

THE JOHANNESBURG CHILDREN'S HOME (UNDENOMINATIONAL) NPC
(Incorporated Association not for gain)
(COMPANY REGISTRATION NO. 1939/012624/08)
(NONPROFIT ORGANISATION NO. 001-034 NPO)

ANNUAL FINANCIAL STATEMENTS

31 MARCH 2024



■ REGISTERED ACCOUNTANTS
& AUDITORS ■

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

BOARD OF DIRECTORS

Mdluli A.V.	Mokoena G.T.
Westcott B.J. (Chairperson)	Niven S.A.F.
van der Colff A.C. (Vice Chairperson)	Ramjettan D.
Brokensha A. (Deceased 15 June 2023)	Stimpel C.A.S. (Resigned 16 August 2023)
Cara N.	Visser C.M.

van der Colff A.C.

NATURE OF BUSINESS

Caring for children

AUDITORS

Axiom Registered Accountants & Auditors

LEVEL OF ASSURANCE

Voluntarily Audited

PREPARER OF FINANCIAL STATEMENTS

Mr Dean Pretorius CA(SA)

BANKERS

First National Bank

COMPANY REGISTRATION NUMBER

1939/012624/08

NONPROFIT ORGANISATION NUMBER

001-034 NPO

REGISTERED AND PHYSICAL ADDRESS

45 URANIA STREET
OBSERVATORY
GAUTENG
2198

COUNTRY OF INCORPORATION

South Africa

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DIRECTORS' RESPONSIBILITY

The directors are required in terms of the Companies Act of South Africa, 2008 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report.

It is their responsibility to ensure that the 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 that ended, in conformity with International Financial Reporting Standards for small to medium-sized enterprises. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards for small to medium-sized enterprises 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 directors set 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 financial statements.

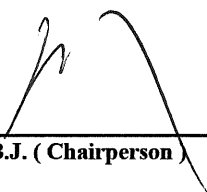
However, any system of internal control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

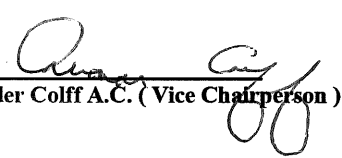
The directors have reviewed the company's cash flow forecast for the period to 31 March 2025 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The independent external auditors have audited the annual financial statements and their modified report appears on page 4 and 5.

APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements are set out on pages 3 to 18, which have been prepared on the going concern basis, were approved by the directors on 26 July 2024 and were signed on their behalf by:


Westcott B.J. (Chairperson)


van der Colff A.C. (Vice Chairperson)

**REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2024**

1. OPERATIONS

The Home has been incorporated as a non-profit company under the Companies Act 2008, for the purpose of caring for children.

2. FINANCIAL RESULTS

The results for the year are set out in these financial statements.

3. BOARD OF DIRECTORS

The names of the Board of Directors are given on page 1.

4. EXECUTIVE DIRECTOR

Mrs. A. Brokensha (Deceased 15 June 2023)
Mr. A.V. Mdluli (Appointed 1 October 2023)

5. SUBSEQUENT EVENTS

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE JOHANNESBURG CHILDREN'S HOME NPC**

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Qualified Opinion

We have audited the financial statements of The Johannesburg Children's Home NPC set out on pages 6 to 17, which comprise the statement of financial position as at 31 March 2024, and statement of comprehensive income and expenditure, 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, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of The Johannesburg Children's Home NPC as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for small to medium-sized enterprises and the requirements of the Companies Act of South Africa.

Basis for Qualified Opinion

The Johannesburg Children's Home NPC, in common with other charitable organizations, receives certain Income from donations and fundraising, the recognition of which, due to its nature, is not susceptible to verification by generally accepted auditing procedures. Therefore, our examination relating to such income was limited to the amount thereof recorded in the financial records.

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 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 directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa and the supplementary information set out on page 3 and page 18. 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 International Financial Reporting Standards for small to medium-sized enterprises 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism 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.

