

South African Monitoring and Evaluation NPC
(Registration number 2005/043931/08)
Financial statements
for the year ended 28 February 2018

South African Monitoring and Evaluation NPC

(Registration number: 2005/043931/08)

Financial Statements for the year ended 28 February 2018

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Promote Monitoring and Evaluation as a practice that benefits society
Directors	Aluwani Mauda Alyna Erin Wyatt Asgar Ali Bhikoo Gordon Freer Jerusha Nishana Govender Lauren Patricia Wildschut Matodzi Amisi Nozipho Ngwabi Sundrasagren Naidu Anzel Schönfeldt
Business address	50 Fifth Street Orange Groove Johannesburg Gauteng 2192
Postal address	Hatfield
Auditors	BVA Bellville Inc. Chartered Accountants (SA) Registered Auditor
Company registration number	2005/043931/08
Tax reference number	9038/068/17/8
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The financial statements were independently compiled by: Yolandi Goosen PA(SA) BVSA Bellville (Pty) Ltd
Issued	19 October 2018

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Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 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 then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

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 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 of 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 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 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 28 February 2019 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 financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 5 to 6.

The financial statements set out on pages 7 to 16, which have been prepared on the going concern basis, were approved by the board of directors on 19 October 2018 and were signed on its behalf by:

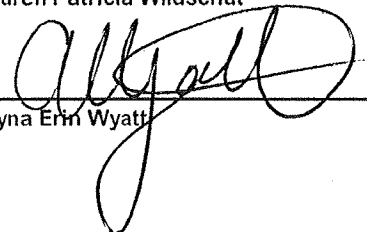
Approval of financial statements



Lauren Patricia Wildschut



Jerusha Nishana Govender



Alyna Erin Wyatt

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Financial Statements for the year ended 28 February 2018

Directors' Report

The directors have pleasure in submitting their report on the financial statements of South African Monitoring and Evaluation NPC for the year ended 28 February 2018.

1. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

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

2. Directors

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

Directors

Aluwani Mauda
Alyna Erin Wyatt
Asgar Ali Bhikoo
Dugan Fraser
Fazeela Hoosen
Gordon Freer
Jerusha Nishana Govender
Lauren Patricia Wildschut
Matodzi Amisi
Nombeko Patience Mbava
Nozipho Ngwabi
Sundrasagren Naidu
Anzel Schönfeldt

Changes

Appointed 26 October 2017

Term completed
Term completed
Appointed 26 October 2017
Appointed 26 October 2017

Appointed 26 October 2017
Resigned 07 March 2017
Appointed 26 October 2017

Appointed 26 October 2017

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.

4. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

5. Litigation statement

The company becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The company is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

Independent Auditor's Report

To the management of South African Monitoring and Evaluation NPC

Opinion

We have audited the financial statements of South African Monitoring and Evaluation NPC set out on pages 7 to 16, which comprise the statement of financial position as at 28 February 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the 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 South African Monitoring and Evaluation NPC as at 28 February 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 71 of 2008, which we obtained prior to the date of this report. 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.

Independent Auditor's Report

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 Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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.

BVA Bellville Inc.
Per: CFP Jordaan
Director
Chartered Accountants (SA)
Registered Auditor

19 October 2018
Bellville

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Statement of Financial Position as at 28 February 2018

Figures in Rand	Note(s)	2018	2017
Assets			
Non-Current Assets			
Property, plant and equipment	2	10,308	1
Current Assets			
Trade and other receivables	3	518,731	31,350
Cash and cash equivalents	4	1,446,621	1,188,502
		1,965,352	1,219,852
Total Assets		1,975,660	1,219,853
Equity and Liabilities			
Equity			
Retained income		1,805,915	1,218,771
Liabilities			
Current Liabilities			
Trade and other payables	5	169,745	1,082
Total Equity and Liabilities		1,975,660	1,219,853

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2018	2017
Revenue	6	5,673,818	1,268,722
Other income		484	-
Operating expenses		(5,126,541)	(987,578)
Operating profit	7	547,761	281,144
Investment revenue	8	39,383	27,018
Profit for the year		587,144	308,162
Other comprehensive income		-	-
Total comprehensive income for the year		587,144	308,162

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Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 March 2016	910,609	910,609
Profit for the year	308,162	308,162
Other comprehensive income	-	-
Total comprehensive income for the year	308,162	308,162
Balance at 01 March 2017	1,218,771	1,218,771
Profit for the year	587,144	587,144
Other comprehensive income	-	-
Total comprehensive income for the year	587,144	587,144
Balance at 28 February 2018	1,805,915	1,805,915

Note(s)

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Statement of Cash Flows

Figures in Rand	Note(s)	2018	2017
Cash flows from operating activities			
Cash generated from operations	9	230,706	249,849
Interest income		39,383	27,018
Net cash from operating activities		270,089	276,867
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(11,970)	-
Total cash movement for the year		258,119	276,867
Cash at the beginning of the year		1,188,502	911,635
Total cash at end of the year	4	1,446,621	1,188,502

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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
IT equipment	Straight line	3 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

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 profit or loss) 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.

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Accounting Policies

1.2 Financial instruments (continued)

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the 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 profit or loss.

