guidelines to implementing RE Solutions
- Manufacturing Meet-up: Effectively manage Supply Chains during challenging times
- Cluster Strategy Session

Feb



- Manufacturing Meet-up: Attendance Excellence

Mar



- Skills graduation

Apr



- Hybrid Manufacturing Meet-up: Bell Equipment
- SME Business Accelerator Graduation
- Origin8 Workshop

May



- Manufacturing Meet-up: 4P Event with Mike Hoseus – Session 1
- Annual General Meeting
- Manufacturing Meet-up: 4P Event with Mike Hoseus – Session 2

Jun



- Manufacturing Meet-up: 4P Event with Mike Hoseus – Session 3
- Executive Committee Meeting

Jul



- Manufacturing Meet-up : Net Zero Planning Webinar
- Origin8 (World Class Manufacturing Local Study Tour)
- Manufacturing Meet-up: 4P Event with Mike Hoseus – Session 4

Aug



- Manufacturing Meet-up: Sustainability Reporting
- Origin8 Comp Shop & Costing Workshop

Sep



- Executive Committee Meeting
- Manufacturing Meet-up: Reducing Lost Time Webinar

Oct



- Manufacturing Meetup – Project Present
- HowtoHigg Idea Generation Workshop

Nov

VOICE OF OUR MEMBERS

SME Business Accelerator Origin8 Programme

★★★★★

"It is a great opportunity to unlock your business potential and expansion. The cluster also helps you identify gaps within your business and therefore allows you to have a much clearer understanding of where you are headed as a business."

SME Business Accelerator Origin8 Programme

★★★★★

"The kind of insight I have gained so far from the cluster wouldn't allow me to keep quiet. I would recommend as many people as possible to be part of it. Since I have started attending these trainings, my business has taken a new shape. Exposure, knowledge, profitability, confidence."

Samantha Marriott – 4P Problem Solving Shared Learning Event

★★★★★

"Every session has broadened my perspective in how to approach the culture of our organisation."

Tanya Miller

Equator The Belt Factory–SME Business Accelerator Origin8 Programme

★★★★★

"This morning was a great session, and it was a pleasure to be apart of. One is left inspired at the talent of young entrepreneurs within our sector and good to hear directly from the retailers as well! Overall, highly professionally arranged & presented but do want to note in particular Courtney who facilitated the panel discussion – really fantastic!"

Nelisiwe Magubane, Programme Manager: CTFL Sector at the Economic Development Unit (eThekweni Municipality)

★★★★★

"The workshop was a great success, and I believe that we've provided practical knowledge and skills that the SMEs can apply immediately."

Abdulla Shaik, Dyefin Textile– Bell Equipment Shared Learning Event

★★★★★

"Maintaining the energy behind lean interventions is a challenge. It was enlightening and inspiring to learn how Bell injected fresh vitality to their lean journey that had lost momentum."

Durban Overall – 4P Session: Purpose Shared Learning Event

★★★★★

"Excellent presentation, lots of food for thought and excellent guide to implement change."

2024 AWARDS

These awards recognise the meaningful contributions of the following firms and individuals towards the growth of the cluster and industry in 2024.

DYEFIN TEXTILES

Sustainability Excellence Award

**EQUATOR –
THE BELT FACTORY**

Shared Learning Champion

XO COLLECTION

SME Scaling Up Award

**ETHEKWINI
MUNICIPALITY**

Partnership Award

SHUNNON TULSIRAM

Industry Champion Award





2024 EXECUTIVE COMMITTEE

Senior executives from member firms and officials from the eThekweni Municipality make up the KZN CTC's Executive Committee. The Executive Committee provides strategic oversight and programmatic direction to the cluster.



