



**Association for the Physically Disabled –  
Greater Johannesburg**  
(Reg. No. 000865 – NPO)

Financial Statements

for the year ended 31 March 2017

Audited

**Association for the Physically Disabled – Greater Johannesburg**  
(Reg. No. 000865 – NPO)

**Financial Statements**  
*for the year ended 31 March 2017*

<i>Contents</i>	<i>Page</i>
Executive Board's responsibility statement	2
Independent auditor's report	3 - 4
Statement of financial position	5
Statement of profit or loss and other comprehensive income	6
Statement of changes in reserves and funds	7
Statement of cash flows	8
Notes to the financial statements	9 – 19
<i>The supplementary information presented does not form part of the financial statements and is unaudited</i>	
Schedule of income and expenses	20 – 25

# Association for the Physically Disabled – Greater Johannesburg

## Executive Board's responsibility statement

*for the year ended 31 March 2017*

The Executive Board are responsible for the preparation and fair presentation of the financial statements of the Association for the Physically Disabled – Greater Johannesburg, comprising the statement of financial position at 31 March 2017, and the statements of profit or loss and other comprehensive income, changes in reserves and funds and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with the International Financial Reporting Standards.

The Executive Board are also responsible for such internal control as the Executive Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these financial statements.

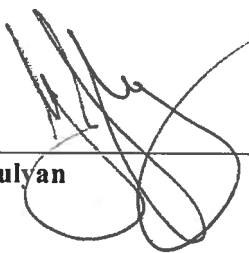
The Executive Board have made an assessment of the ability of the Association to continue as a going concern and have no reason to believe the Association will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

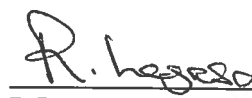
### Approval of the financial statements

The financial statements of the Association for the Physically Disabled – Greater Johannesburg, as identified in the first paragraph, were approved by the Executive Board on 25 August 2017 and are signed on their behalf by –

G Julyan



R Legasa





**KPMG Inc**  
KPMG Crescent  
85 Empire Road, Parktown, 2193  
Private Bag 9, Parkview, 2122, South Africa

Telephone +27 (0)11 647 7111  
Fax +27 (0)11 647 8000  
Docex 472 Johannesburg  
Internet kpmg.co.za

## Independent auditor's report

### To the members of the Association for the Physically Disabled – Greater Johannesburg

#### *Opinion*

We have audited the financial statements of the Association for the Physically Disabled – Greater Johannesburg set out on pages 5 to 19, which comprise the statement of financial position as at 31 March 2017, and the statement of profit or loss and other 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 the Association for the Physically Disabled – Greater Johannesburg as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Executive Board is responsible for the other information. The other information comprises the supplementary schedules of income and expenses. 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 Executive Board for the Financial Statements*

The Executive Board is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as the Executive Board 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 Executive Board is 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 Executive Board either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Policy Board:  
Chief Executive: TH Hoole

Executive Directors: M Letsitsi, SL Louw, NKS Malaba,  
M Oddy, CAT Smit

Other Directors: ZA Beseti, LP Fourie, N Fubu,  
AH Jaffer (Chairman of the Board), ME Magondo,  
F Mall, GM Pickering, JN Pierce

KPMG Inc is a company incorporated under the South African Companies Act and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

KPMG Inc is a Registered Auditor, in public practice, in terms of the Auditing Profession Act, 26 of 2005.

Registration number 1999/021543/21

The company's principal place of business is at KPMG Crescent, 85 Empire Road, Parktown, where a list of the directors' names is available for inspection.



### *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 ISAs 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 ISAs, 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 Executive Board.
- Conclude on the appropriateness of the Executive Board's 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 Executive Board 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.

