VISION AFRIKA
(Registration number 035-766-NPO)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Vision Afrika

(Registration number 035-766-NPO)
Annual Financial Statements for the year ended 31 December 2016

Contents

The reports and statements set out below comprise the annual financial statements presented to the management committee:

Level of assurance

These financial statements have been audited in accordance with the organisational requirements.

Preparer

The annual financial statements have been prepared by LDP Inc with assistance from N Mahola.

Management Committees' Responsibilities and Approval

The management committee are required, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the organisation 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 accounting policy per note 1 The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the accounting policy per note 1 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The management committee acknowledge that they are ultimately responsible for the system of internal financial control established by the organisation and place considerable importance on maintaining a strong control environment. To enable the management committee to meet these responsibilities, the management committee 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 organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the 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 management committee 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The management committee have reviewed the organisations's cash flow forecast for the year to 31 December 2016 and, in the light of this review and the current financial position, they are satisfied that the organisation 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 organisation's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 3 and 4.

The annual financial statements set out on pages 6 to 15, which have been prepared on the going concern basis, were approved by the management committee on ...29 MARCH 2017... and were signed on its behalf by:

Management committee chairperson

Independent Auditor's Report

To the management committee of Vision Afrika

Qualified Opinion

We have audited the financial statements of Vision Afrika NPO set out on pages 6 to 14 which comprise the statement of financial position as at 31 December 2016, 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, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Vision Afrika NPO as at 31 December 2016, and its financial performance and cash flows for the year then ended in accordance with the accounting policy as per note 1.

Basis for Opinion

In common with similar types of organisations, it is difficult for the organisation to institute accounting controls over the issue of donations received and cash collections from the general public as funds to maintain operations, prior to the initial entry of collections in the accounting records. Accordingly, it was impractical for us to extend our examination beyond receipts actually recorded. The completeness, accuracy, occurance and cut-off of revenue could not be verified, hence we have no other choice than to qualify our opinion on the matter explained above.

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 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 management committee are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa No. 71 of 2008, as amended and the supplementary information provided on pages 23 to 25. The other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the management committee for the Financial Statements

The management committee are responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies as set out in note 1. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, the management committee 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 management committee 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.

LDP Inc.
Registered Auditor
Per:S Pretorius
Director

Stellenbosch
Date:............................
10 Helderberg Street
Stellenbosch
7600

Management Committees' Report

The management committee submit their report for the year ended 31 December 2016.

1. Review of activities

Main business and operations

The organisation is engaged in none profit organisation and operates in South Africa.

2. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. 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.

3. Events after the reporting period

The management committee are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the financial statements.

4. Management committee

The management committee of the organisation during the year and to the date of this report are as follows:

Name	Changes
S Gxilishe	Resigned: 04 March 2016
C Gordon	
G Laning	
G M Boonzaier (Chairperson)	
J E Schliemann	
J P Van Zyl	
L Vos (Treasurer)	
N V Dywibiba (Secretary)	
P Jozana	

5. Auditor

LDP Inc. will continue in office.

6. Non-current assets

There were no major changes in the nature of the non-current assets of the company during the year as well as the policy relating to its use.

Additions and disposals during the current period are set out in note 2 to these financial statements.

Statement of Financial Position as at 31 December 2016

Figures in Rand	2016	2015
Assets		
Non-Current Assets		
Property, plant and equipment	662 602	722 721
Other financial assets	24 567	72 214
	687 169	**794 935**
Current Assets		
Trade and other receivables	-	16 214
Cash and cash equivalents	205 013	287 479
	205 013	**303 693**
Total Assets	**892 182**	**1 098 628**
Equity and Liabilities		
Equity		
Retained income	801 922	1 058 075
Liabilities		
Current Liabilities		
Trade and other payables	90 260	40 553
Total Equity and Liabilities	**892 182**	**1 098 628**

Statement of Comprehensive Income

Figures in Rand	2016	2015
Revenue	4 098 162	3 498 467
Other income	49 250	-
Operating expenses	(4 416 488)	(3 686 378)
Operating loss	**(269 076)**	**(187 911)**
Investment revenue	570	21 517
Fair value adjustments	12 353	1 597
Loss for the year	**(256 153)**	**(164 797)**
Other comprehensive income	-	-
Total comprehensive loss for the year	**(256 153)**	**(164 797)**

