

Grace and Dignity (Non-profit Company)
(Registration number 1998/018381/08)
Financial statements
for the year ended 31 December 2017

These financial statements were prepared by:
Croy Business Services
Close Corporation

Van Dijk & Desmarais
Chartered Accountants (S.A.)

Grace and Dignity (Non-profit Company)

(Registration number 1998/018381/08)

Financial Statements for the year ended 31 December 2017

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Missionary, social and religious upliftment
Directors	W.D Banton B.F Dudley J. Holliday S. Zondi
Registered office	Suite F11, Silverberg Terrace Silverwood Close Steenberg Office Park Tokai 7945
Compilers	Van Dijk & Desmarais Chartered Accountants (S.A.)

Grace and Dignity (Non-profit Company)

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

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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.

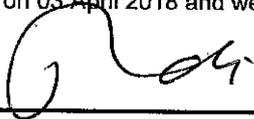
The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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 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 31 December 2018 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 financial statements set out on pages 5 to 11, which have been prepared on the going concern basis, were approved by the board on 03 April 2018 and were signed on its behalf by:



Director

VAN DIJK & DESMARAIS

CHARTERED ACCOUNTANTS (S.A)

REGISTERED AUDITORS

REGISTERED TAX PRACTITIONERS

Suite F11, Silverberg Terrace

Silverwood Close

Silverberg Office Park

Tokai

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Practitioners' Compilation Report

To the members of Grace and Dignity (Non-profit Company)

We have compiled the financial statements of Grace and Dignity (Non-profit Company), as set out on pages 6 - 10, based on the information you have provided. These financial statements comprise the statement of financial position of Grace and Dignity (Non-profit Company) as at 31 December 2017, the statement of income and retained earnings and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

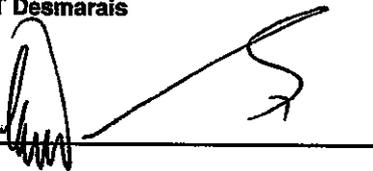
We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

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 the International Financial Reporting Standard for Small and Medium-sized Entities. 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 the International Financial Reporting Standard for Small and Medium-sized Entities.

C.R.T Desmarais



03 April 2018

Grace and Dignity (Non-profit Company)

(Registration number 1998/018381/08)

Financial Statements for the year ended 31 December 2017

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Grace and Dignity (Non-profit Company) for the year ended 31 December 2017.

1. Nature of business

Grace and Dignity (Non-profit Company) was incorporated in South Africa. The company operates in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

2. 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.

3. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

4. Directors

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

Directors

W.D Banton

B.F Dudley

J. Holliday

S. Zondi

5. 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 which affects the accuracy of these financial statements.

6. 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.

7. Auditors

Van Dijk & Desmarais continued in office as auditors for the company for 2017.

Grace and Dignity (Non-profit Company)

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Financial Statements for the year ended 31 December 2017

Statement of Financial Position as at 31 December 2017

Figures in Rand	Note(s)	2017	2016
Assets			
Non-Current Assets			
Property, plant and equipment	2	265 296	262 271
Current Assets			
Loans to group companies		575 742	575 742
Other financial assets	4	63 337	90 045
Trade and other receivables	5	27 187	20 643
Cash and cash equivalents	6	1 879 785	999 465
		2 546 051	1 685 895
Total Assets		2 811 347	1 948 166
Equity and Liabilities			
Equity			
Reserves		980 387	980 387
Retained income		1 806 644	750 506
		2 787 031	1 730 893
Liabilities			
Current Liabilities			
Trade and other payables	8	24 316	13 224
Provisions		-	204 049
		24 316	217 273
Total Equity and Liabilities		2 811 347	1 948 166

Grace and Dignity (Non-profit Company)

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Financial Statements for the year ended 31 December 2017

Statement of Income and Retained Earnings

Figures in Rand	Note(s)	2017	2016
Other income	9	4 710 788	2 461 980
Operating expenses		(3 722 048)	(3 809 068)
Operating profit (loss)		988 740	(1 347 088)
Investment revenue		53 014	10 281
Fair value adjustments		14 384	117 428
Profit (loss) for the year		1 056 138	(1 219 379)
Opening balance		750 507	1 969 888
Retained income at the end of the year		1 806 645	750 509

Grace and Dignity (Non-profit Company)

(Registration number 1998/018381/08)

Financial Statements for the year ended 31 December 2017

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared 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 items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

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

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item	Average useful life
Furniture and fixtures	10 years
Motor vehicles	5 years
Office equipment	6 years
IT equipment	6 years

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price. This includes transaction costs, except for financial instruments which are measured at fair value through profit or loss.

