

NATIONAL YOUTH DEVELOPMENT OUTREACH NPC

Registration number : 1995/005481/08

AUDITED ANNUAL FINANCIAL STATEMENTS

for the year ended

31 MARCH 2020

These financial statements were internally prepared by:

E Aucamp
Chief Executive Officer

These financial statements were audited by:

JJD Auditors
JJ Drotskie
Chartered Accountant (SA)
Registered Auditor

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Registration number : 1995/005481/08

AUDITED ANNUAL FINANCIAL STATEMENTS

for the year ended

31 MARCH 2020

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The following supplementary schedule does not form part of the financial statements and is unaudited:

Detailed expenses	20
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Level of assurance

These financial statements were audited.

Preparer

E Aucamp
Chief Executive Officer

Auditor

JJD Auditors
JJ Drotskie
Chartered Accountant (SA)
Registered Auditor

Date published

19 June 2020

NATIONAL YOUTH DEVELOPMENT OUTREACH NPC

Registration number : 1995/005481/08

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS

on the financial statements for the year ended

31 MARCH 2020

To the Members of the National Youth Development Outreach NPC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

I have audited the financial statements of the National Youth Development Outreach NPC, which comprise the statement of financial position as at 31 March 2020, and the statement of surplus or deficit and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the the accompanying financial statements present fairly, in all material respects the financial position of the company as at 31 March 2020 and of its financial performance and its cashflows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and in the manner required by the Companies Act 71 of 2008.

Basis for my opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the company in accordance with sections 290 and 291 of the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA codes) and other independence requirements applicable to performing audits of financial statements in South Africa. I have fulfilled my other ethical responsibilities, as applicable, in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material uncertainty related to going concern

I draw attention to note 12 of the financial statements, which indicates that the company incurred a net loss during the year ended 31 March 2020. As stated in the note, these events or conditions, along with other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

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REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS - CONTINUED

on the financial statements for the year ended

31 MARCH 2020

Other information

The directors are responsible for the other information. The other information comprises the Director's Report as required by the Companies Act 71 of 2008, which I obtained prior to the date of this report. Other information does not include the Financial Statements and my auditor's report thereon.

My opinion on the Financial Statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit of the Financial Statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I 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 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

My 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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.

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REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS - CONTINUED

on the financial statements for the year ended

31 MARCH 2020**Auditor's responsibilities for the audit of the Financial Statements - continued**

- 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



JJD AUDITORS
JACO JOHAN DROTSKIE
Chartered Accountant (SA)
Registered Auditor

19 June 2020

NATIONAL YOUTH DEVELOPMENT OUTREACH NPC

Registration number : 1995/005481/08

DIRECTORS' RESPONSIBILITIES AND APPROVAL

for the year ended

31 MARCH 2020

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 International Financial Reporting Standards 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 International Financial Reporting Standards for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments 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 with a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk.

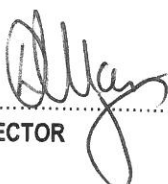
These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated the company endeavors to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behavior 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 31 March 2021 and, in the light of this review and the current financial position, they are uncertain whether the company has access to adequate resources to continue in operational existence for the foreseeable future. This uncertainty is disclosed in note 12 to the financial statements.

The auditor is responsible for auditing and reporting on the company's financial statements. The financial statements have been examined by the company's auditor and his report is presented on page 3.

The financial statements set out on pages 7 to 19, which have been prepared on the going concern basis, were approved by the Board on **19 June 2020** and were signed on its behalf by:


.....
DIRECTOR


.....
DIRECTOR

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REPORT OF THE DIRECTORS TO THE MEMBERS

for the year ended

31 MARCH 2020

1. Business and activities

The company is engaged in to providing training, education and development programs for the youth at risk, and those in conflict with the law, through family preservation and operates in South Africa.

2. Dividends

In terms of the Memorandum of Incorporation, no dividends may be declared.

3. Financial results

The company's business and operations and the results thereof are clearly reflected in the attached financial statements.