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 January 2015	**1 222 872**	**1 222 872**
Loss for the year	(164 797)	(164 797)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(164 797)**	**(164 797)**
Balance at 01 January 2016	**1 058 075**	**1 058 075**
Loss for the year	(256 153)	(256 153)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(256 153)**	**(256 153)**
Balance at 31 December 2016	**801 922**	**801 922**

Statement of Cash Flows

Figures in Rand	2016	2015
Cash flows from operating activities		
Cash receipts from customers	4 114 376	3 304 172
Cash paid to suppliers and employees	(4 225 225)	(3 338 858)
Cash used in operations	(110 849)	(34 686)
Interest income	570	21 517
Net cash used in operating activities	**(110 279)**	**(13 169)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(32 187)	(9 999)
Net movement in financial assets	60 000	188 601
Net cash from investing activities	**27 813**	**178 602**
Total cash movement for the year	**(82 466)**	**165 433**
Cash at the beginning of the year	287 479	122 046
Total cash at end of the year	**205 013**	**287 479**

Accounting Policies

1. Presentation of Annual Financial Statements

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
Motor vehicles	10 years
Office equipment	10 years
IT equipment	10 years

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate.

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.

Accounting Policies

1.2 Financial instruments

Classification

The entity classifies financial assets and financial liabilities into the following categories:
- Financial assets measured at amortised cost;
- Financial assets measured at fair value through profit and loss;
- Financial liabilities measured at amortised cost.

A financial instrument is classified on the date of recognition. Classification depends on the nature of the instrument and purpose for which the instrument was obtained or incurred.

Recognition

The entity shall recognise a financial asset or a financial liability when the entity becomes a party to the contractual provisions of the instrument.

Initial and subsequent measurement per category

- Financial assets measured at amortised cost

Debt instruments issued by the entity as well as cash and cash equivalents are classified as financial assets measured at amortised cost. These include loans to directors, cash and cash equivalents, trade debtors, certain other receivables and other loans receivable. These instruments are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost, using the effective interest method.

- Financial assets measured at fair value through profit and loss

Ordinary- or preference shares held by the entity that have a quoted market price or for which the fair value can otherwise be reliably determined, are classified as financial assets measured at fair value through profit and loss. These include the entity's investments in equity of the entities. These instruments are measured initially at the transaction price, excluding transaction costs, and subsequently at fair value, with changes in fair value recognised in profit and loss.

- Financial liabilities measured at amortised cost.

Debt instruments held by the entity are classified as financial liabilities measures at amortised cost. These include loans from shareholders, loans payable, bank overdraft, trade creditors and certain other payables. These instruments are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost, using the effective interest method.

Impairment of financial instruments measured at cost less impairment or amortised cost

At the end of each reporting period, the entity shall assess whether there is objective evidence of impairment of any financial assets that are measured at cost less impairment or amortised cost. If there is objective evidence of impairment, the entity shall recognise an impairment loss in profit or loss immediately.

If, in a subsequent period, the amount of accumulated impairment losses previously recognised decrease, and the decrease can be related objectively to an event occurring after the impairment was recognised, the entity shall reverse the previously recognised impairment losses.

Accounting Policies

1.2 Financial instruments (continued)

Amortised cost and effective interest rate method

The amortised cost of a financial asset or financial liability is calculated as follows:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- minus any repayments of the principal;
- plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and maturity amount; and
- minus, in the case of a financial asset, any reduction for impairment or uncollectibility.

A financial instrument that has no stated repayment terms and / or interest rate is measured at it's undiscounted amount.

The effective interest rate method is a method calculating the amortised cost of a financial instrument and of allocating interest income and interest expense over the relevant period.

Interest expense is recognised on the basis of the effective interest rate method and is included in finance cost. Interest income is recognised on the basis of the effective interest rate method and is included in investment income.

Derecognition

- Derecognition of financial assets

The entity derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the entity recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

- Derecognition of financial liabilities

The entity derecognises financial liabilities when, and only when, the entity's obligations are discharged, cancelled or they expire.

1.3 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably

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.

Donations whether of cash or assets, shall be recognised as income in the period it is received or receivable when and only all of the following conditions has been satisfied:

(a) the entity obtains control of the donations or the right to receive the donation;

(b) it is probable that the economic benefits comprising the donation will flow to the entity; and

(c) the amount of the donation can be measured reliably.