NATASJA AMBROSIO

Mr. Price Group
Chairperson

IMRAAN BUX

Imraan Textile
Vice Chairperson & Director

JOHN COMLEY

Celrose
Director

STEVE TANDY

Durban Overall
Director

TREVOR GOVENDER

Durban Overall
Executive Member

ABDULLA SHAIK

Dyefin Textile
Executive Member

ADRIAAN VERHAGEN

Ninian & Lester
Executive Member

ABDUL-GAKEEM SATIRE

Glodina
Executive Member

STEVEN MABUGANA

Khanyitex
Executive Member

NELISIWE MAGUBANE

eThekweni Municipality
Funder Representative

TAKALANI RATHIYAYA

eThekweni Municipality
Funder Representative

COURTNEY GRANT

BMA
Chief Facilitator

OUR PARTNERS

The KZN CTC wishes to thank eThekweni Municipality for their supportive partnership in 2024.

eThekweni Municipality

eThekweni Municipality's public funding for the KZN CTC is overseen by the Economic Development and Investment Promotion Unit (ED&IPU), which is mandated to promote economic development, job creation, economic transformation and economic intelligence within the municipal region. The ED&IPU is guided by policies established by National and Provincial Government and articulates the approach to economic development through the Municipality's Integrated Development Plan (IDP) and an Economic Development Strategy (EDS) from which all activities are guided by, but not restricted to, as the Unit also responds to the broader challenges facing the greater region by endorsing other initiatives such as the Millennium Development Goals.

For more information on the eThekweni Municipality please visit www.durban.gov.za



CLUSTER FACILITATION SERVICE



BMA provides facilitation services to the KZN CTC. Since its founding in 1997, BMA has been dedicated to helping grow manufacturing profitably and sustainably. They deliver specialised, high-value services designed to support sustainable industrial development to governments, NGOs, manufacturing clusters, industry associations, and both retail and manufacturing companies.

Driven by their commitment to building dignity and generating opportunities through production-led economies, BMA's mission is to enhance manufacturing competitiveness and growth for private firms, development organisations, and governments.

Their strong foundation in policy development and firm-level performance benchmarking, combined with their history in Lean training and consulting, equips BMA with a comprehensive understanding of the macro and micro aspects of manufacturing. Their expertise, along with their extensive experience in facilitating and managing industrial clusters, allows them to integrate data-driven insights with market-oriented strategies and collaborative approaches, producing exceptional results.

For more detailed information about our services and projects, please visit our website at www.bmanalysts.com.

Governance and Compliance

- Registered as a non-profit company.
- The KZN CTC Memorandum of Incorporation (MOI) entrenches the Public-Private Partnership (PPP) model of transparent governance and clear accountability.
- Clear business plan and accompanying implementation plan, updated annually.
- Memorandum of Agreement (MOA) in place governing the relationship with eThekweni as the primary funder.
- Effective and efficient performance management and reporting systems in place.
- Financial control systems are effective, efficient and transparent.
- Adequate solvency and liquidity provisions in place.
- Clean, unqualified annual financial audit – complete upon audit.
- Risk management practices in place that are effective, efficient and transparent.
- Competition Law checklist and related safeguards complied with effective, efficient and transparent procurement processes and systems in the Cluster.
- Service Level Agreement (SLA) in place governing the relationship with our facilitation service provider.
- Compliance with funding agreements.
- Compliance with the Companies Act; The Income Tax Act; Consumer Protection Law; the Public Finance Management Act; the Municipal Finance Management Act and the POPI Act.
- Broad-Based Black Economic Empowerment (B-BBEE) level 4 contributor. 100% of expenditure can therefore be claimed as Preferential Procurement.

MEMBER LISTING

Organisation	Telephone number	Website address
Alleycat Blanc Clothing (Pty) Ltd	031 365 8000	n/a
Berzacks	031 274 0480	www.berzacks.co.za
Canvas and Tent	012 671 1101	www.canvasandtent.co.za
Celrose Clothing	032 438 7300	www.celrose.co.za
Charnaud and Company (Pty) Ltd	036 6341534	www.charnaud.net
Colibri	031 736 7600	www.glodina.co.za
Caliber Clothing	031 312 5656	n/a
DanESCO Clothing	031 562 8115	www.danESCO.co.za
Durban Overall	036 631 1143	www.durbanoverall.co.za
Dyefin Textiles	031 904 1547	www.dyefintextiles.com
Equator Belts	031 702 1469	https://equator.group/
Eddels Shoes	033 342 8111	www.eddels.co.za
Freudenberg Nonwovens (Pty) Ltd (KZN)	031 206 0470	www.freudenberg.com
Glodina (Pty) Ltd	031 736 7600	www.glodina.co.za
Imraan Textile Mills	039 977 7001	n/a
KhanyiTEx (Mabugana Group)	031 736 6097	www.khanyitex.co.za
Mala Dyeing	013 933 3340/1	www.maladyeing.co.za
Mr Price Group	031 310 8000	www.mrpricegroup.co.za
Ninian & Lester Textile	031 303 1422	www.ninian.co.za
Ninian & Lester Clothing Division/ Jockey	031 303 1422	www.ninian.co.za/clothing-textile-division/
Powerhouse	031 303 2567	www.powerhouse.co.za
Prestige Durban	021 938 1501	n/a
Prilla 2000	033 397 780	www.prilla.co.za
Sentinel (Eza Clothing)	031 736 1003	www.sentinelworkwear.weebly.com