4. Directors

The present members of the Board are the following:

- | | |
|-----------------|---------------|
| - M L L Mashego | - T Luyt |
| - L N Viljoen | - A L Wilson |
| - A S Theron | - I F Da Gama |

5. Major events after the end of the financial year

The COVID-19 pandemic caused South Africa's declaration of a national state of disaster on 15 March 2020. The virus gives rise to a material economic impact on the South African economy. The board has assessed the impact of COVID-19 on the annual financial statements and considered the potential indicators for its business, as at the date of approving these annual financial statements, the board has assessed that there is no material impact on the financial statements for the year ended 31 March 2020.

Potential impact on the company after 31 March 2020 could include difficulty in obtaining funding, grants and generating extra income due to lock down restrictions on public gatherings, school closures and other restrictions on normal business operations.

Future prospects, performance and cashflows are under constant monitoring. The company has adequate financial resources to continue in operations for the foreseeable future.

The board is not aware of any other material event which occurred after the reporting date and up to the date of this report.

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REPORT OF THE DIRECTORS TO THE MEMBERS - CONTINUED

for the year ended

31 MARCH 2020

6. Auditors

JJD Auditors (Jaco Drotskie) will continue in office in accordance with the Companies Act 71 of 2008.

7. Going concern

Due to the extreme tough economic conditions following the COVID-19 impact, access to funding, grants and generating of extra income could be even more difficult than that of the current year. This could raise a potential going concern matter as reserve funding are being depleted to cover shortfall of expenditure.

The board is of the view that this would be mitigated if approach to funding applications and social branding awareness could be improved and increased which will also potentially attract more private businesses making contributions to NYDO ensuring the continuity and sustainability of NYDO.

The Annual Financial Statements have been prepared on the basis of accounting policies applicable to a going concern taking into account the above mentioned potential effect of COVID-19 and current economic conditions. 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.

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STATEMENT OF FINANCIAL POSITION

as at

31 MARCH 2020

	Notes	2020 R	2019 R
ASSETS :			
NON-CURRENT ASSETS			
Property, plant and equipment	1	255 801	330 406
CURRENT ASSETS			
Other financial assets	2	722 716	2 149 549
Cash and cash equivalents	3	-	1 025 992
		722 716	1 123 557
TOTAL ASSETS		978 517	2 479 955
 EQUITY AND LIABILITIES :			
EQUITY			
Accumulated reserves		849 652	1 558 488
CURRENT LIABILITIES			
Trade and other payables		128 865	921 467
Bank overdraft	3	128 649	31 963
Income received in advance	4	216	35
		-	889 469
TOTAL EQUITY AND LIABILITIES		978 517	2 479 955

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STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME

for the year ended

31 MARCH 2020

	Notes	2020 R	2019 R
REVENUE	5	3 080 097	2 050 497
OTHER INCOME	6	128 228	176 550
LESS : OPERATING EXPENSES As per annexure		(3 929 160)	(3 155 527)
OPERATING DEFICIT		(720 835)	(928 480)
INVESTMENT INCOME	7	11 999	15 843
DEFICIT BEFORE TAXATION	8	(708 836)	(912 637)
TAXATION	9	-	-
NET DEFICIT FOR THE YEAR		(708 836)	(912 637)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE DEFICIT FOR THE YEAR		(708 836)	(912 637)

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STATEMENT OF CHANGES IN EQUITY

for the year ended

31 MARCH 2020

	Accumulated Surplus R
BALANCE AT 1 APRIL 2018	2 398 205
Prior year adjustment *	72 920
Total comprehensive deficit for the year	(912 637)
BALANCE AT 1 APRIL 2019	1 558 488
Total comprehensive deficit for the year	(708 836)
BALANCE AT 31 MARCH 2020	849 652

* *The prior figures have been adjusted to account for sound equipment which was incorrectly written off through surplus and deficit in the past. The correction was done in the current period to capitalize this equipment. The adjustment resulted in an increase in property, plant and equipment as well as the accumulated reserves in the statement of financial position.*