Axiom Registered Accountants & Auditors

DEAN MICHAEL DRETORIUS (388497)

PARTNER - AXIOM REGISTERED ACCOUNTANTS & AUDITORS

REGISTERED AUDITOR

26 July 2024

Office No 7 Magic Garden Centre

Corner of Zea- and Johannesburg Road

Arcon Park

Vereeniging

1930

**STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 R	2023 R
INCOME		13 655 077	10 821 599
Fund raising and donations		6 927 573	4 738 815
Department of Social Development		3 377 460	3 377 460
Income from investments	5	1 460 887	1 451 906
Donations in kind		563 359	256 955
Rental income		49 959	49 339
Other income		1 243 300	938 432
Insurance claim		32 539	8 692
Profit on disposal of assets		-	-
EXPENDITURE		(13 899 213)	(12 980 949)
Children's subsistence		10 522 614	9 639 589
Children's subsistence received in kind		541 964	265 043
Fund raising & promotions		1 782 064	1 749 411
Administration and operational costs		1 052 571	1 326 906
FINANCE COST		-	-
NET (DEFICIT) / SURPLUS FOR THE YEAR	6	<u>(244 136)</u>	<u>(2 159 350)</u>
OTHER COMPREHENSIVE INCOME			
Financial assets measured at fair value movement		(93 692)	(477 507)
Reserves utilised for the year		783 000	725 282
National Lotteries Commission		-	-
The Javett Foundation		503 000	496 500
Special Project		280 000	228 782
Provision - fair value adjustment		424 539	528 000
OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR, NET OF TAX		<u>1 113 847</u>	<u>775 775</u>
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR		<u><u>869 711</u></u>	<u><u>(1 383 575)</u></u>

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 R	2023 R
ASSETS			
Non - current assets		36 316 957	35 531 012
Property and equipment	7	15 660 580	15 261 318
Financial assets	8	20 656 377	20 269 694
Current assets		1 849 181	1 999 032
Trade and other receivables	10	1 041 335	1 221 483
Cash at bank and on hand		807 846	777 549
Total assets		38 166 138	37 530 044
EQUITY & LIABILITIES			
Capital and reserves		35 711 147	34 991 436
Accumulated surplus		32 281 112	31 317 709
Membership fees		2 975	2 975
Reserve - National Lotteries Commission		-	-
Reserve - The Javett Foundation		-	-
Reserve - Special Project		-	150 000
Revaluation of investment	8	3 427 060	3 520 752
Current liabilities		2 454 991	2 538 608
Trade and other payables	11	2 454 991	2 538 608
Taxation		-	-
Total equity and liabilities		38 166 138	37 530 044

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Special Project Reserve R	The Javett Foundation Reserve R	National Lotteries Commission Reserve R	Membership fees R	Accumulated surplus R	Revaluation of investment R	Total R
Balance at 31 March 2022	228 782	-	-	2 975	32 223 777	3 998 259	36 453 793
Funds applied to reserves	150 000	496 500	-	-	-	-	646 500
Reserves utilised for the year	(228 782)	(496 500)	-	-	725 282	-	-
Net surplus/(deficit) for the year	-	-	-	-	(2 159 350)	(477 507)	(2 636 857)
Provision - fair value adjustment	-	-	-	-	528 000	-	528 000
Balance at 31 March 2023	150 000	-	-	2 975	31 317 709	3 520 752	34 991 436
Funds applied to reserves	130 000	503 000	-	-	-	-	633 000
Reserves utilised for the year	(280 000)	(503 000)	-	-	783 000	-	-
Net surplus/(deficit) for the year	-	-	-	-	(244 136)	(93 692)	(337 828)
Provision - fair value adjustment	-	-	-	-	424 539	-	424 539
Balance at 31 March 2024	-	-	-	2 975	32 281 112	3 427 060	35 711 147