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

2. Property, plant and equipment

	2016			2015		
	Cost	**Accumulated depreciation and impairments**	**Carrying value**	**Cost**	**Accumulated depreciation and impairments**	**Carrying value**
Plant and machinery	14 500	(1 933)	12 567	-	-	-
Motor vehicles	308 750	(85 910)	222 840	308 750	(54 035)	254 715
IT equipment	606 958	(179 763)	427 195	589 271	(121 265)	468 006
Total	**930 208**	**(267 606)**	**662 602**	**898 021**	**(175 300)**	**722 721**

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Plant and machinery	-	14 500	(1 933)	12 567
Motor vehicles	254 715	-	(31 875)	222 840
IT equipment	468 006	17 687	(58 498)	427 195
	722 721	**32 187**	**(92 306)**	**662 602**

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Depreciation	Total
Motor vehicles	285 590	-	(30 875)	254 715
IT equipment	520 798	9 999	(62 791)	468 006
	806 388	**9 999**	**(93 667)**	**722 721**

3. Other financial assets

	2016	2015
At fair value		
Allan Gray Investment	24 567	72 214
Non-current assets		
At fair value	24 567	72 214

4. Trade and other receivables

	2016	2015
Trade receivables	-	16 214

5. Cash and cash equivalents

Cash and cash equivalents consist of:

	2016	2015
Cash on hand	4 658	14 360
Bank balances	200 355	273 119
	205 013	**287 479**

6. Trade and other payables

	2016	2015
Trade payables	90 260	40 553

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

7. Revenue

Rendering of services	4 098 162	3 498 467

8. Operating loss

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

Operating lease charges		
Premises		
• Contractual amounts	2 000	-
Equipment		
• Contingent amounts	25 575	19 267
	27 575	**19 267**
Depreciation on property, plant and equipment	92 306	93 667
Employee costs	919 146	467 590
Research and development	-	305

9. Investment revenue

Interest revenue		
Bank	570	21 517

10. Auditor's remuneration

Fees	11 229	17 100

11. Cash used in operations

Loss before taxation	(256 153)	(164 797)
Adjustments for:		
Depreciation	92 306	93 667
Interest received	(570)	(21 517)
Fair value adjustments	(12 353)	(1 597)
Changes in working capital:		
Trade and other receivables	16 214	19 006
Trade and other payables	49 707	40 552
	(110 849)	**(34 686)**

12. Management Committees' remuneration

No emoluments were paid to the management committee or any individuals holding a prescribed office during the year. (2015: Rnil)

13. Comparative figures

Certain comparative figures have been reclassified for presentation purposes.

14. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. 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.

Statement of Financial Performance

Figures in Rand		2016	2015
Revenue			
Donations received		4 098 162	3 498 467
Other income			
Grade 1 Book Levies		22 800	-
Visionary Club		1 500	-
Bad debts recovered		24 950	-
Interest received	9	570	21 517
Fair value adjustments		12 353	1 597
		62 173	**23 114**
Expenses (Refer to page 16)		**(4 545 672)**	**(3 744 699)**
Loss for the year		**(385 337)**	**(223 118)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(385 337)**	**(223 118)**

Statement of Financial Performance

Figures in Rand		2016	2015
Operating expenses			
Accounting fees		53 160	61 360
Auditor's remuneration	10	11 229	17 100
Bad debts written off		-	188 130
Banking fees		17 042	10 709
Cleaning		24 766	8 867
Clothing		4 334	3 200
Computer expenses		3 133	7 031
Consultation fees		-	2 223
Courier and postage		5 626	4 831
Depreciation		92 306	93 667
Employee costs		919 146	467 590
Fund raising expenses		30 555	36 738
Ikaya Pre-Primary School		545 750	572 012
Insurance		25 959	19 723
Lease rentals on operating lease		27 575	19 267
Loose tools		3 526	6 507
Macias Restis Aftercare		438 548	417 956
Meeting expenses		6 168	3 951
Motor vehicle expenses		7 144	1 059
Office equipment repairs		-	305
Parenting courses		36 343	4 503
Provision for bad debt		231 630	213 281
Repairs and maintenance		5 055	10 172
Security		4 427	-
Skills development program		129 184	58 321
Staff welfare		7 000	27 801
Stationery		3 003	1 770
Subscriptions		11 132	2 724
Sundry expenses		86 935	76 144
Telephone and fax		3 600	-
Transport fees		21 497	16 457
Uniforms		8 389	-
Utilities		38 975	40 590
Vision Afrika Primary School		513 534	466 540
Vision K expenses		611 005	573 330
Vision V expenses		417 389	112 766
Vision X expenses		71 242	139 592
Website		181	161
		4 545 672	**3 744 699**

The supplementary information presented does not form part of the annual financial statements and is unaudited