Per: N Southon  
Chartered Accountant (SA)  
Registered Auditor  
Director  
25 August 2017

# Association for the Physically Disabled – Greater Johannesburg

## Statement of financial position

at 31 March 2017

<b>Assets</b>	<i>Note</i>	<b>2017</b>	<b>2016</b>
		<b>R</b>	<b>R</b>
<b>Non-current assets</b>			
Equipment and vehicles	5	181 234	271 343
<b>Current assets</b>			
		<b>789 063</b>	<b>381 469</b>
Inventories		7 256	36 284
Trade and other receivables		101 242	109 762
Related party receivable	13	11 530	17 935
Investments	6	71 160	83 433
Deposits on call	7	9 534	8 967
Cash and cash equivalents		588 341	125 088
<b>Total assets</b>		<b>970 297</b>	<b>652 812</b>
<b>Reserves, funds and liabilities</b>			
		<b>481 490</b>	<b>53 183</b>
General fund		449 505	8 925
Investment reserve		31 985	44 258
<b>Current liabilities</b>			
Trade and other payables		488 807	599 629
<b>Total reserves, funds and liabilities</b>		<b>970 297</b>	<b>652 812</b>

# Association for the Physically Disabled – Greater Johannesburg

## Statement of profit or loss and other comprehensive income for the year ended 31 March 2017

	Note	2017		2016	
		R	R	R	R
<b>Revenue</b>					
Subsidies for social work services			675 610		637 373
Events, sales and street collections – commercial services			131 333		124 899
Fees for services – social work services/home based care			253 869		44 673
Subsidies for home based care			1 474 179		1 320 839
Appeals, donations and corporate grants			242 192		554 899
Legacies			425 040		105 851
Projects			1 168 040		1 735 831
SED funding			525 000		397 537
Sundry revenue					
- Interest received from cash and cash equivalents			11 754		4 990
			<u>4 907 016</u>		<u>4 926 892</u>
<b>Operating expenditure</b>					
Home based care services		1 886 670		2 043 452	
Projects		1 417 784		2 054 376	
Governance		144 379		161 235	
Social work services		1 174 711		995 305	
Workshops		(138 441)		38 145	
			<u>4 485 103</u>		<u>5 292 513</u>
<b>Operating profit/(loss)</b>	8		421 913		(365 621)
<b>Income/(expenditure) from investments</b>					
Net surplus on disposal of PPE		18 047		44 668	
Fair value of held for trading investments		(12 273)		(270 792)	
Profit on disposal of held for trading investments		–		296 499	
Interest received		620		729	
Dividends received		–		6 538	
			<u>6 394</u>		<u>77 642</u>
<b>Total comprehensive income for the year</b>			<u>428 307</u>		<u>(287 979)</u>

# Association for the Physically Disabled – Greater Johannesburg

## Statement of changes in reserves and funds

for the year ended 31 March 2017

	General fund R	Investment reserve R	Total R
<b>Balance at 31 March 2015</b>	26 112	315 050	341 162
Total comprehensive income for the year	(287 979)	–	(287 979)
Transfer of fair value adjustment on held for trading investments	270 792	(270 792)	–
<b>Balance at 31 March 2016</b>	8 925	44 258	53 183
Total comprehensive income for the year	428 307		428 307
Transfer of fair value adjustment on held for trading investments	12 273	(12 273)	–
<b>Balance at 31 March 2017</b>	<b>449 505</b>	<b>31 985</b>	<b>481 490</b>



# Association for the Physically Disabled – Greater Johannesburg

## Statement of cash flows

for the year ended 31 March 2017

	<i>Note</i>	<b>2017</b> R	2016 R
<b>Cash flows from operating activities</b>			
Cash generated/(utilised) in operations	12.1	433 397	(493 315)
Interest received on investments		620	729
Interest received on bank balances		11 754	4 990
Dividends received on investments		–	6 538
<b>Net cash inflow/(outflow) from operating activities</b>		<u>445 771</u>	<u>(481 058)</u>
<b>Cash flows from investing activities</b>			
To maintain operations			
– additions to property, equipment and vehicles		–	(2 850)
– additions to investments		–	(28 030)
– proceeds on disposal of investments		–	630 850
– proceeds on disposal of equipment and vehicles		18 049	44 672
<b>Net cash inflow from investing activities</b>		<u>18 049</u>	<u>644 642</u>
<b>Cash flows from financing activities</b>			
Net decrease in donations and funds for specific purposes		–	(126 442)
Net decrease in interest bearing borrowings		–	(10 416)
<b>Net cash outflow from financing activities</b>		<u>–</u>	<u>(136 858)</u>
<b>Net increase in cash and cash equivalents</b>		<b>463 820</b>	26 726
Cash and cash equivalents at beginning of year	12.2	<u>134 055</u>	<u>107 329</u>
<b>Cash and cash equivalents at end of year</b>	12.2	<u><b>597 875</b></u>	<u>134 055</u>

# Association for the Physically Disabled – Greater Johannesburg

## Notes to the financial statements

*for the year ended 31 March 2017*

### 1. Reporting entity

The Association for the Physically Disabled – Greater Johannesburg (“the Association”) is an entity domiciled in South Africa.