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 R	2023 R
CASH FLOWS FROM OPERATING ACTIVITIES		347 255	(1 393 673)
Cash generated / (utilised) from operations	12.1	(1 113 632)	(2 845 579)
Income from Investments		1 460 887	1 451 906
CASH FLOWS FROM INVESTING ACTIVITIES		(949 958)	1 052 690
Decrease / (Increase) in financial assets		(480 375)	1 075 732
Net purchase of assets		(469 583)	(23 042)
CASH FLOWS FROM FINANCING ACTIVITIES		633 000	646 500
Increase in Reserve - National Lotteries Commission		-	-
Increase in Reserve - The Javett Foundation		503 000	496 500
Increase in Reserve - Special Project		130 000	150 000
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		30 297	305 517
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		777 549	472 032
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		807 846	777 549

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1 ACCOUNTING POLICIES

The financial statements set out on pages 6 to 18 are prepared on the historical cost basis except for investment property as stated in policy 1.2 and as adjusted by the revaluation of investments as detailed in note 1.6, and incorporate the following principal accounting policies which are consistent with those applied in the previous year. The company's significant accounting policies conform with International Financial Reporting Standards for small to medium-sized enterprises.

The financial statements are prepared on the going concern basis.

1.1 Financial instruments

Initial recognition

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

The company classifies its financial assets into the following categories:

- held-to-maturity financial assets;
- loans and receivables;
- financial assets at fair value.

The classification is dependent on the purpose for which the financial asset is acquired. Management determines the classification of its financial assets at the time of the initial recognition and re-evaluates such designation at least at each reporting date.

Financial assets are recognised on transaction date when the company becomes a party to the contracts and thus obtains rights to receive economic benefits and are derecognised when these rights no longer exist.

Financial assets are stated initially on transaction date at fair value including transaction costs. Held-to-maturity financial assets and loans and receivables are subsequently stated at amortised cost using the effective interest rate method. Financial assets at fair value are subsequently stated at fair value at the reporting date.

Unrealised gains and losses arising from revaluation of financial assets at fair value are recognised as other comprehensive income and included in the investment fair value reserve. On disposal or impairment of financial assets at fair value, cumulative unrealised gains and losses previously recognised in other comprehensive income are included respectively in determining the profit or loss on disposal of, or impairment charge relating to, that financial asset, which is recognised in the income statement.

Financial Liabilities

Debt, which constitutes a financial liability, includes short-term and long-term debt. Debt is initially recognised at fair value, net of transaction costs incurred and is subsequently stated at amortised cost.

Debt is classified as short-term unless the entity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Debt is derecognised when the obligation in the contract is discharged, cancelled or has expired. Premiums or discounts arising from the difference between the fair value of debt raised and the amount repayable at maturity date are charged to the income statement as finance expenses based on the effective interest rate method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (Continued)**

1.2 Investment properties

In the opinion of the directors, certain of the land and buildings constitute investment property and are stated at fair value. The property will be valued annually by the directors and every three years by an independent valuator at open market value.

All gains and losses arising from changes in the fair value are recognised in the income statement for the period in which they arise.

The difference between the net proceeds on disposal and the revalued amount of investment property is charged to the income statement. Any balance in the fair value reserve relating to disposed property, is transferred to retained earnings.

1.3 Property and equipment

Equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

Equipment & computers	12,5% - 16,7%
Vehicles	10%
Furniture & fittings	5%

Owner-occupied land is not depreciated, whilst buildings are depreciated on a straight line basis estimated to write each asset down to its residual value over the term of its useful life.

The carrying values of assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of assets is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognised in the income statement.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year the item is derecognised.

1.4 Accumulated funds

All income and expenditure of a revenue nature is accounted for in the income statement.

Certain income is received for specific purposes and where such income has not been fully utilised during the year, amounts representing the unutilised portions are transferred to the appropriate funds.

