

Uitkoms Home for Girls / Uitkomstehuis vir Dogters

(Registration number 001-180-NPO)

Annual Financial statements for the year ended

31 March 2018



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HOME FOR GIRLS

Uitkoms Home for Girls / Uitkomstehuis vir Dogters

(Registration number 001-180-NPO)

Annual Financial Statements for the year ended 31 March 2018

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Operating a registered Child and Youth Care Centre for traumatised teenage girls
Board of Governors	Mr AE Prakke Dr RB van Aarde Mrs L van Zyl Mr CL Harker Mrs BH Grobler
Registered office	124 St Georges street Observatory Johannesburg 2198
Auditor's	Kreston Johannesburg Inc. Chartered Accountants (S.A.) Registered Auditors
Registered Public Benefit Organisation: Reference number	930006571

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Board of Governor's Responsibilities and Approval

The board are required 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 organisation 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 basis of accounting as described in note 1 to the annual financial statements. The external auditor's are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the basis of accounting as described in note 1 to the annual financial statements and 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 organisation and place considerable importance on maintaining a strong control environment. To enable the board 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 organisation 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 organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

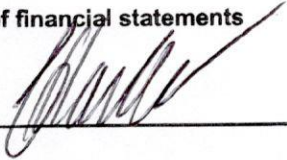
The organisation is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The board are satisfied that the organisation has access to adequate resources to continue in operational existence for the foreseeable future.


The external auditor's are responsible for independently auditing and reporting on the entity's annual financial statements. The annual financial statements have been examined by the organisation's external auditor's and their report is presented on page 4.

The annual financial statements set out on pages 6 to 15, which have been prepared on the going concern basis, were approved by the board on 02 October 2018 and were signed on its behalf by:

Approval of financial statements



Member



Member

Independent Auditor's Report

To the members of Uitkoms Home for Girls / Uitkoms tehuis vir Dogters

Opinion

We have audited the Annual Financial Statements of Uitkoms Home for Girls / Uitkomstehuis vir Dogters set out on pages 7 to 14, which comprise the Statement of Financial Position as at 31 March 2018, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Annual Financial Statements, including a summary of significant accounting policies.

In our opinion, the Annual Financial Statements present fairly, in all material respects, the financial position of Uitkoms Home for Girls / Uitkomstehuis vir Dogters as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with basis of accounting as described in note 1 to the annual financial statements and the requirements of the Non Profit Organisations Act no 71 of 1997.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The board are responsible for the other information. The other information comprises the Board of Governors's Report as required by the Non Profit Organisations Act no 71 of 1997, which we obtained prior to the date of this report. Other information does not include the Annual Financial Statements and our auditor's report thereon.

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

Independent Auditor's Report

Responsibilities of the board for the Annual Financial Statements

The board are responsible for the preparation and fair presentation of the Annual Financial Statements in accordance with basis of accounting as described in note 1 to the annual financial statements and the requirements of the Non Profit Organisations Act no 71 of 1997, and for such internal control as the board determine is necessary to enable the preparation of Annual Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Annual Financial Statements, the board are responsible for assessing the organisation'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 board either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the Annual 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 organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board.
- Conclude on the appropriateness of the boards 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 organisation'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 Annual 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 organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Financial Statements, including the disclosures, and whether the Annual Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board 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.



Kreston Johannesburg Inc.
IJ de Villiers
Chartered Accountants (S.A.)
Registered Auditors

02 October 2018

1st Floor DVM Office Park
16 Kingfisher Crescent
Meyersdal
1448

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Annual Financial Statements for the year ended 31 March 2018

Board of Governors's Report

The board of governors have pleasure in submitting their report on the annual financial statements of Uitkoms Home for Girls / Uitkomstehuis vir Dogters for the year ended 31 March 2018.

1. Review of activities

The organisation is a registered Child and Youth Care Centre for traumatised teenage girls.

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

2. Management Board / Board of Governors

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

Name	Office	Changes
Mr AE Prakke	Chairperson	
Dr RB van Aarde		
Mrs L van Zyl		
Mr CL Harker		
Mrs MJ Scharneck		Resigned 23 May 2018
Mrs BH Grobler		

3. Events after the reporting period

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

4. Going concern

The board believe that the organisation 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 board have satisfied themselves that the board is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The board are not aware of any new material changes that may adversely impact the organisation. The board 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 organisation.