### 2. Basis of preparation

#### 2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

#### 2.2 Basis of measurement

The financial statements are prepared on the historical cost basis, except for certain financial instruments which are measured at their fair value.

#### 2.3 Functional and presentation currency

These financial statements are presented in South African Rands (“R”), which is the Association’s functional currency.

#### 2.3 Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

# Association for the Physically Disabled – Greater Johannesburg

## Notes to the financial statements

for the year ended 31 March 2017 (continued)

### 3. Significant accounting policies

#### 3.1 Equipment and vehicles

Items of equipment and vehicles are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each item of property, equipment and vehicles.

The estimated useful lives are as follows –

- Wheelchairs 3 years
- Motor vehicles 5 years
- Furniture and equipment 10 years
- Computer equipment 3 years
- Leased assets over lease period

Surpluses (deficits) on the disposal of equipment and vehicles are credited (charged) to profit or loss. The surplus or deficit is the difference between the net disposal proceeds and the carrying amounts of the asset.

#### 3.2 Impairment

The carrying amounts of the Association's equipment and vehicles are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. The recoverable amount is its net selling price. An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount.

#### 3.3. Investments

Investments are held for trading and are classified as current assets. They are stated at fair value with any resultant gain or loss recognised in profit or loss. The resultant gain or loss is then transferred to the investment reserve via the statement of changes in reserves and funds.

The fair value of financial instruments classified as held for trading is their quoted traded price at the reporting date.

#### 3.4 Inventories

Inventories are carried at the lower of cost and net realisable value. The cost of inventories comprises costs of purchase. Obsolete, redundant and slow moving inventories are identified on a regular basis and are written down to their estimated net realisable values.

# Association for the Physically Disabled – Greater Johannesburg

## Notes to the financial statements

for the year ended 31 March 2017 (continued)

### 3 Significant accounting policies (continued)

#### 3.5 Leases

##### *Finance leases*

Leases that transfer substantially all the risks and rewards of ownership of the underlying assets to the Association are classified as finance leases. Assets acquired in terms of finance leases are capitalised as equipment and vehicles at the lower of fair value and the present value of the minimum lease payments at inception of the lease, and depreciated over the useful life of the asset. The capital element of future obligations under the leases is included as a liability in the statement of financial position. Lease payments are allocated using the effective interest method to determine the lease finance cost, which is recognised in profit or loss over the lease period, and the capital repayment, which reduces the liability of the lessor.

##### *Operating leases*

Leases are classified as operating leases where the lessor retains the risks and rewards of ownership of the underlying asset. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the period of the lease.

#### 3.6 Revenue

Revenue comprises subsidies and grants received, income from events, sales and donations, service fees, investment income and other non-operating income. Subsidies, fund raising income and service fees are recognised when the cash has been received. Investment income and other non-operating income are recognised on the accrual basis of accounting.

#### 3.7 Employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service. The provisions for employee entitlements to wages, salaries and annual leave represent the amount which the Association has a present obligation to pay as a result of employees' service provided to the reporting date. The provisions have been calculated at undiscounted amounts based on current wage and salary rates.

Obligations for contributions to defined contribution pension plans are recognised as an expense when they are due.

#### 3.8 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments, net of bank overdrafts all of which are available for use by the Association unless otherwise stated.

#### 3.9 Government grants

The Association has been awarded quarterly government grants amounting to R1 474 179 (2016: R1 320 839) for providing social care services to the physically disabled.

The grants are recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised.

# Association for the Physically Disabled – Greater Johannesburg

## Notes to the financial statements

for the year ended 31 March 2017 (continued)

### 4. Financial risk management

#### 4.1 Overview

The Association has exposure to the following risks from its use of financial instruments –

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Association's exposure to each of the above risks, the Association's objectives, policies and processes for managing risk, and the Association's management of reserves and funds. Further quantitative disclosures are included throughout these financial statements.

Risk management is carried out in line with directives received from the Executive Board, in close co-operation with the central accounting department of the Association. Management, however, have the overall responsibility for the establishment and oversight of the Association's risk management framework.

The Association's risk management policies are established to identify and analyse the risks faced by the Association, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Association's activities.

#### 4.2 Credit risk

Credit risk is the risk of financial loss to the Association if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Association's receivables from customers and investments.

##### *Trade and other receivables*

The Association's exposure to credit risk is influenced mainly by the individual characteristics on each customer.

As the Association has not had a problem with the recoverability of its trade receivables, no impairment allowance has been raised for either the 2017 or the 2016 financial years.

##### *Investments*

The Association limits its exposure to credit risk by only investing in liquid securities.

# Association for the Physically Disabled – Greater Johannesburg

## Notes to the financial statements

for the year ended 31 March 2017 (continued)

### 4. Financial risk management (continued)

#### 4.3 Liquidity risk

Liquidity risk is the risk that the Association will not be able to meet its financial obligations as they fall due. The Association's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Association's name.

#### 4.4 Market risk

Market risk is the risk that changes in market prices, such as interest rates and traded quoted share prices, will affect the Association's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### 5. Equipment and vehicles

	Cost R	Accumulated depreciation R	Net book value R
<b>2017</b>			
Wheel chairs	48 450	(48 448)	2
Motor vehicles – owned	565 876	(404 557)	161 319
Furniture and equipment – owned	197 083	(181 859)	15 224
– leased	67 882	(67 881)	1
Computer equipment	380 835	(376 147)	4 688
	<u>1 260 126</u>	<u>(1 078 892)</u>	<u>181 234</u>
<b>2016</b>			
Wheel chairs	48 450	(48 448)	2
Motor vehicles – owned	632 080	(438 753)	193 327
Furniture and equipment – owned	197 083	(172 933)	24 150
– leased	67 882	(67 881)	1
Computer equipment	388 634	(334 771)	53 863
	<u>1 334 129</u>	<u>(1 062 786)</u>	<u>271 343</u>

# Association for the Physically Disabled – Greater Johannesburg

## Notes to the financial statements for the year ended 31 March 2017 (continued)

### 5. Equipment and vehicles (continued)

Net book value 2017	Wheel chairs R	Motor vehicles R	Furniture and equipment R	Computer equipment R	Total R
At beginning of year	2	193 327	24 151	53 863	271 343
Additions	–	–	–	–	–
Disposals	–	–	–	(2)	(2)
Depreciation	–	(32 008)	(8 927)	(49 172)	(90 107)
At end of year	<u>2</u>	<u>161 319</u>	<u>15 224</u>	<u>4 689</u>	<u>181 234</u>
2016					
At beginning of year	2	239 999	36 642	122 451	399 094
Additions	–	–	1 650	1 200	2 850
Disposals	–	(2)	–	(2)	(4)
Depreciation	–	(46 670)	(14 141)	(69 786)	(130 597)
At end of year	<u>2</u>	<u>193 327</u>	<u>24 151</u>	<u>53 863</u>	<u>271 343</u>

In 1993, Erf 5582 Eldorado Park Ext 7 was donated to The Association for the Physically Disabled by the City Council of Johannesburg. The contractual terms of the donation was that the Association should use the property for purposes of assisting the physically disabled or the property will revert to the donor. The Association currently uses this property for purposes as stipulated in the agreement.