In subsequent years transfers are made from these funds to the income statement as the amounts are utilised. Amounts representing bequests and profits on sales of bequeathed investments are transferred to the bequests fund.

1.5 Provisions

Provisions are recognised where the company has a present legal or constructive obligation as a result of a past event, a reliable estimate of the obligation can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Long-term provisions are determined by discounting the expected future cash flows to their present value. The increase in discounted long-term provisions as a result of the passage of time is recognised as a finance expense in the income statement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (Continued)**

1.6 Investments

Investments are kept at fair value. Any adjustments to the fair value of the investments are transferred to a non-distributable reserve. Investments are classified as financial assets at fair value.

1.7 Bank balances

Certain uncleared cheques are included in accounts payable.

1.8 Comparatives

Where necessary, comparative figures have been adjusted to take effect of changes in the presentation in the current year.

1.9 Income

Revenue from donations, sponsorships, grants and subscriptions are recognized when cash is received.

The company receives various pro-bono services and donations in kind. Revenue has not been brought to account in the financial statements for services as management are unable to reasonably estimate the value of these donations and services. Revenue has been brought to account in the financial statements for contributed assets, for which the company has an effective need, as management are able to reasonably estimate the fair value of these goods.

Gifts donated for resale are included as income when they are sold.

2 KEY ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- Depreciation is influenced by useful life and residual value estimations. Any change in management's estimates of residual values and useful lives would impact the depreciation charge.
- Estimates made in determining the probability of future taxable income, thereby justifying the recognition of deferred tax assets.

3 DEFINITIONS

3.1 Cash and cash equivalents

The cash and cash equivalents amounts disclosed in the cash flow statement comprises cash on hand, deposits held on call with banks and highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant changes in value.

3.2 Financial instruments

3.2.1 Financial asset

Cash or cash equivalents, a right to receive cash, an equity instrument or a right to exchange a financial instrument under favourable conditions.

3.2.2 Financial liability

A contractual obligation to pay cash or transfer other benefits or an obligation to exchange a financial instrument under unfavourable conditions. This includes debt.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (Continued)**

3.2.3 *Financial assets at fair value.*

A financial asset that has been designated as financial assets at fair value or financial assets other than those classified as loans and receivables, held-to-maturity investments or derivative instruments.

An investment intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, is classified as a non-current financial asset.

3.2.4 *Children's subsistence and Children's subsistence received in kind*

Expenses attributable to the welfare of the children under the care of the company.

3.2.5 *Fund raising & promotions*

Expenses attributable to the raising of funds for the welfare of the children under the care of the company.

3.2.6 *Administration and operational costs*

Expenses not directly attributable to children's subsistence or fund raising & promotions.

	2024	2023
	R	R
4 OPERATING LEASES		
Commitment in next twelve months:		
- Buildings	4 500	4 500
- Managed IT Services thereafter	85 104	85 104
- Buildings	-	-
- Managed IT Services	7 092	7 092
Total	<u>96 696</u>	<u>96 696</u>
5 INCOME FROM INVESTMENTS		
Dividends - listed shares	621 892	831 892
Interest	745 700	590 838
Profit / (loss) on sale of investments	93 295	29 176
	<u>1 460 887</u>	<u>1 451 906</u>
6 NET (DEFICIT) / SURPLUS FOR THE YEAR		
Net (deficit) / surplus for the year includes:		
Audit fees	60 325	52 530
- Prior year	45 400	43 250
- Other services	14 925	9 280
CIPC annual duty	2 000	2 000
Executive Director's Remuneration - Salary	1 168 624	1 108 024
Depreciation	70 431	68 343
Staff Costs		
- Salaries and wages (including executive director)	8 345 478	7 875 380
- Contributions to retirement funds	315 082	378 745
- Contributions to medical funds	187 958	191 248
- Average number of employees employed during the year	54	55

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (Continued)

