

Ikamva Lisezandleni Zethu (Non-Profit Organisation)
(Registration number 032-082-NPO)
Annual Financial Statements
for the year ended 30 November 2018

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

(Registration number: 032-082-NPO)

Annual Financial Statements for the year ended 30 November 2018

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To enable disadvantaged youth to pull themselves and each other out of poverty and into tertiary education and/or employment
Directors	M H Chidawanyika (Chief executive officer) Appointed 1 September 2019 P I Madisha (Chairperson of the board) Appointed 1 June 2019 L Meinert S Kumalo R Simankane L Zakwe (Resigned 31 May 2019) D Trollip (Resigned 29 March 2019) F Koli (Resigned 15 January 2019) E Sampson (Resigned 31 May 2019) X Mkhize - Appointed 01 June 2019 Y E Bucknor - Appointed 01 June 2019 R Mudimu - Appointed 01 June 2019 NJ Ebrahim - Appointed 01 June 2019 N Nkotoe - Appointed 1 June 2019 A Smith - Appointed 1 June 2019 and resigned 1 September 2019
Business address	47 Westminster road Salt River Cape Town 7925
Bankers	First National Bank
Auditors	Nexia SAB&T Chartered Accountants (SA) Registered Auditors 119 Witch-Hazel Avenue Highveld Technopark Centurion
Company registration number	032-082-NPO
Level of assurance	These financial statements have been audited in compliance with the organisational accounting policies.
Preparer	The annual financial statements were internally compiled by: Washington Chikari Finance Manager
Issued	25 November 2019

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

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Annual Financial Statements for the year ended 30 November 2018

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Directors' Responsibilities and Approval

The directors 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 basis of accounting policies as set out in note 1 of the accounting policies. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with basis of accounting policies as set out in note 1 of the accounting policies 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 organisation and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation'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.

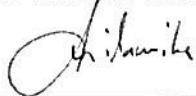
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

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

The external auditors are responsible for independently auditing and reporting on the organisation's annual financial statements. The annual financial statements have been examined by the organisation's external auditors and their report is presented on page 5 - 7.

The annual financial statements set out on page 8 - 20, which have been prepared on the going concern basis, were approved by the board of directors on 25 November 2019 and were signed on its behalf by:

Approval of annual financial statements



M H Chidawanyika (Chief executive officer)
25 November 2019



P I Madisha (Chairperson of the board)
25 November 2019

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

(Registration number: 032-082-NPO)

Annual Financial Statements for the year ended 30 November 2018

Directors' Report

The directors submit their report for the year ended 30 November 2018.

1. Review of activities

Main business and operations

The organisation is engaged to enable disadvantaged youth to pull themselves and each other out of poverty and into tertiary education and/or employment and operates in South Africa, through various after school programmes and peer to peer learning.

The operating results and state of affairs of the organisation are fully set out in each attached annual financial statements, and do not in our opinion require further comment.

2. Directors

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

Directors

M H Chidawanyika (Chief executive officer) Appointed 1 September 2019

P I Madisha (Chairperson of the board) Appointed 1 June 2019

L Meinert

S Kumalo

R Simankane

L Zakwe (Resigned 31 May 2019)

D Trollip (Resigned 29 March 2019)

F Koli (Resigned 15 January 2019)

E Sampson (Resigned 31 May 2019)

X Mkhize - Appointed 01 June 2019

Y E Bucknor - Appointed 01 June 2019

R Mudimu - Appointed 01 June 2019

NJ Ebrahim - Appointed 01 June 2019

N Nkotoe - Appointed 1 June 2019

A Smith - Appointed 1 June 2019 and resigned 1 September 2019

3. Directors interests in contracts

To our knowledge, none of the directors had any interest in contracts entered into during the year 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 that has a material impact on the annual financial statements.

5. 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.

6. Auditors

Nexia-SAB&T Incorporated have been appointed as auditors for the 2018 financial year.