5. Auditors

Nkonki East Gauteng Inc. auditing firm was retained as the auditor appointed for 2018. The auditing firm Nkonki East Gauteng Inc. officially underwent a name change to Kreston Johannesburg Inc. during May 2018.

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Annual Financial Statements for the year ended 31 March 2018

Statement of Financial Position as at 31 March 2018

Figures in Rand	Note(s)	2018	2017
Assets			
Non-Current Assets			
Property, plant and equipment	2	5,653	9,053
Current Assets			
Inventories		-	5,072
Other financial assets	3	198,696	349,853
Trade and other receivables	4	6,374	200
Cash and cash equivalents	5	73,476	164,908
		278,546	520,033
Total Assets		284,199	529,086
Reserves and Liabilities			
Reserves			
Accumulated surplus		129,787	396,403
Liabilities			
Current Liabilities			
Provisions	6	22,230	27,000
Trade and other payables	7	132,182	105,683
		154,412	132,683
Total Reserves and Liabilities		284,199	529,086

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2018	2017
Revenue	8	1,054,968	878,348
Other income		122,664	93,308
Operating expenses		(1,448,229)	(1,367,251)
Operating deficit	9	(270,597)	(395,595)
Investment revenue	10	6,398	21,492
Fair value adjustments	11	(2,417)	25,493
Deficit for the year		(266,616)	(348,610)

Statement of Changes in Reserves

Figures in Rand	Accumulated surplus	Total reserves
Balance at 01 April 2016	745,013	745,013
Deficit	(348,610)	(348,610)
Balance at 01 April 2017	396,403	396,403
Deficit	(266,616)	(266,616)
Balance at 31 March 2018	129,787	129,787

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Statement of Cash Flows

Figures in Rand	Note(s)	2018	2017
Cash flows from operating activities			
Cash used in operations	13	(246,570)	(385,310)
Interest income		5,156	21,492
Dividends received		1,242	-
Net cash from operating activities		(240,172)	(363,818)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	-	(8,703)
Net movement in other financial assets		148,740	494,419
Net cash from investing activities		148,740	485,716
Total cash movement for the year		(91,432)	121,898
Cash at the beginning of the year		164,908	43,010
Total cash at end of the year	5	73,476	164,908

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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 accounting policies as set out below. The annual financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible items that:

- * are held for use in the production or supply of goods or services, or for rental to others or for administrative purposes and
- * are expected to be used during more than one period.

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

Cost 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.

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

Item	Average useful life
Motor vehicles	5 years
IT equipment	3 years
Leasehold improvements	6.67 years
Security equipment	15 years

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

1.2 Financial instruments

Financial instruments at amortised cost

Financial instruments may be designated to be measured at amortised cost less any impairment using the effective interest method. These include trade and other receivables, loans and trade and other payables. At the end of each reporting period date, the carrying amount of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.

1.3 Provisions and contingencies

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

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Accounting Policies

1.4 Government grants

Government grants are recognised when there is reasonable assurance that:
the entity will comply with the conditions attaching to them; and
the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the income statement (separately).

1.5 Revenue

Subsidies, funds raised, bequest, donations and any other source of revenue are only recognised when it is actually received or when it is virtually certain that the related economic benefit is going to flow to the entity.

Donations and fundraising from various sources are recognised on receipt thereof.

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

Dividends are recognised, in profit or loss, when the organisation's right to receive payment has been established.

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Notes to the Annual Financial Statements

Figures in Rand

2018 2017

2. Property, plant and equipment

	2018			2017		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Leasehold property	233,637	(233,636)	1	233,637	(233,636)	1
Furniture and fixtures	294,919	(291,226)	3,693	294,919	(289,825)	5,094
Motor vehicles	423,788	(423,788)	-	423,788	(423,788)	-
IT equipment	57,188	(55,229)	1,959	57,188	(53,230)	3,958
Total	1,009,532	(1,003,879)	5,653	1,009,532	(1,000,479)	9,053

Reconciliation of property, plant and equipment - 2018

	Opening balance	Depreciation	Total
Leasehold property	1	-	1
Furniture and fixtures	5,094	(1,401)	3,693
IT equipment	3,958	(1,999)	1,959
	9,053	(3,400)	5,653

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Depreciation	Total
Leasehold property	29,204	-	(29,203)	1
Furniture and fixtures	1,008	5,204	(1,118)	5,094
IT equipment	3,313	3,499	(2,854)	3,958
	33,525	8,703	(33,175)	9,053