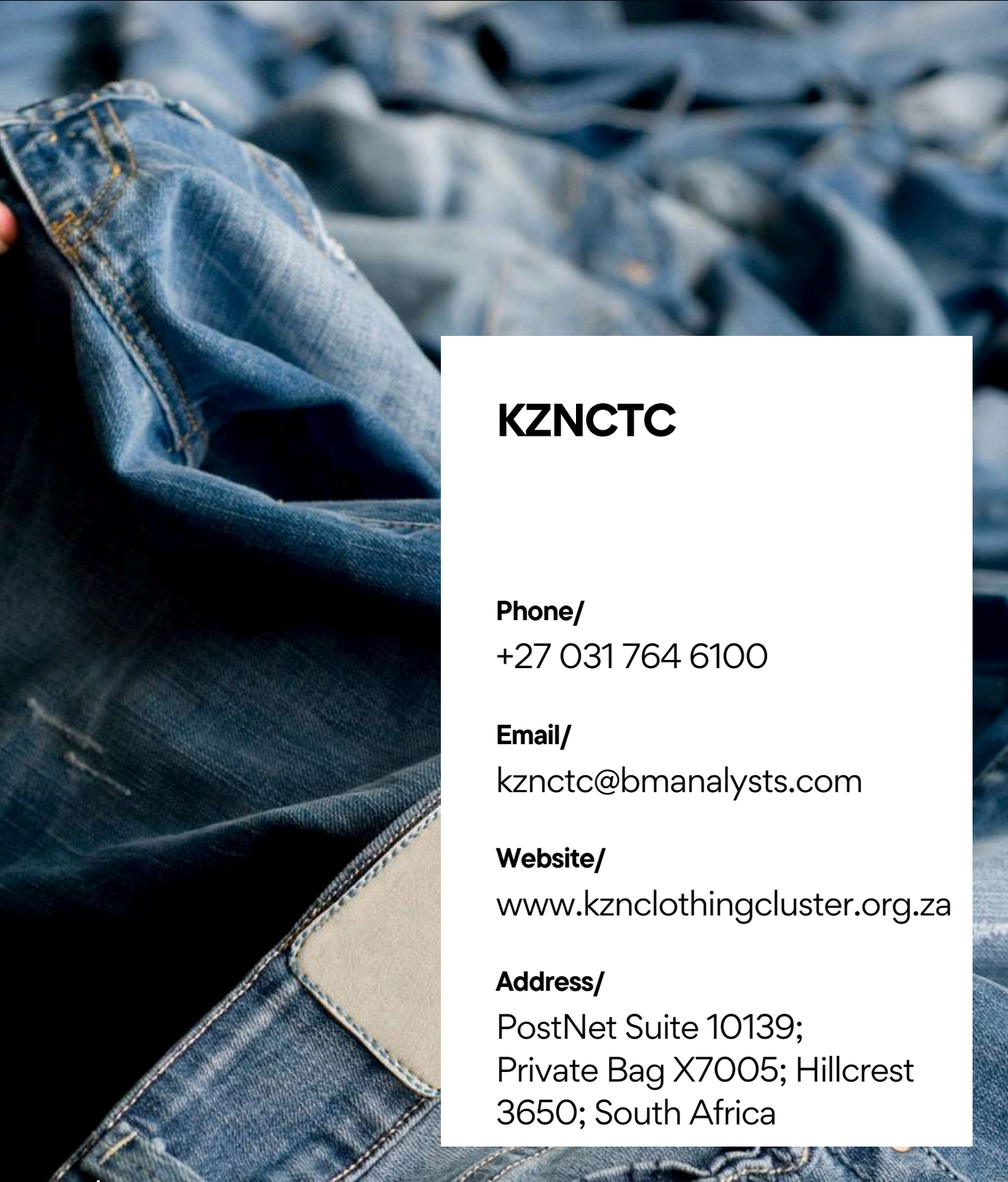
ASSOCIATE MEMBERS

Organisation
Thafiso Industries
Instyle Linen
Uniforms and Safety Gear
Yatsar Clothing Manufactures
Idols
Xo collection
SA Workwear Solutions (pty) Ltd
Aliwal Manufacturers (pty) Ltd
J. J fashions cc
Good cap 24 cc
Sesha fashions clothing manufacturers. C.c.
Yes man fabric (pty) Ltd
Junit manufacturing cc
Juanre clothing manufacturers cc
Inangs clothing (pty) Ltd
Idols club clothing cc
Hot pants underwear cc
Eza clothing (pty) Ltd
Lynxwear pty Ltd
Dirose enterprise cc
Mbww (pty) Ltd
Corinth clothing (pty) Ltd
Cover-up trading (pty) Ltd
Chatsworth apparel (pty) Ltd
Canada clothing contractors
Cool and comfy underwear manufacturers C.c.
Beetoo trading cc
Dromex globale (pty) Ltd
Shiva clothing cc

Organisation
Trade call investments apparel (pty) Ltd
Twin clothing mnfrs. Pty Ltd
Morewood clothing (pty) Ltd
Santon workwear (pty) Ltd
Leo garments pty Ltd
School gear c.c
Royal commerce trading (pty) Ltd
Radical sports gear cc
Prikell clothing cc
Numoode (pty) Ltd
Zenzeleni clothing (pty) limited
Market demand trading 9990 (pty) Ltd
Silver ruby manufacturers (pty) Ltd
Tci apparel (pty) Ltd
Seasons find 1063 c c t/a basic marketing
Bonwit
Rampage clothing
V. S. Manufacturing
Top heat trading (pty) Ltd
Tower city trading 319 (pty) Ltd
Tashre clothing cc
Exodus
Juneco
Reapso SA
Argento Trading
Bidywood design
Deemas International Trading
DK and Kids Clothing



CONTACT US



KZNCTC

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Address/

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Private Bag X7005; Hillcrest
3650; South Africa

KWAZULU NATAL CLOTHING AND TEXTILES CLUSTER NPC
(Registration number 2005/035347/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Clustering programme for clothing and textile manufacturers in Kwazulu Natal
Directors	Steve Robert Tandy Imraan Bux John Motley Comley
Registered office	Block B Bellevue Campus 5 Bellevue Road Kloof 3610
Business address	Block B Bellevue Campus 5 Bellevue Road Kloof 3610
Postal address	Postnet Suite 10139 Private Bag X7005 Hillcrest 3650
Bankers	Investec Bank Limited
Auditor	Forvis Mazars Registered Auditor
Company registration number	2005/035347/08
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The annual financial statements were independently compiled by: MJ Cassan Chartered Accountant (South Africa)
Issued	16 April 2025

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Index

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

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Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Directors' Responsibilities and Approval

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

The annual financial statements are prepared in accordance with IFRS for SMEs Accounting Standard, the Companies Act of South Africa and the Financial Reporting Pronouncements as issued by the Financial Reporting Standard Council and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

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

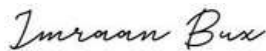
The directors have reviewed the company's cash flow forecast for the year to 31 December 2025 and, in the light of this review and the current financial position, they are satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditor and their report is presented on page 5 to 7.