INDEPENDENT AUDITOR'S REPORT

To the Directors of Ikamva Lisezandleni Zethu (Non-Profit Organisation)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ikamva Lisezandleni Zethu (Non-Profit Organisation) set out on pages 8 to 19, which comprise the statement of financial position as at 30 November 2018, and the statement 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 Ikamva Lisezandleni Zethu (Non-Profit Organisation) as at 30 November 2018, and its financial performance and cash flows for the year then ended in accordance with the basis of accounting policies as set out in note 1 of the financial statements.

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 organisation in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of accounting

We draw attention to note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the organisation's own accounting policies to satisfy the financial information needs of the of the organisation's directors. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Ikamva Lisezandleni Zethu (Non-Profit Organisation) Annual Financial Statements for the year ended 30 November 2018", which includes the Directors' Report. 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 the basis of accounting described in note 1, 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 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 directors 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 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.

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 organisation'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 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 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 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.

Nexia SAB&T

Nexia SAB&T

N.C. Soopal

Director

Registered Auditor

28 November 2019

119 Witch Hazel Avenue

Centurion

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

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Annual Financial Statements for the year ended 30 November 2018

Statement of Financial Position as at 30 November 2018

Figures in Rand	Note(s)	2018	2017 Restated*
Assets			
Non-Current Assets			
Property, plant and equipment	2	6 277 133	6 546 782
Current Assets			
Trade and other receivables	3	138 766	105 630
Cash and cash equivalents	4	9 216 326	9 005 538
		9 355 092	9 111 168
Total Assets		15 632 225	15 657 950
Equity and Liabilities			
Equity			
Accumulated Surplus		9 250 443	9 964 313
Liabilities			
Current Liabilities			
Trade and other payables	5	70 671	131 410
Other financial liabilities	6	-	2 000 000
Deferred income	7	5 942 829	3 150 000
Provision	8	368 282	412 227
		6 381 782	5 693 637
Total Equity and Liabilities		15 632 225	15 657 950

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

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Annual Financial Statements for the year ended 30 November 2018

Statement of Comprehensive Income

Figures in Rand	Note(s)	2018	2017 Restated*
Revenue	9	20 812 527	24 213 044
Other income	10	194 485	74 966
Operating expenses		(22 094 226)	(22 061 019)
Operating (deficit) /surplus		(1 087 214)	2 226 991
Investment revenue	13	373 344	462 122
(Deficit) surplus for the year		(713 870)	2 689 113
Other comprehensive income		-	-
Total comprehensive (deficit)/surplus for the year		(713 870)	2 689 113

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

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Annual Financial Statements for the year ended 30 November 2018

Statement of Changes in Equity

Figures in Rand	Accumulated Surplus Restated*	Total equity
Opening balance as previously reported	7 164 107	7 164 107
Adjustments		
Prior year adjustments	111 093	111 093
Balance at 01 December 2016 as restated	7 275 200	7 275 200
Surplus for the year	2 689 113	2 689 113
Other comprehensive income	-	-
Total comprehensive income for the year	2 689 113	2 689 113
Balance at 01 December 2017	9 964 313	9 964 313
Deficit for the year	(713 870)	(713 870)
Other comprehensive income	-	-
Total comprehensive loss for the year	(713 870)	(713 870)
Balance at 30 November 2018	9 250 443	9 250 443
Note(s)		

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

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Annual Financial Statements for the year ended 30 November 2018

Statement of Cash Flows

Figures in Rand	Note(s)	2018	2017
Cash flows from operating activities			
Cash generated from (used in) operations	15	82 043	(85 675)
Interest income		373 344	462 122
Net cash from operating activities		455 387	376 447
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(244 599)	(478 135)
Cash flows from financing activities			
Net cash from financing activities		-	-
Total cash movement for the year		210 788	(101 688)
Cash at the beginning of the year		9 005 538	9 107 226
Total cash at end of the year	4	9 216 326	9 005 538

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

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Annual Financial Statements for the year ended 30 November 2018

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the basis of accounting policies as set out in note 1 of the accounting policies. The annual financial statements have been prepared on the historical cost basis, except for certain financial instruments at fair value. They are presented in South African Rands.