1.3 Share capital and equity

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

1.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

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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Financial Statements for the year ended 31 December 2017

Notes to the Financial Statements

Figures in Rand

2017 2016

2. Property, plant and equipment

	2017			2016		
	Cost / Valuation	Accumulated depreciation and impairments	Carrying value	Cost / Valuation	Accumulated depreciation and impairments	Carrying value
Furniture and fixtures	77 210	(35 431)	41 779	36 574	(31 773)	4 801
Motor vehicles	232 310	(109 402)	122 908	232 310	(63 659)	168 651
Office equipment	74 651	(44 231)	30 420	45 113	(37 993)	7 120
IT equipment	121 054	(94 124)	26 930	117 020	(88 565)	28 455
Optical equipment	59 900	(16 641)	43 259	59 900	(6 656)	53 244
Total	565 125	(299 829)	265 296	490 917	(228 646)	262 271

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	4 801	40 635	(3 657)	41 779
Motor vehicles	168 651	-	(45 743)	122 908
Office equipment	7 120	29 539	(6 239)	30 420
IT equipment	28 455	4 034	(5 559)	26 930
Optical equipment	53 244	-	(9 985)	43 259
	262 271	74 208	(71 183)	265 296

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	7 544	-	(2 743)	4 801
Motor vehicles	90 164	100 000	(21 513)	168 651
Office equipment	1	7 886	(767)	7 120
IT equipment	35 078	6 149	(12 772)	28 455
Optical equipment	-	59 900	(6 656)	53 244
	132 787	173 935	(44 451)	262 271

3. Intangible assets

Reconciliation of intangible assets - 2016

	Opening balance	Other changes, movements	Total
Website	751	(751)	-

4. Other financial assets

Available for sale			
Stanlib Unit trusts		63 337	90 045
Current assets			
Available for sale		63 337	90 045

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Financial Statements for the year ended 31 December 2017

Notes to the Financial Statements

Figures in Rand	2017	2016
5. Trade and other receivables		
VAT	6 701	157
Workmans' compensation receivable	20 486	20 486
	27 187	20 643
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	1 259	1 481
Bank balances	1 877 095	997 984
Other cash and cash equivalents	1 431	-
	1 879 785	999 465
7. Other NDR		
Mercy Vision Reserves	980 387	980 387
8. Trade and other payables		
Other payables	10 032	-
Accrued audit fees	14 284	13 224
	24 316	13 224
9. Other income		
Commissions received	4 710 788	2 461 980

Grace and Dignity (Non-profit Company)

(Registration number 1998/018381/08)

Financial Statements for the year ended 31 December 2017

Detailed Income Statement

Figures in Rand	Note(s)	2017	2016
Other income			
Donations received		4 710 788	2 461 980
Fair value adjustments		14 384	117 428
Interest received		53 014	10 281
		4 778 186	2 589 689
Operating expenses			
Accounting, tax and secretarial fees		18 066	14 161
Advertising and website costs		-	32 100
Auditors remuneration		12 530	11 600
Bank charges		11 260	8 545
Cleaning		2 603	1 875
Computer expenses		15 857	1 280
Consulting fees		-	3 500
Depreciation, amortisation and impairments		71 183	1 272 501
Donations		80 269	13 480
Employee costs		1 863 941	1 784 959
Entertainment		3 510	1 639
Fundraising expenses		340 677	50 537
Gifts		-	200
Grants to International Operations Center		-	5 849
Insurance		71 578	10 182
Lease rentals on operating lease		126 197	102 873
Levies		51 486	-
Medical consumables		92 163	84 280
Motor vehicle expenses		112 720	13 586
Other expenses		11 799	-
Outreach program expenses		270 160	-
Petrol and oil		-	7 317
Postage		203	5 406
Printing and stationery		32 776	23 937
Promotions		309 114	135 492
Repairs and maintenance		44 206	10 519
Security		5 762	5 643
Software expenses		-	3 533
Staff welfare		11 243	9 591
Subscriptions		-	5 144
Telephone and internet		74 898	54 381
Training		31 389	-
Travel - local		56 458	117 311
Travel - overseas		-	17 647
		3 722 048	3 809 068
Profit (loss) for the year		1 056 138	(1 219 379)