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STATEMENT OF CASH FLOWS

for the year ended

31 MARCH 2020

Notes	2020 R	2019 R
CASH FLOW FROM OPERATING ACTIVITIES	(1 126 602)	58 551
Cash receipts from funders	2 322 512	3 022 651
Cash payments to suppliers and employees	(3 461 113)	(2 979 943)
Cash (utilised in) / generated from operations	(1 138 601)	42 708
Investment income	11 999	15 843
CASH FLOW FROM INVESTING ACTIVITIES	725 580	594 723
Proceeds on sale of other financial assets	769 029	614 720
Property, plant and equipment acquired	(43 449)	(19 997)
MOVEMENT IN CASH AND CASH EQUIVALENTS	(401 022)	653 274
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1 123 522	470 248
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	722 500	1 123 522
1. <u>Cash (utilised in) / generated from operations</u>		
Deficit before taxation	(708 836)	(912 637)
Adjustments for:		
- Depreciation	114 399	150 071
- Investment income	(11 999)	(15 843)
- Market value adjustments	256 962	(53 056)
- Non cash items: Prior year adjustments	3 656	70 007
- Profit on sale of assets	-	(70 000)
	(345 818)	(831 458)
Changes in working capital	(792 783)	874 166
- Trade and other receivables	-	8 550
- Trade and other payables	96 686	16 957
- Donations received in advance	(889 469)	848 659
	(1 138 601)	42 708

NATIONAL YOUTH DEVELOPMENT OUTREACH NPC

Registration number : 1995/005481/08

ACCOUNTING POLICIES

for the year ended

31 MARCH 2020

1. Presentation of financial statements

The financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and in the manner required by 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.

These accounting policies are consistent with the previous year.

1.1 Property, plant and equipment

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.

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.

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

Property, plant and equipment is depreciated on the straight line method over the expected useful lives of the assets.

The rates applied are as follows:

- | | |
|--------------------------|---------|
| - Furniture and fittings | 6 years |
| - Vehicles | 5 years |
| - Equipment | 5 years |
| - Computers | 3 years |

1.2 Employee benefits

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

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction cost except in the initial measurement of financial assets and liabilities that are measured at fair value through profit and 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 - CONTINUED

for the year ended

31 MARCH 2020

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 rate 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 amount 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 through profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.

1.4 Cash and cash equivalents

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

Cash and cash equivalents are measured at fair value.

1.5 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 entity. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Revenue represents donations received in cash.

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

1.6 Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

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ACCOUNTING POLICIES - CONTINUED

for the year ended

31 MARCH 2020

1.7 Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired.

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

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

1.8 Operating leases - lessee

Operating lease expense is recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended

31 MARCH 2020

	Vehicles R	Furniture and fittings R	Equipment R	Computers R	Total R
1. <u>Property, plant and equipment - 2020</u>					
Balance at beginning of the year	227 774	18 330	64 339	19 963	330 406
- Cost price	638 711	129 825	375 513	190 311	1 334 360
- Accumulated depreciation	(410 937)	(111 495)	(313 274)	(171 903)	(1 003 954)
Movements during the year	(76 975)	(4 433)	(15 784)	26 242	(70 950)
Additions	-	-	-	43 449	43 449
Depreciation	(76 975)	(4 433)	(15 784)	(17 207)	(114 399)
Balance at the end of year	150 799	13 897	46 455	44 650	255 801
- Cost price	638 711	129 825	375 513	233 760	1 377 809
- Accumulated depreciation	(487 912)	(115 928)	(329 058)	(189 110)	(1 122 008)
<u>Property, plant and equipment - 2019</u>					
Balance at beginning of the year	331 669	22 761	8	33 128	387 566
- Cost price	949 535	129 825	403 075	286 238	1 765 959
- Accumulated depreciation	(617 866)	(107 064)	(403 067)	(253 110)	(1 378 393)
Movements during the year	(103 895)	(4 431)	64 331	(13 165)	(57 160)
Additions	-	-	78 919	13 998	92 917
Depreciation	(103 893)	(4 431)	(14 584)	(27 163)	(150 071)
Disposals	(2)	-	(4)	-	(6)
Balance at the end of year	227 774	18 330	64 339	19 963	330 406
- Cost price	638 711	129 825	375 513	190 311	1 334 360
- Accumulated depreciation	(410 937)	(111 495)	(313 274)	(171 903)	(1 003 954)