3. Other financial assets

At fair value

Sanlam World Trust Fund

198,696 349,853

Current assets

At fair value

198,696 349,853

4. Trade and other receivables

Trade receivables

Deposits

6,174 -

200 200

6,374 200

5. Cash and cash equivalents

Cash on hand

Bank balances

ABSA Money Market Fund

124 1,505

52,907 4,616

20,445 158,787

73,476 164,908

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Notes to the Annual Financial Statements

Figures in Rand

2018 2017

6. Provisions

Reconciliation of provisions - 2018

	Opening balance	Additions	Utilised during the year	Total
Provision for audit fees	27,000	22,230	(27,000)	22,230

Reconciliation of provisions - 2017

	Opening balance	Additions	Utilised during the year	Total
Provision for audit fees	24,560	27,000	(24,560)	27,000

7. Trade and other payables

Amounts received in advance			10,900	3,940
Accrued leave pay			72,791	65,437
Accrued bonus			14,564	14,581
Accrued expense			23,027	12,075
Deposits received			10,900	9,650
			132,182	105,683

8. Revenue

Subsidy			765,569	691,440
Donations and fundraising			289,399	186,908
			1,054,968	878,348

9. Operating deficit

Operating deficit for the year is stated after accounting for the following:

Operating lease charges

Premises

- Contractual amounts

3,879 3,545

Depreciation on property, plant and equipment

3,400 33,175

Employee costs

883,235 846,364

10. Investment revenue

Dividend revenue

Unit trusts - Foreign

1,242 -

Interest revenue

Interest on investments

5,156 21,492

6,398 21,492

11. Fair value adjustments

Fair Value adjustment on Investments

(2,417) 25,493

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Notes to the Annual Financial Statements

Figures in Rand

2018

2017

12. Taxation

In terms of Section 10 (1) (CN) of the Income Tax Act, the NPO is exempt from taxation subject to annual review by the South African Revenue Services. Accordingly, no provision for tax has been made.

13. Cash used in operations

Loss before taxation	(266,616)	(348,610)
Adjustments for:		
Depreciation and amortisation	3,400	33,175
Dividends received	(1,242)	-
Interest received	(5,156)	(21,492)
Fair value adjustments	2,417	(25,493)
Movements in provisions	(4,770)	2,440
Changes in working capital:		
Inventories	5,072	(5,072)
Trade and other receivables	(6,174)	2,099
Trade and other payables	26,499	(22,357)
	(246,570)	(385,310)

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Annual Financial Statements for the year ended 31 March 2018

Detailed Income Statement

Figures in Rand	Note(s)	2018	2017
Revenue			
Donations & Fundraising		289,399	186,908
Subsidy		765,569	691,440
	8	1,054,968	878,348
Other income			
Rental income		116,490	88,520
Recoveries		6,174	-
Other income		-	4,788
Dividends received	10	1,242	-
Interest received	10	5,156	21,492
Fair value adjustments	11	-	25,493
		129,062	140,293
Operating expenses			
Accounting fees		-	(9,490)
Auditors remuneration		(21,840)	(27,684)
Bank charges		(10,561)	(11,378)
Computer expenses		(4,021)	(3,948)
Depreciation		(3,400)	(33,175)
Electricity generating expenses		(3,145)	(5,600)
Employee costs		(883,235)	(846,364)
Fund development and Marketing expenses		(132,603)	(110,098)
Gifts and flowers		(332)	(1,368)
Groceries and food		(13,706)	(4,245)
Household expenses		(7,420)	(14,043)
Insurance		(38,687)	(36,268)
Maintenance: Land and Buildings		(18,197)	(17,308)
Maintenance: Office Equipment		(806)	(2,319)
Municipal expenses		(188,855)	(141,379)
Printing and stationery		(5,866)	(6,237)
Psychological Services		(1,300)	-
Rental - premises		(3,879)	(3,545)
Resident's Pocket money and traveling		(12,814)	(9,245)
Resident's schooling and personal expenses		(2,985)	(5,819)
Salary services levies		(13,135)	(7,920)
Subscriptions		(8,412)	(5,952)
Telecommunication cost		(23,922)	(27,202)
Traveling expenses		(1,781)	(1,104)
Vehicle and transport expenses		(47,327)	(35,560)
		(1,448,229)	(1,367,251)
Operating loss	9	(264,199)	(348,610)
Fair value adjustments	11	(2,417)	-
Deficit for the year		(266,616)	(348,610)