7 PROPERTY, PLANT & EQUIPMENT

2024	Special Building Project	Land & Buildings	Fencing	Motor Vehicles	Furniture, Computers & Equip	Total
	R	R	R	R	R	R
Beginning of year						
Assets at cost	2 430 901	12 199 213	233 375	1 362 184	1 096 795	17 322 468
Accumulated depreciation	-	-	-	(1 236 472)	(824 678)	(2 061 150)
Net book value	2 430 901	12 199 213	233 375	125 712	272 117	15 261 318
Current year movements						
Additions	333 553	-	-	-	136 030	469 583
Disposal	-	-	-	-	-	-
Depreciation - current charge	-	-	-	(23 208)	(47 113)	(70 321)
Acc depreciation on disposal	-	-	-	-	-	-
Balance at end of year	2 764 454	12 199 213	233 375	102 504	361 034	15 660 580
Made up as follows:						
Assets at cost	2 764 454	12 199 213	233 375	1 362 184	1 232 825	17 792 051
Accumulated depreciation	-	-	-	(1 259 680)	(871 791)	(2 131 471)
Net book value	2 764 454	12 199 213	233 375	102 504	361 034	15 660 580

Land, being Erf 746 Observatory , Johannesburg with Children`s Home and ancillary buildings thereon, purchased in 1940 and 1985.

Fair value of Land and Buildings is estimated by the directors (municipal valuation) at R29 000 000. (31 659 SQM)

2023	Special Building Project	Land & Buildings	Fencing	Motor Vehicles	Furniture, Computers & Equip	Total
	R	R	R	R	R	R
Beginning of year						
Assets at cost	2 430 901	12 199 213	233 375	1 362 184	1 081 776	17 307 449
Accumulated depreciation	-	-	-	(1 213 264)	(787 567)	(2 000 831)
Net book value	2 430 901	12 199 213	233 375	148 920	294 209	15 306 618
Current year movements						
Additions	-	-	-	-	23 043	23 043
Disposal	-	-	-	-	(8 023)	(8 023)
Depreciation - current charge	-	-	-	(23 208)	(45 135)	(68 343)
Acc depreciation on disposal	-	-	-	-	8 023	8 023
Balance at end of year	2 430 901	12 199 213	233 375	125 712	272 117	15 261 318
Made up as follows:						
Assets at cost	2 430 901	12 199 213	233 375	1 362 184	1 096 795	17 322 469
Accumulated depreciation	-	-	-	(1 236 473)	(824 678)	(2 061 151)
Net book value	2 430 901	12 199 213	233 375	125 710	272 118	15 261 318

Land, being Erf 746 Observatory , Johannesburg with Children`s Home and ancillary buildings thereon, purchased in 1940 and 1985.

Fair value of Land and Buildings is estimated by the directors (municipal valuation) at R29 000 000. (31 659 SQM)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (Continued)

8 FINANCIAL ASSETS

	2024	2023
	R	R
Financial assets	<u>20 656 377</u>	<u>20 269 694</u>
<i>Nedbank Private Wealth Managed Portfolio Account 1</i>		
Opening balance	19 787 512	21 812 787
Interest received	672 387	510 961
Dividends received	621 892	831 892
Trustees fees (VAT incl)	(126 768)	(118 940)
Other	-	-
Capital (redeemed) / invested	-	(500 000)
Capital transfers between portfolio's	(350 000)	(2 300 000)
Profit / (loss) on sale of investments	90 433	30 357
Adjust to fair value - prior year reversal	(3 518 713)	(3 998 257)
Adjust to fair value - current year	3 426 989	3 518 713
	<u>20 603 732</u>	<u>19 787 513</u>
<i>Nedbank Private Wealth Managed Portfolio Account 2</i>		
Opening balance	482 181	10 148
Interest received	73 313	79 877
Dividends received	-	-
Trustees fees (VAT incl)	(3 743)	(8 700)
Capital (redeemed) / invested	(850 000)	(1 900 000)
Capital transfers between portfolio's	350 000	2 300 000
Profit / (loss) on sale of investments	2 862	(1 181)
Adjust to fair value - prior year reversal	(2 039)	(2)
Adjust to fair value - current year	71	2 039
	<u>52 645</u>	<u>482 181</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (Continued)**

9 TAXATION

Taxation has not been provided for as the Home is exempt under Section 10 (1) (cN) of the Income Tax Act.