These accounting policies are consistent with the previous period. Ikamva Lisezandleni Zethu is a voluntary association operating as a non-profit organisation.

1.1 Property, plant and equipment

Property, plant and equipment are tangible

- are held for administrative purposes; and
- are expected to be used for more than one period.

Property

The organisation acquired a property in Salt River Cape Town. During the 2016 financial year the property was registered at the deeds office, as such the property was capitalised during the 2016 financial year.

Buildings are not depreciated and shall be revalued after every (5) five years. The adjustment to account for surplus or deficit shall be updated according to the Asset value.

Free services provided by the municipality shall be utilised for the valuation but a professional consultant will be consulted after every 10 years to verify the municipality valuation.

Item	Average Useful life
Land	Indefinite

Equipment

Consists of items of equipment in the computer lab / office container, furniture and fittings, office equipment and computer equipment. All items acquired that are not part of computer lab, which are below R10,000 are expensed to the income statement in the year incurred. All computer lab equipment are exempt, hence, will remain capitalized until they are fully depreciated.

It is the organisation's policy to capitalize assets at the end of the financial year in which they are acquired, hence they will start depreciating in the following year.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to replace or improve the property and equipment. 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.

This includes cost incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

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, which is as follows:

Item	Average Useful Life
Computer lab / office container	10 years
Furniture and fixtures	6 years
Office equipment	3 years
Computer equipment	3 years

Surplus or deficit on disposals are determined by comparing the proceeds with the carrying amounts and are recognised in deficit/surplus in the period it is realised.

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

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Annual Financial Statements for the year ended 30 November 2018

Accounting Policies

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

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 the each reporting period date, the carrying amounts 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.

1.3 Taxation

Tax exemption

The organisation was approved as a public benefit organisation in terms of section 30 of the Income Tax Act (the Act), and the receipts and accruals are exempt from income taxes in terms of section 10(1)(cN) of the Act.

The public benefit organisation was approved for purposes of section 18A(1)(a) of the Act and donations to the organisation will be tax deductible in the hands of the donors in terms of and subject to the limitations prescribed in section 18A of the Act.

1.4 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.

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. This liability is not discounted.

1.5 Impairment of assets

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

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

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

1.6 Employee benefits

Short-term employee benefits

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

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

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Accounting Policies

1.7 Provisions and contingencies

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

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

Provisions are not recognised for future operating losses.

1.8 Deferred income

Deferred income represents funding received according to funder agreements which has not yet been recognised as income.

Funding grants are recognised when there is reasonable assurance that:

- the organisation will comply with conditions attached to them; and
- the grants will be received.

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

A funding grant that becomes receivable as compensation for expenses or deficits already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

1.9 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable in the ordinary course of the organisation's activities.

The organisation recognises revenue when:

- the amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity; and
- specific criteria have been met for the organisation's activities, as described below.

Grant and donations

Grants are recognised in accordance with the provisions of the underlying agreements, and where more appropriate, in the year the expenditure in respect of which the grant was received was incurred.

Donations are recognised as income when received.

Interest income

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

1.10 Grant and other receivables

Grant and other receivables are recognised initially at the transaction value. They are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of other receivables are established when there are objective evidence that the organisation will not be able to collect all amounts due according to the original terms of the receivable.

1.11 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within the borrowings in current liabilities on the statement of financial position.

