

**Malamulele Onward NPC
(Registration number 2006/032287/08)
Annual financial statements
for the year ended March 31, 2019**

Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2019

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Non profit company incorporated in terms of Companies Act 2008
Directors	GM Saloojee JA Snyman PH Baloyi W Slemming - Chairperson T Ralintja
Registered office	12A Rhodes Avenue Parktown Johannesburg 2193
Business address	Gate 10 Children's Memorial Institute 13 Joubert Street Ext Braamfontein 2193 Johannesburg
Company registration number	2006/032287/08
Tax reference number	9414944158
Non Profit Organisation Registration Number	056-807-NPO
Public Benefit Organisation Number	930025084
Website	www.malamuleleonward.org

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

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Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Preparer

Heemal Bhaga Muljee
CA(SA)

Published

November 16, 2019

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Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act 71 of 2008 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 International Financial Reporting Standards and the . The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and the 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 March 31, 2020 and, in the light of this review and the current financial position, they are satisfied that the company 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 company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 5.

The annual financial statements set out on pages 4 to 16, which have been prepared on the going concern basis, were approved by the board and were signed on its behalf by:

Director

Director

Johannesburg

Saturday, November 16, 2019

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Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Malamulele Onward NPC for the year ended March 31, 2019.

1. Review of activities

The company is a registered non profit company incorporated in terms of the Companies Act 2008 and operates principally in South Africa and occasionally in other Southern African countries.

The company is engaged in meeting the rehabilitation needs of under-served children with cerebral palsy and their families living in rural areas in South Africa and other African countries. This is achieved mainly through the provision of specialised therapy services (physio, occupational and speech therapy), equipment and caregiver training where children severely disabled by cerebral palsy have little or no access to rehabilitation therapy and equipment.

Details of the company's programmes and activities during the year under review are contained in the company's annual report.

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

2. Directorate

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

GM Saloojee

JA Snyman

PH Baloyi

W Slemming - Chairperson

T Ralintja

P Chiba - Executive Director

Resigned Wednesday, 21 November, 2018

MKL MacChamber

Resigned Saturday, 24 November, 2018

Directors

GM Saloojee

JA Snyman

PH Baloyi

W Slemming - Chairperson

T Ralintja

MKL MacChambers

Executive

Resigned Saturday, November 24, 2018

P Chiba

Executive

Resigned Wednesday, November 21, 2018

3. 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.

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Directors' Report

4. Going concern

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

The company is dependant on grants from donors. The directors are of the opinion that donors will continue their support in the foreseeable future and have accordingly continued to apply the going concern basis of accounting.

Independent Auditor's Report

To the shareholder of Malamulele Onward NPC

BDO to insert standard SAAPS 3 report once signed by directors. The BDO report will extend across two pages.....
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Registered Auditors
November 16, 2019
Per: Stephen Shaw
Director
Additional description
November 16, 2019
Johannesburg
Wanderers Office Park
52 Corlett Drive
Johannesburg
2196

Malamulele Onward NPC

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Annual Financial Statements for the year ended March 31, 2019

Statement of Financial Position as at March 31, 2019

Figures in Rand	Note(s)	2019	2018
Assets			
Non-Current Assets			
Property, plant and equipment	2	41,658	64,526
Intangible assets	3	9,089	36,333
		50,747	100,859
Current Assets			
Inventories	4	10,000	25,000
Receivables	5	132,120	59,394
Cash and cash equivalents	6	251,981	521,268
		394,101	605,662
Total Assets		444,848	706,521
Equity and Liabilities			
Equity			
Designated Income Reserves		295,261	397,514
Liabilities			
Current Liabilities			
Trade and other payables	7	149,587	309,007
Total Equity and Liabilities		444,848	706,521

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Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	2019	2018
Revenue	8	2,063,330	3,876,930
Other operating income		443,404	57,534
Operating expenses		(2,624,673)	(3,940,888)
Operating (deficit) surplus		(117,939)	(6,424)
Investment income		16,005	41,228
Finance costs		(319)	-
(Deficit) Surplus for the year		(102,253)	34,804
Other comprehensive income		-	-
Total comprehensive (deficit) surplus for the year		(102,253)	34,804

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Statement of Changes in Equity

Figures in Rand	Designated Income Reserves	Total equity
Balance at April 1, 2017	362,710	362,710
Deficit for the year	34,804	34,804
Other comprehensive income	-	-
Total comprehensive deficit for the year	34,804	34,804
Balance at April 1, 2018	397,514	397,514
Deficit for the year	(102,253)	(102,253)
Other comprehensive income	-	-
Total comprehensive deficit for the year	(102,253)	(102,253)
Balance at March 31, 2019	295,261	295,261

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Annual Financial Statements for the year ended March 31, 2019

Statement of Cash Flows

Figures in Rand	Note(s)	2019	2018
Cash flows from operating activities			
Cash (used in)/generated from operations	10	(284,973)	92,187
Interest income		16,005	41,228
Finance costs		(319)	-
Net cash flow from operating activities		(269,287)	133,415
Cash flows from investing activities			
Purchase of property, plant and equipment	2	-	(26,494)
Total cash movement for the year		(269,287)	106,921
Cash at the beginning of the year		521,268	414,347
Total cash at end of the year	6	251,981	521,268

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Annual Financial Statements for the year ended March 31, 2019

Accounting Policies

1. Significant accounting policies

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

1.1 Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation.