1.3 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 leave pay 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.

1.4 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The Stage of completion is determined by surveys of work performed. When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

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

1.5 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

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Notes to the Financial Statements

Figures in Rand

2018

2017

2. Property, plant and equipment

	2018			2017		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
IT equipment	19,320	(9,012)	10,308	7,350	(7,349)	1

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Depreciation	Closing balance
IT equipment	1	11,970	(1,663)	10,308

3. Trade and other receivables

Trade receivables	518,731	31,350
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4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	3,720	3,720
Bank balances	1,442,901	1,184,782
	1,446,621	1,188,502

5. Trade and other payables

Trade payables	169,745	1,082
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6. Revenue

Sponsorship income	1,050,000	80,000
Membership fees	246,856	236,471
Donation income: Grant funding	160,000	-
Conference and workshop income	4,216,962	952,251
	5,673,818	1,268,722

7. Operating profit

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

Depreciation on property, plant and equipment	1,663	-
Employee costs	316,666	194,375

8. Investment revenue

Interest revenue		
Interest received	39,383	27,018

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Notes to the Financial Statements

Figures in Rand	2018	2017
9. Cash generated from operations		
Profit before taxation	587,144	308,162
Adjustments for:		
Depreciation and amortisation	1,663	-
Interest received	(39,383)	(27,018)
Changes in working capital:		
Trade and other receivables	(487,381)	(31,350)
Trade and other payables	168,663	55
	<u>230,706</u>	<u>249,849</u>

10. Related parties

Relationships

Members of key management

Alyna Erin Wyatt
Sundrasagren Naidu
Lauren Patricia Wildschut
Jerusha Nishana Govender
Matodzi Amisi
Nozipho Ngwabi
Aluwani Mauda
Gordon Freer
Anzel Schönfeldt
Asgar Ali Bhikoo

11. Directors' remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

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Notes to the Financial Statements

12. Categories of financial instruments

	Note(s)	Debt instruments at amortised cost	Financial liabilities at amortised cost	Equity and non financial assets and liabilities	Total
Categories of financial instruments - 2018					
Assets					
Non-Current Assets					
Property, plant and equipment	2	-	-	10,308	10,308
Current Assets					
Trade and other receivables	3	518,731	-	-	518,731
Cash and cash equivalents	4	1,446,621	-	-	1,446,621
		1,965,352	-	-	1,965,352
Total Assets		1,965,352	-	10,308	1,975,660
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent:					
Accumulated profit		-	-	1,805,915	1,805,915
Total Equity		-	-	1,805,915	1,805,915
Liabilities					
Current Liabilities					
Trade and other payables	5	-	169,745	-	169,745
Total Liabilities		-	169,745	-	169,745
Total Equity and Liabilities		-	169,745	1,805,915	1,975,660

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Notes to the Financial Statements

12. Categories of financial instruments (continued)

	Note(s)	Debt instruments at amortised cost	Financial liabilities at amortised cost	Equity and non financial assets and liabilities	Total
Categories of financial instruments - 2017					
Assets					
Non-Current Assets					
Property, plant and equipment	2	-	-	1	1
Current Assets					
Trade and other receivables	3	31,350	-	-	31,350
Cash and cash equivalents	4	1,188,502	-	-	1,188,502
		1,219,852	-	-	1,219,852
Total Assets		1,219,852	-	1	1,219,853
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent:					
Accumulated profit		-	-	1,218,771	1,218,771
Total Equity		-	-	1,218,771	1,218,771
Liabilities					
Current Liabilities					
Trade and other payables	5	-	1,082	-	1,082
Total Liabilities		-	1,082	-	1,082
Total Equity and Liabilities		-	1,082	1,218,771	1,219,853

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Detailed Income Statement

Figures in Rand	Note(s)	2018	2017
Revenue			
Donation income: Grant funding		160,000	-
Conference and workshop income		4,216,962	952,251
Sponsorship income		1,050,000	80,000
Membership fees		246,856	236,471
	6	<u>5,673,818</u>	<u>1,268,722</u>
Other income			
Insurance income		484	-
Interest received	8	39,383	27,018
		<u>39,867</u>	<u>27,018</u>
Operating expenses			
Accounting fees		(33,521)	(31,629)
Advertising		(13,771)	(36,943)
Bank charges		(10,615)	(12,386)
Computer expenses		(376,086)	(147)
Conference expenses - General		(4,168,901)	(623,021)
Consulting and professional fees		-	(20,000)
Depreciation, amortisation and impairments		(1,663)	-
Employee costs		(316,666)	(194,375)
Entertainment		(4,573)	(512)
Grant payments		(146,500)	-
Insurance		(1,411)	(1,311)
Motor vehicle expenses		-	(22)
Movement in Provision for doubtful debts		(31,350)	-
Penalties & interest		(463)	(188)
Postage		-	(3,451)
Printing and stationery		(2,749)	(38,318)
Telephone and fax		(5,836)	(1,946)
Travel & Accomodation		(12,436)	(23,329)
		<u>(5,126,541)</u>	<u>(987,578)</u>
Profit for the year		<u>587,144</u>	<u>308,162</u>