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

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Annual Financial Statements for the year ended 30 November 2018

Accounting Policies

1.12 Grant and other payables

Grant and other payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

(Registration number: 032-082-NPO)

Annual Financial Statements for the year ended 30 November 2018

Notes to the Annual Financial Statements

Figures in Rand	2018	2017
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2. Property, plant and equipment

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Depreciation	Closing balance
Buildings	5 000 000	-	-	5 000 000
Computer lab/office container	67 447	81 046	(12 492)	136 001
Office equipment	-	18 221	-	18 221
IT equipment	1 479 335	145 332	(501 756)	1 122 911
	6 546 782	244 599	(514 248)	6 277 133

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Depreciation	Closing balance
Buildings	5 000 000	-	-	5 000 000
Computer lab/ office container	75 877	-	(8 430)	67 447
IT equipment	1 367 623	478 135	(366 423)	1 479 335
	6 443 500	478 135	(374 853)	6 546 782

3. Trade and other receivables

Trade receivables	8 740	63 000
VAT	61 816	29 218
Sundry Receivables	68 210	13 412
	138 766	105 630

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	67 583	75 341
Bank balances	8 864 891	8 723 860
Credit Cards and E-bucks	283 852	206 337
	9 216 326	9 005 538

5. Trade and other payables

Trade payables	-	24 838
Sundry payables	70 671	106 572
	70 671	131 410

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

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Annual Financial Statements for the year ended 30 November 2018

Notes to the Annual Financial Statements

Figures in Rand	2018	2017
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6. Other financial liabilities

At amortised cost

Maputal Trust Loan	-	2 000 000
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The loan is repayable to the Mapula Trust before 1 September 2018 and bears no interest charges. The organisation is under no obligation to make any instalment prior to 1 September 2018.

In the 2018 financial year the trustees of The Mapula Trust have approved a multi-year grant of R2 250 000 to Ikamva Youth, to be allocated as follows:

- 2019 R750 000
- 2020 R750 000
- 2021 R750 000

The initial amount of R2 000 000 will be amortised against the interest-free loan previously provided by the Mapula Trust. The additional amount of R250 000 will be paid in 2021 on receipt of an invoice from Ikamva Youth.

Current liabilities

At amortised cost	-	2 000 000
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7. Deferred income

Deferred income	5 942 829	3 150 000
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8. Provision

Reconciliation of provision - 2018

	Opening balance	Utilised during the year	Total
Provisions for leave pay	412 227	(43 945)	368 282

Reconciliation of provision - 2017

	Opening balance	Additions	Total
Provisions for leave pay	288 360	123 867	412 227

9. Revenue

Rental Income	179 813	550 305
Revenue	19 376 248	22 839 188
Revenue Grants	1 256 466	823 551
	20 812 527	24 213 044

10. Other income

Insurance claims	10 422	46 658
CCP fees	54 925	12 744
Other income	29 030	2 434
ETI received	3 011	13 130
Ebucks income	97 097	-
	194 485	74 966

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

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Annual Financial Statements for the year ended 30 November 2018

Notes to the Annual Financial Statements

Figures in Rand	2018	2017
11. Employee cost		
Employee costs		
Basic	12 862 066	11 525 352
Medical aid - company contributions	267 297	184 316
UIF	88 393	82 664
SDL	228 401	-
Leave pay provision charge	(43 945)	123 867
	13 402 212	11 916 199
12. Depreciation, amortisation and impairments		
The following items are included within depreciation, amortisation and impairments:		
Depreciation		
Property, plant and equipment	514 248	374 853
13. Investment revenue		
Investment income		
Interest received	373 344	462 122
14. Auditor's remuneration		
Fees	99 644	67 400
15. Cash generated from (used in) operations		
(Deficit) surplus before taxation	(713 870)	2 689 113
Adjustments for:		
Depreciation and amortisation	514 248	374 853
Interest received	(373 344)	(462 122)
Movements in provisions	(43 945)	123 867
Reclassification of loan to deferred income	(2 000 000)	-
Changes in working capital:		
Trade and other receivables	(33 137)	1 036 896
Trade and other payables	(60 738)	(228 727)
Deferred income	2 792 829	(3 619 555)
	82 043	(85 675)