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

- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

Depreciation is provided on the straight line basis so as to write down cost to residual value over the items estimated. Useful lives for this purpose are:

Item	Average useful life
Furniture and Fixtures	5 years
Office Equipment	5 years
IT Equipment	3 years
Motor vehicles	4 years

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

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

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

1.2 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

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

Item	Useful life
Computer software	3 years

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Accounting Policies

1.3 Financial instruments

Initial recognition and measurement

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive the cash flow have expired or are transferred.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Receivables

Receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposit, and have been classified as loans and receivables. These are initially recognised at fair value and subsequently measured at amortised cost.

1.4 Impairment of non-financial assets (Inventories)

The company assesses at the end of each reporting period whether there is any indication that an asset may be impaired and if so the company estimates the recoverable amount of the asset. An impairment loss is recognised immediately in profit or loss.

1.5 Income

Income comprises of grants received or receivable in terms of a contract from donors and undesignated donations from various sources.

Donated and volunteer services are recognised when received or performed.

Donations of funds are recognised when received.

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Annual Financial Statements for the year ended March 31, 2019

Notes to the Annual Financial Statements

Figures in Rand 2019 2018

2. Property, plant and equipment

	2019			2018		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	45,189	(29,729)	15,460	45,189	(22,591)	22,598
Motor vehicles	29,037	(15,123)	13,914	29,037	(7,864)	21,173
Office equipment	25,129	(19,972)	5,157	25,129	(16,689)	8,440
IT equipment	87,589	(80,462)	7,127	87,589	(75,274)	12,315
Total	186,944	(145,286)	41,658	186,944	(122,418)	64,526

Reconciliation of property, plant and equipment - 2019

	Opening balance	Depreciation	Total
Furniture and fixtures	22,598	(7,138)	15,460
Motor vehicles	21,173	(7,259)	13,914
Office equipment	8,440	(3,283)	5,157
IT equipment	12,315	(5,188)	7,127
	64,526	(22,868)	41,658

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	18,033	10,500	(5,935)	22,598
Motor vehicles	28,432	-	(7,259)	21,173
Office equipment	10,335	1,961	(3,856)	8,440
IT equipment	8,877	14,033	(10,595)	12,315
	65,677	26,494	(27,645)	64,526

3. Intangible assets

	2019			2018		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	81,738	(72,649)	9,089	81,738	(45,405)	36,333

Reconciliation of intangible assets - 2019

	Opening balance	Amortisation	Total
Computer software	36,333	(27,244)	9,089

Details of computer software

Computer software relates to a data management system that allows for the update, recording and monitoring of activities.

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Notes to the Annual Financial Statements

Figures in Rand	2019	2018
4. Inventories		
Inventories comprise used equipment donated as gifts-in-kind, at directors valuation	25,000	25,000
Balance at start of year	25,000	25,000
Less: equipment distributed during the year - at valuation	-	-
Impairment loss reversed / (raised)	(15,000)	-
	10,000	25,000
5. Receivables		
Trade receivables	132,120	59,394
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	878	2,000
Bank balances	251,103	519,268
	251,981	521,268
7. Trade and other payables		
VAT	21,709	2,679
Payroll Accrual	-	45,067
Employee reimbursive costs payable/ (paid in advance)	-	(10,200)
Training fees received in advance	50,530	225,660
Accrued Expenses	77,348	45,801
	149,587	309,007

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Notes to the Annual Financial Statements

Figures in Rand	2019	2018
8. Revenue		
<hr/>		
Heading		
Anglo American	350,000	350,000
Allan Gray	95,910	-
Apex Hi Trust	-	200,000
Australian Community Support	-	95,400
Blue Label	-	70,000
Clyde and Co	16,623	143,883
Charles Robert Trust	45,000	40,000
DG Murray Trust	250,000	400,000
Donated and volunteer services	-	272,022
Gifts in Kind	88,934	82,489
Insight Actuaries and Consultants	-	100,000
International Development and Relief Foundation	98,278	149,883
Malamulele Onward Canada	94,187	98,650
Modular Mining	-	225,000
National Lottery Fund	-	511,775
Other designated grants and general donations	214,398	167,828
RB Hagart Trust	-	250,000
Rocbolt Technologies	200,000	120,000
St Mary's DSG	60,000	50,000
The Elma Foundation	550,000	550,000
	2,063,330	3,876,930

9. Taxation

No provision for taxation has been provided for as the company is a Public Benefit Organisation in terms of section 30 of the Income Tax Act and is exempt from income tax in terms of Section 10(1)(cN) of the Income Tax Act.

10. Cash (used in)/generated from operations

(Deficit) Surplus before taxation	(102,253)	34,804
Adjustments for:		
Depreciation and amortisation	50,112	50,348
Interest received - investment	(16,005)	(41,228)
Finance costs	319	-
Impairment of inventory	15,000	-
Changes in working capital:		
Receivables	(72,726)	(53,144)
Trade and other payables	(159,420)	101,407
	(284,973)	92,187

11. Risk management

The company's activities expose it to certain financial and other risk. Risk management is carried out by management under policies approved by the Board.

Interest rate risk

The company's surplus cash earns interest at variable rates. Cash flow will therefore vary with changes in the level of interest rates. However, the effect of a change in the level of interest rates of a reasonably expected magnitude (eg 1%) is not material.

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Notes to the Annual Financial Statements

Figures in Rand

2019

2018

11. Categories of financial instruments (continued)

Credit risk

Credit risk arises mainly on cash deposits. The company only deposits cash with major banks with high quality credit standing.

Critical accounting estimates and assumptions

Estimates and assumptions are continually evaluated and are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances.