

## **ANGELS**

(Non profit organisation registration number 121 - 449 NPO)

**A Voluntary Association**

**Annual Financial Statements**

**For the year ending 31 March 2018**

Prepared by:



# ANGELS

(Non profit organisation registration number 121 - 449 NPO)

## Financial statements

For the year ending 31 March 2018

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### GENERAL INFORMATION

<b>Nonprofit organisation</b>	ANGELS
<b>Country of incorporation:</b>	South Africa
<b>Nature of business and principle activities:</b>	Baby Sanctuary and Childrens Home
<b>Chairperson</b>	Anne Ebrahim
<b>Vice - Chairperson</b>	Rajan Pillay
<b>Secretary</b>	Denise Naidoo
<b>Treasurer</b>	Yolan Naidoo
<b>Registered office address:</b>	136A High Street Rosettenville Johannesburg 2190
<b>Business address:</b>	136A High Street Rosettenville Johannesburg 2190
<b>Postal address:</b>	136A High Street Rosettenville Johannesburg 2190
<b>Bankers:</b>	Nedbank Current Account
<b>Account Number:</b>	1051788765
<b>Practitioner compilation:</b>	Jashwin Pillay SAICA #03073982 Mastermind Business Support Services (Pty) Ltd

In compliance with the disclosure requirement of the Companies Act, No 71 of 2008, the annual financial statements have been prepared by Jashwin Pillay (SAICA #03073982) on behalf of ANGELS

# ANGELS

(Non profit organisation registration number 121 - 449 NPO)

## Financial statements

For the year ending 31 March 2018

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

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## **Practitioner's Compilation Report**

### **To the Chairperson of Angels**

We have compiled the accompanying financial statements of ANGELS based on information you have provided.

These financial statements comprise the statement of financial position of Angels as at 31 March 2018, the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards for Small- and Medium-sized Entities (IFRS for SMEs). We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

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

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements.. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with IFRS for SMEs.

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**Jashwin Pillay**  
SAICA #03073982

**DATE: 30 July 2018**

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# ANGELS

(Non profit organisation registration number 121 - 449 NPO)

## Chairperson report

For the year ended 31 March 2018

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The chairperson presents her report for the year ended 31 March 2018

This report forms part of the financial statements.

### Nonprofit business and operations

The nonprofit organisation's business and operations and the results thereof are clearly reflected in the attached financial statements. No material fact or circumstance has occurred between the accounting date and the date of this report.

### Approval and statement of responsibility

The chairperson is required by the South African Companies Act to maintain adequate accounting records to enable the nonprofit organisation to satisfy all reporting requirements applicable to it and provide for the proper conduct of a compilation. The accounting records required to be kept by the Act and the Regulations must be kept in such a manner as to provide adequate precautions against theft, loss or intentional or accidental damage or destruction, falsification, to facilitate the discovery of any falsification and to comply with any other applicable law dealing with accounting records, access to information, or confidentiality.

It is the chairperson's responsibility to ensure that the annual financial statements satisfy the financial reporting standards as to form and content and present fairly the state of affairs and business of the nonprofit organisation, and explain the transactions and financial position of the business of the nonprofit organisation as at the end of the financial year. The financial statements are based upon appropriate accounting policies consistently applied throughout the nonprofit organisation and supported by reasonable and prudent judgements and estimates.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The chairperson acknowledges that they are ultimately responsible for the system of internal financial control established by the nonprofit organisation and place considerable importance on maintaining a strong control environment. To enable the chairperson 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 nonprofit organisation and all employees are required to maintain the highest ethical standards in ensuring the nonprofit organisation's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the nonprofit organisation is on identifying, assessing, managing and monitoring all known forms of risk across the nonprofit organisation. While operating risk cannot be fully eliminated, the nonprofit 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 chairperson is of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The chairperson has no reason to believe that the nonprofit organisation will be operational in the foreseeable future based on forecasts and available cash resources. The financial statements support the viability of the nonprofit organisation.

The financial statements set out on pages 6 to 11 were approved by the chairperson and signed by her:

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**Anne Embrahim**  
Chairperson  
Angels (121-449 NPO)

# ANGELS

(Non profit organisation registration number 121 - 449 NPO)

## Statement of financial position For the year ended 31 March 2018

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	Note	2018 R	2017 R
<b>Assets</b>			
<b>Non Current Assets</b>			
Property Plant and Equipment	2	<u>379 619</u>	<u>20 614</u>
<b>Current Assets</b>			
Trade and Other Receivables		<u>26 500</u>	<u>21 424</u>
Cash and Cash Equivalents	3	306 882	515 280
<b>Total Assets</b>		<u><b>713 001</b></u>	<u><b>557 318</b></u>
<b>Funds &amp; Liabilities</b>			
<b>Current Liabilities</b>			
Trade Payables		<u>13 680</u>	<u>15 420</u>
<b>Accumulated Funds</b>			
Accumulated Funds	4	<u>699 321</u>	<u>541 898</u>
<b>Total Funds &amp; Liabilities</b>		<u><b>713 001</b></u>	<u><b>557 318</b></u>

# ANGELS

(Non profit organisation registration number 121 - 449 NPO)

## Statement of comprehensive income For the year ending 31 March 2018

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	Note	2018 R	2017 R
Donations Received		<u>451 411</u>	<u>367 778</u>
Other Income		<u>31 772</u>	<u>27 071</u>
Interest Received		31 772	27 071
Operating / Overhead Expenses		<u>325 760</u>	<u>314 673</u>
Operating / Overhead Expenses		325 760	314 673
Net Surplus		<u><u>157 423</u></u>	<u><u>80 176</u></u>

## ANGELS

(Non profit organisation registration number 121 - 449 NPO)

### Statement of movements in funds For the year ending 31 March 2018

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	2018 R	2017 R
Accumulated funds at the beginning of the year	541 897	461 721
Net surplus for the year	157 423	80 176
<b>Accumulated funds at the end of the year</b>	<b>699 321</b>	<b>541 897</b>



# ANGELS

(Non profit organisation registration number 121 - 449 NPO)

## Statement of cash flows For the year ending 31 March 2018

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		2018	2017
	Notes	R	R
<i>Cash flows from operating activities</i>			
Cash receipts from donors		451 411	367 778
Increase in Accounts Receivable		(5 076)	(6 480)
Cash paid to suppliers and employees		(320 693)	(307 528)
Decrease in Accounts Payable		(1 740)	15 421
		<hr/>	<hr/>
Cash generated by operations		123 902	69 192
Interest received		31 772	27 071
		<hr/>	<hr/>
Net cash inflow from operating activities		<b>155 674</b>	<b>96 263</b>
		<hr/>	<hr/>
<i>Cash flow from investing activities</i>			
Purchase of property, plant and equipment		(364 073)	-
		<hr/>	<hr/>
Net cash outflow from investment activities		<b>(364 073)</b>	-
		<hr/>	<hr/>
		(208 399)	96 263
Cash and cash equivalents at beginning of period		515 281	419 018
		<hr/>	<hr/>
Cash and cash equivalents at end of period		<b>306 882</b>	<b>515 281</b>
		<hr/>	<hr/>

# ANGELS

(Non profit organisation registration number 121 - 449 NPO)

## Notes to the annual financial statements For the year ending 31 March 2018

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### 1. Accounting policies

The following are the principal accounting policies used in preparation of the financial statements:

#### Basis of preparation

The annual financial statements are prepared in accordance with accounting policies specific to non-profit organisations. The measurement basis used is historical cost and incorporates the principle accounting policies set out below. They are presented in South African Rand.

These accounting policies are consistent with the prior year

#### 1.1 Fixed Assets - Plant and equipment

Plant and equipment consist of plant & equipment, computer equipment, office equipment, furniture & fittings and capitalised motor vehicles. Plant and equipment are measured at cost less depreciation.

Assets are written down to their recoverable amounts if the recoverable amounts are lower than the carrying amounts.

Depreciation is calculated on a straight line bases over the expected useful lives of the assets by taking into account their residual values. The expected useful lives are:

Office Equipment	3	years	33,3%
Furniture & Fittings	6	years	16,7%

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

#### 1.2 Cash & cash equivalents

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk in change in value.

#### 1.3 Revenue recognition

The accounting policies regarding the various elements of gross revenue are as follows:

##### 1.3.1 Donations received

Income from donations is recognised in the period in which the donation is received or becomes receivable to the organisation

## ANGELS

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### Notes to the annual financial statements For the year ending 31 March 2018

2. Property, Plant and Equipment	2018			2017		
	Cost/ Valuation	Accumulated Depreciation	Carrying Value	Cost/ Valuation	Accumulated Depreciation	Carrying Value
Land and buildings	360 000	-	360 000	-	-	-
Office Equipment	3 917	2 553	1 364	1 869	1 138	732
Furniture & fittings	41 194	22 939	18 255	39 169	19 287	19 882
Total non current / fixed assets	<u>405 111</u>	<u>25 492</u>	<u>379 619</u>	<u>41 038</u>	<u>20 425</u>	<u>20 614</u>

Carrying value of fixed assets can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Depreciation	Carrying value at end of year
Land	-	160 000	-	-	160 000
Buildings	-	200 000	-	-	200 000
Office Equipment	732	2 048	-	1 415	1 364
Furniture & fittings	19 882	2 025	-	3 652	18 255
	<u>20 614</u>	<u>364 073</u>	<u>-</u>	<u>5 067</u>	<u>379 619</u>

### 3. Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and balances with banks

Cash and cash equivalents comprise of the following statement of financial position amounts:

Current Account	45 139	56 095
Savings	254 569	451 797
Petty Cash Control	5 750	7 389
Bank	<u>305 458</u>	<u>515 280</u>
Deposits paid	1 424	
Current assets	<u>306 882</u>	<u>515 280</u>
	<u>306 882</u>	<u>515 280</u>

### 4. Accumulated Funds

Opening Balance	541 898	461 721
Net surplus for the year	157 423	80 177
Balance at year end	<u>699 321</u>	<u>541 898</u>

# ANGELS

(Non profit organisation registration number 121 - 449 NPO)

## Detailed statement of comprehensive income For the year ending 31 March 2018

	2018 R	2017 R
<b>Donations Received</b>	<b>451 411</b>	<b>367 778</b>
Donations - General	5 000	2 000
Donations - Corporate	153 937	135 600
Donations - Private	76 886	43 570
Fundraising	56 678	32 158
Fundraising - Golf Day	80 060	88 800
DSD Payments	18 900	25 000
Adopt a Cot	59 950	40 650
<b>Other Income</b>	<b>31 772</b>	<b>27 071</b>
Interest Received	31 772	27 071
<b>Operating / Overhead Expenses</b>	<b>325 760</b>	<b>314 673</b>
Advertising		215
Accounting Fees	5 000	2 000
Bank Charges	2 771	2 613
Cleaning	855	1 889
Consultancy Fees		1 110
Depreciation	5 067	7 145
Electricity and Water	11 353	14 967
Expenses - Baby Formula	4 032	2 382
Fuel	11 080	9 089
Fundraising Expenses	19 380	10 895
Fundraising Expenses - Golfdays	23 521	43 158
Gifts	1 000	-
General Expenses	7 221	3 451
Insurance	3 216	2 641
Municipality EXP		695
Printing & Stationery	1 013	2 936
Rent Paid	22 500	27 500
Repairs and Maintenance	15 159	13 500
Salaries and Wages	185 470	156 029
Security	5 422	4 612
Staff Training	1 400	4 200
Telephone	300	3 643
<b>Profit / (Loss) Before Finance Charges</b>	<b>157 423</b>	<b>80 176</b>
<b>Profit / (Loss) - Taxation exempt</b>	<b>157 423</b>	<b>80 176</b>
<b>Net Surplus</b>	<b>157 423</b>	<b>80 176</b>