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Annual Financial Statements for the year ended 30 November 2018

Notes to the Annual Financial Statements

Figures in Rand	2018	2017
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16. Prior-year adjustments

Presented below are those items contained in the statement of financial position and statement of comprehensive income that have been affected by prior-year adjustments:

Statement of financial position - Assets	As previously reported	Correction of error/ Reclassification	Restated
2017			
Trade and other receivables	103 218	2 412	105 630
Cash and cash equivalents	9 052 599	(47 062)	9 005 537
	<u>9 155 817</u>	<u>(44 650)</u>	<u>9 111 167</u>
Statement of financial position - Equity and Liabilities	As previously reported	Correction of error/ Reclassification	Restated
2017			
Accumulated Surplus (opening balance)	(7 164 107)	(111 093)	(7 275 200)
Trade and other payables	(133 942)	2 533	(131 409)
	<u>(7 298 049)</u>	<u>(108 560)</u>	<u>(7 406 609)</u>
Statement of comprehensive income	As previously reported	Correction of error/ Reclassification	Restated
2017			
Revenue	(23 389 493)	(823 551)	(24 213 044)
Other income	(976 835)	901 869	(74 966)
Operating expenses	21 986 127	74 892	22 061 019
	<u>(2 380 201)</u>	<u>153 210</u>	<u>(2 226 991)</u>

Ikamva Lisezandleni Zethu (Non-Profit Organisation)

(Registration number: 032-082-NPO)

Annual Financial Statements for the year ended 30 November 2018

Detailed Statement of Comprehensive Income

Figures in Rand	Note(s)	2018	2017
Revenue			
Rental Income		179 813	550 305
Government grants		1 256 466	823 551
Grant revenue		19 376 248	22 839 188
	9	20 812 527	24 213 044
Other income			
Insurance claims		10 422	46 658
CCP fees		54 925	12 743
Other income		29 030	2 434
ETI received		3 011	13 130
Ebucks income		97 097	-
Interest received	13	373 344	462 122
		567 829	537 087
Operating expenses			
Application and registration fees		(113 326)	(116 444)
Auditors remuneration	14	(99 644)	(67 400)
Bank charges		(85 820)	(81 365)
Catering		(132 076)	(125 696)
Cleaning		(136 112)	(136 922)
Communication costs		(899 622)	(665 778)
Communication collaboration programme		(51 922)	(143 238)
Computer equipment and programme expenses		(184 110)	(319 297)
Consulting and professional fees		(235 360)	(404 063)
Depreciation, amortisation and impairments		(514 248)	(374 853)
Employee costs		(13 402 212)	(11 916 199)
Employees training and development		(146 228)	(177 587)
Fundraising, marketing and annual report		(310 688)	(673 936)
Furniture and fittings		(168 272)	(309 173)
General Expenses		(67 914)	(103 257)
HR administration costs		-	(2 808)
Insurance		(291 795)	(331 095)
Learner materials and assessments		(90 313)	(149 722)
Learner career guidance and workshops		(323 192)	(229 333)
Lease rentals on operating lease		(518 957)	(383 197)
Postage		(14 941)	(18 125)
Printing and stationery		(355 876)	(286 888)
Prize giving		(127 527)	(48 585)
Repairs and maintenance		(73 759)	(87 952)
Security		(75 023)	(84 970)
Software and licensing		(73 946)	(161 801)
Staff transport, accommodation and subsistence		(953 093)	(924 327)
Strategic planning and AGM		(199 986)	(588 175)
Volunteer appreciation		(148 759)	(179 506)
Volunteer transport		(1 304 465)	(1 391 585)
Winter school		(995 040)	(1 577 741)
		(22 094 226)	(22 061 018)
(Deficit) surplus for the year		(713 870)	2 689 113