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

31 MARCH 2020

	2020 R	2019 R	
<hr/>			
2. <u>Other financial assets</u>			
<i>At fair value</i>			
Liberty Evolve Investment Sinking Fund	-	1 025 992	
	<hr/> <hr/>	<hr/> <hr/>	
3. <u>Cash and cash equivalents</u>			
Cash on hand	146	791	
Bank balances	620 169	912 364	
Short-term deposits	102 401	210 402	
	<hr/>	<hr/>	
Current assets	722 716	1 123 557	
Less: Current liabilities: Bank overdraft	(216)	(35)	
	<hr/>	<hr/>	
	722 500	1 123 522	
	<hr/> <hr/>	<hr/> <hr/>	
4. <u>Income received in advance</u>			
	Contractual amount R	Used R	Remaining R
	<hr/>	<hr/>	<hr/>
National Lotteries Commission	889 469	(889 469)	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

31 MARCH 2020

	2020 R	2019 R
5. <u>Revenue</u>		
<i>Revenue consists of donations received from:</i>		
Gauteng Department of Social Development - Partnerships & Finance (Contractual amount - R2 190 628)	2 190 628	2 009 687
National Lotteries Commission (Contractual amount - R889 469)	889 469	-
National Lotteries Distribution Trust Fund (Contractual amount - R802 000)	-	12 290
National Lotteries Commission (Contractual amount - R950 000)	-	1 671
Gauteng Department of Social Development Soshanguve Secure Care Centre (Sporting & infrastructure project) (Contractual amount - R4 100 000)	-	26 849
	3 080 097	2 050 497
	3 080 097	2 050 497
6. <u>Other income</u>		
Donations and fundraising income	39 540	39 050
Facility fees	42 900	
Insurance claims received	24 327	-
Market value adjustment on Liberty investment	-	53 056
NYDO - Administration fees	-	1 815
Other income and recoveries	21 461	12 629
Profit on sale of assets	-	70 000
	128 228	176 550
	128 228	176 550
7. <u>Investment Income</u>		
Interest received - financial institutions	11 999	15 843
	11 999	15 843

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

31 MARCH 2020

	2020 R	2019 R
8. <u>Surplus before taxation</u>		
The following items are included in surplus before taxation:		
Audit fees		
- For audit	18 000	22 000
Depreciation	114 399	150 073
	114 399	150 073

9. Taxation

This company is exempt from income tax in terms of section 10(1)(CN) of the Income Tax Act.

10. Related parties

There were no transactions with related parties during the year under review (2019 - None).

11. Directors emoluments

There were no directors emoluments paid during the year under review (2019 - None).

12. Going concern

Due to the extreme tough economic conditions following the COVID-19 impact, access to funding, grants and generating of extra income could be even more difficult than that of the current year. This could raise a potential going concern matter as reserve funding are being depleted to cover shortfall of expenditure.

The board is of the view that this would be mitigated if approach to funding applications and social branding awareness could be improved and increased which will also potentially attract more private businesses making contributions to NYDO ensuring the continuity and sustainability of NYDO.

The Annual Financial Statements have been prepared on the basis of accounting policies applicable to a going concern taking into account the above mentioned potential effect of COVID-19 and current economic conditions. 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.

NATIONAL YOUTH DEVELOPMENT OUTREACH NPC

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DETAILED EXPENSES

for the year ended

31 MARCH 2020

	2020 R	2019 R
Department of Social Development program expenses	2 637 205	2 891 307
Accounting and audit fees	35 254	18 040
Bank charges	15 767	21 534
Building and equipment repairs and maintenance	30 701	30 769
Building security	60	11 999
Computer expenses	-	6 642
Insurance premiums	69 752	86 590
Motor vehicle expenses	92 379	133 302
Municipal expenses	46 500	59 786
Office refreshments and directors' meetings	2 231	19 898
Printing and stationery	42 713	44 910
Program expenses - diversion program	222 093	276 997
Program expenses - holiday program	177 148	201 979
Salaries and wages	1 858 563	1 917 360
Staff and HR development	4 050	1 776
Telephone and internet	39 020	55 281
Venue rental	974	4 444
Impairment of investments	256 962	-
National Lotteries Commission program expenses	857 778	2 368
National Lotteries Board (NLDTF) program expenses	-	12 290
National Youth Development Outreach projects expenses and shortfalls	177 215	215 545
Soshanguve Secure Care Centre Sporting and Infrastructure	-	34 017
	3 929 160	3 155 527