10 TRADE & OTHER RECEIVABLES

	2024	2023
	R	R
SARS - Vat	163 437	303 045
Other debtors	83 504	95 934
Prepaid expenditure - Water and electricity	723 247	764 985
Deposits	71 147	57 519
	<u>1 041 335</u>	<u>1 221 483</u>

Provision for doubtful debts amounting to R665 744 (2023 : R513 711) has been made.

Maturity profile

Within one year	294 272	435 606
Within one to two years	47 331	36 626
More than two years	699 732	749 251
	<u>1 041 335</u>	<u>1 221 483</u>

Fair value of trade and other receivables

The carrying value approximates the fair value because of the short period to maturity of these instruments.

Collateral

The company holds no collateral over trade and other receivables.

11 TRADE AND OTHER PAYABLES

Other payables	114 605	198 424
Provision for Municipal charges	2 153 819	2 028 291
Provision for leave pay	186 567	311 893
	<u>2 454 991</u>	<u>2 538 608</u>

Maturity profile

Within one year	286 422	510 318
One to two years	2 168 569	2 028 291
	<u>2 454 991</u>	<u>2 538 608</u>

Fair value of trade & other payables

The carrying value approximates the fair value because of the short period to settlement of these obligations.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (Continued)**

12 NOTES TO THE STATEMENT OF CASH FLOWS

12.1 Reconciliation of cash utilised in operations

	2024	2023
	R	R
Operating (deficit) / surplus	(244 136)	(2 159 350)
Adjusted for:		
Depreciation	70 321	68 343
Profit on sale of assets	-	-
Provision - fair value adjustment	424 539	528 000
Income from investments	(1 460 887)	(1 451 906)
	<hr/>	<hr/>
Operating deficit before working capital changes	(1 210 163)	(3 014 913)
Working capital changes:		
(Increase) / decrease in debtors	180 148	119 618
Increase / (decrease) in creditors	(83 617)	49 716
	<hr/>	<hr/>
Cash utilised in operations	<u>(1 113 632)</u>	<u>(2 845 579)</u>

13 RETIREMENT BENEFIT INFORMATION.

The association continues to contribute to the Momentum Fundsatwork Umbrella provident fund.

The association contributions to the provident fund on behalf of the members, at a fixed percentage of the employee's remuneration at any point in time.

Total contributions to fund	<hr/> <u>719 808</u>	<hr/> <u>757 490</u>
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14 CONTINGENT LIABILITY

A contingency for municipal rates has been identified by the directors.

This contingency is estimated at R2 005 650 (2023 : R1 350 729).

**DETAILED EXPENSES SCHEDULE
FOR THE YEAR ENDED 31 MARCH 2024**

Childrens Subsistence	2024 R	2023 R
Food	1 252 970	1 233 943
Personal care	685 436	414 978
Residential care	2 995 010	2 539 416
Depreciation - transport assets	23 208	23 208
Education	888 164	809 927
Transport	707 303	676 067
Insurance	168 799	153 252
Utilities	862 918	760 151
Repairs & maintenance	944 402	786 211
Security	414 631	349 555
Telecommunications	22 439	25 623
Development & recreation	146 276	128 292
Staff development	9 267	11 558
Therapeutic support	1 943 755	1 992 451
	<u>11 064 578</u>	<u>9 904 632</u>
Made up as follows :		
Children's subsistence	10 522 614	9 639 589
Children's subsistence received in kind	541 964	265 043
	<u>11 064 578</u>	<u>9 904 632</u>