The annual financial statements set out on pages 8 to 17, which have been prepared on the going concern basis, were approved by the board on 16 April 2025 and were signed on its behalf by:



Steve Robert Tandy



Imraan Bux

Forvis Mazars, Ridgeside Office Park
21 Richefond Circle, Umhlanga Ridge
Durban, 4319

Tel: +27 31 818 9000
Email: office.za.dur@forvismazars.com
forvismazars.com/za



Practitioner's Compilation Report

To the Directors of Kwazulu Natal Clothing and Textiles Cluster NPC

We have compiled the accompanying financial statements of Kwazulu Natal Clothing and Textiles Cluster NPC based on information you have provided. These financial statements comprise the statement of financial position of Kwazulu Natal Clothing and Textiles Cluster NPC as at 31 December 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the IFRS for SMEs Accounting Standard, the Companies Act of South Africa and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

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

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the IFRS for SMEs Accounting Standard, the Companies Act of South Africa and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.


Forvis Mazars
MJ Cassan
16 April 2025
Durban

Independent Auditor's Report

To the Directors of Kwazulu Natal Clothing and Textiles Cluster NPC Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kwazulu Natal Clothing and Textiles Cluster NPC set out on pages 9 to 17, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Continued-/

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled “Kwazulu Natal Clothing and Textiles Cluster NPC Annual Financial Statements for the year ended 31 December 2024”, which includes the Directors’ Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor’s report thereon.

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

Continued-/

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

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

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

Forvis Mazars

Forvis Mazars
Partner: Shaneal Doolabh
Registered Auditor
16 April 2025
Durban

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Kwazulu Natal Clothing and Textiles Cluster NPC for the year ended 31 December 2024.

1. Nature of business

Kwazulu Natal Clothing and Textiles Cluster NPC was incorporated in South Africa with interests in the provision of cluster based development and support to the clothing and textile industry. The company operates in South Africa.

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

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with IFRS for SMEs Accounting Standard, the requirements of the Companies Act of South Africa and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council. The accounting policies have been applied consistently compared to the prior year.

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

3. Directors

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

Steve Robert Tandy
Imraan Bux
John Motley Comley

There have been no changes to the directorate for the period under review.

4. Events after the reporting period

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

5. Going concern

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

6. Auditors

Forvis Mazars will continue in office as auditors for the company for the 2025 financial year end.

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Statement of Financial Position as at 31 December 2024

Figures in Rand	Notes	2024	2023
Assets			
Current Assets			
Trade and other receivables	2	4,022,331	37,341
Cash and cash equivalents	3	288,208	3,169,821
		<u>4,310,539</u>	<u>3,207,162</u>
Total Assets		<u>4,310,539</u>	<u>3,207,162</u>
Equity and Liabilities			
Equity			
Accumulated surplus		4,174,643	2,933,828
Liabilities			
Current Liabilities			
Trade and other payables	4	135,896	273,334
Total Equity and Liabilities		<u>4,310,539</u>	<u>3,207,162</u>

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Statement of Comprehensive Income

Figures in Rand	Notes	2024	2023
Revenue	5	4,999,650	5,945,680
Operating expenses		(3,786,940)	(6,056,468)
Operating surplus / (deficit)	6	1,212,710	(110,788)
Investment revenue	8	28,105	63,244
Surplus / (deficit) for the year		1,240,815	(47,544)

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Statement of Changes in Equity

Figures in Rand	Accumulated surplus	Total equity
Balance at 01 January 2023	2,981,372	2,981,372
Deficit for the year	(47,544)	(47,544)
Balance at 01 January 2024	2,933,828	2,933,828
Surplus for the year	1,240,815	1,240,815
Balance at 31 December 2024	4,174,643	4,174,643

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Statement of Cash Flows

Figures in Rand	Notes	2024	2023
Cash flows from operating activities			
Cash used in operations	10	(2,909,718)	(155,066)
Interest income		27,010	53,453
Net cash from operating activities		(2,882,708)	(101,613)
Cash flows from investing activities			
Interest income		1,095	9,791
Total cash movement for the year		(2,881,613)	(91,822)
Cash and cash equivalents at the beginning of the year		3,169,821	3,261,643
Total cash at end of the year	3	288,208	3,169,821

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with IFRS for SMEs Accounting Standard, the Companies Act of South Africa and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

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

1.2 Financial instruments

Initial measurement

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

Financial instruments at amortised cost

These include trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

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

Trade and other receivables

Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in surplus or deficit within operating expenses. When the trade receivables is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in surplus or deficit.

Trade and other payables

Trade and other payables are recognised initially at the transaction price, including transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Accounting Policies

1.2 Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents comprise of cash in bank and is initially recognised at fair value plus transaction costs and subsequently at amortised cost.

1.3 Revenue

Revenue is measured at fair value of membership fees received or receivable excluding value added taxes.

Government funding is accrued annually by reference to the amount specified in the agreement undertaking in respect of funding entered into between the government and the cluster.

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

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Notes to the Annual Financial Statements

Figures in Rand	2024	2023
2. Trade and other receivables		
Trade receivables	4,000,000	-
Value added taxation	22,331	37,341
	4,022,331	37,341
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	288,208	3,169,821
4. Trade and other payables		
Trade payables	135,896	273,334
5. Revenue		
Membership fees	874,650	913,300
Other project income	125,000	133,500
eThekweni Municipality	4,000,000	4,898,880
	4,999,650	5,945,680
6. Operating surplus / (deficit)		
Operating surplus / (deficit) include the following expenses:		
Manufacturing excellence	832,520	1,470,203
Sector intelligence	441,060	500,010
Skills development	-	1,204,101
Small business accelerator	1,678,170	1,858,650
Strategy and governance	798,871	979,346
	3,750,621	6,012,310
7. Auditor's remuneration		
Fees	34,115	30,987
8. Investment revenue		
Interest income	28,105	63,244
9. Taxation		

Non provision of tax

No provision has been made for 2024 tax as the company is exempt from South African normal tax in terms of Section (10)(1)(d)(iv)(bb) of the Income Tax Act.

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Notes to the Annual Financial Statements

Figures in Rand	2024	2023
10. Cash used in operations		
Net surplus / (deficit) before taxation	1,240,815	(47,544)
Investment income	(28,105)	(63,244)
Changes in working capital:		
Trade and other receivables	(3,984,990)	4,729
Trade and other payables	(137,438)	(49,007)
	(2,909,718)	(155,066)

11. Related parties

Relationships
Entity under common management B and M Analysts Proprietary Limited

Related party balances and transactions with entities with control, joint control or significant influence over the company

Related party balances

Amounts included in trade payables owing to related parties

B and M Analysts Proprietary Limited	135,896	273,334
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Trade payables are paid within 30 days.

Related party transactions

Amounts paid to related parties

B and M Analysts Proprietary Limited	3,750,621	6,012,310
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B and M Analysts Proprietary Limited acts as an anchor service provider distributing a portion of funds to additional third party contractors.

12. Directors' and prescribed officer's remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

13. Going concern

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

14. Events after the reporting period

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

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Notes to the Annual Financial Statements

15. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

2024

	Financial assets at amortised cost	Total
Trade and other receivables	4,000,000	4,000,000
Cash and cash equivalents	288,208	288,208
	4,288,208	4,288,208

2023

	Financial assets at amortised cost	Total
Cash and cash equivalents	3,169,821	3,169,821

16. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

2024

	Financial liabilities at amortised cost	Total
Trade and other payables	135,896	135,896

2023

	Financial liabilities at amortised cost	Total
Trade and other payables	273,334	273,334

Kwazulu Natal Clothing and Textiles Cluster NPC
(Registration number: 2005/035347/08)
Annual Financial Statements for the year ended 31 December 2024
Detailed Income Statement

Figures in Rand	2024	2023
Revenue		
Membership fees	874,650	913,300
Other project income	125,000	133,500
eThekweni Municipality	4,000,000	4,898,880
	4,999,650	5,945,680
Operating expenses		
Auditor's remuneration	34,115	30,987
Bad debts	-	11,087
Bank charges	2,204	2,084
Manufacturing excellence	832,520	1,470,203
Sector intelligence	441,060	500,010
Skills development	-	1,204,101
Small business accelerator	1,678,170	1,858,650
Strategy and governance	798,871	979,346
	3,786,940	6,056,468
Operating surplus / (deficit)	1,212,710	(110,788)
Investment income	28,105	63,244
Surplus / (deficit) for the year	1,240,815	(47,544)