	2017 R	2016 R
<b>6. Investments</b>		
<i>Held for trading</i>		
Listed investments		
– offshore investments	<u>71 160</u>	<u>83 433</u>
<b>7. Deposits on call</b>		
Settlement account for investments	<u>9 534</u>	<u>8 967</u>

# Association for the Physically Disabled – Greater Johannesburg

## Notes to the financial statements

for the year ended 31 March 2017 (continued)

8. Operating profit/(loss)	2017 R	2016 R
Operating profit/(loss) is arrived at after taking into account -		
Audit fees	79 531	79 000
Depreciation	90 107	130 597
Rent paid	16 158	29 345
Salaries and wages	3 009 462	3 298 793
	<u>                    </u>	<u>                    </u>

## 9. Taxation

The Association is exempt from income tax in terms of Section 10(1)(cN) of the Income Tax Act.

## 10. Defined contribution fund

Pension fund contributions are made on behalf of all employees to the Association for the Physically Disabled Pension Fund. The Fund is a defined contribution fund and is governed by the Pension Funds Act.

	2017 R	2016 R
Contributions expensed	384 586	468 848
	<u>                    </u>	<u>                    </u>

## 11. Financial risk management

### 11.1 Exposure to credit risk

The carrying amount of financial assets represent the maximum credit exposure.

The maximum exposure to credit risk at the reporting date was –

	Carrying amount	
	2017 R	2016 R
Trade and other receivables *	99 953	109 762
Related party receivable	11 530	17 935
Cash and cash equivalents	597 875	134 055
Held for trading financial assets	71 160	83 433
	<u>                    </u>	<u>                    </u>
	780 518	345 185
	<u>                    </u>	<u>                    </u>

\* excluding VAT and prepayments.



# Association for the Physically Disabled – Greater Johannesburg

## Notes to the financial statements

for the year ended 31 March 2017 (continued)

### 11. Financial risk management (continued)

#### 11.2 Liquidity risk

The following are the contractual maturities of financial liabilities agreements –

2017	Carrying amount R	Contractual cash flows R	Within 1 year R	2 to 5 years R
<b>Non-derivative financial liabilities</b>				
Trade and other payables *	273 085	273 085	273 085	–
2016				
<b>Non-derivative financial liabilities</b>				
Trade and other payables *	330 824	330 824	330 824	–

\* excluding VAT and employee provisions

#### 11.3 Fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows -

	2017		2016	
	Carrying amount R	Fair value R	Carrying amount R	Fair value R
<b>Financial assets/(liabilities) not measured at fair value:</b>				
Trade and other receivables	99 953	99 953	109 762	109 762
Related party receivable	11 530	11 530	17 935	17 935
Cash and cash equivalents	597 875	597 875	134 055	134 055
Trade and other payables	(273 085)	(273 085)	(330 824)	(330 824)
<b>Financial assets measured at fair value:</b>				
Investments	71 160	71 160	83 433	83 433
	<b>507 433</b>	<b>507 433</b>	<b>14 361</b>	<b>14 361</b>

# Association for the Physically Disabled – Greater Johannesburg

## Notes to the financial statements

for the year ended 31 March 2017 (continued)

### 11. Financial risk management (continued)

#### *Basis for determining fair values*

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments.

#### *Non-derivative financial liabilities*

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

#### *Trade and other receivables*

The fair value of trade and other receivables approximates their carrying amounts due to their short term nature.

#### *Trade and other payables*

The fair value of trade and other payables approximates their carrying amounts due to their short term nature.

#### *Investments*

The fair value is their quoted traded price at reporting date.

#### *Fair value hierarchy*

The different levels have been defined as follows –

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs for the asset or liability that are not on observable market data.

The following financial instruments are carried at fair value by valuation method –

	<b>2017</b>	<b>2016</b>
	<b>Level 1</b>	<b>Level 1</b>
Investments	<b>71 160</b>	<b>83 433</b>

# Association for the Physically Disabled – Greater Johannesburg

## Notes to the financial statements

for the year ended 31 March 2017 (continued)

	2017	2016
	R	R
<b>12. Notes to the statement of cash flows</b>		
12.1 Cash utilised in operations		
Operating profit/(loss)	421 913	(365 621)
Adjustments for		
– interest received from cash and cash equivalents	(11 754)	(4 990)
– depreciation	90 107	130 597
Working capital changes		
– decrease in inventories	29 028	2 114
– decrease/(increase) in trade and other receivables	8 520	(23 697)
– decrease/(increase) in receivable from related party	6 405	(3 891)
– (decrease)/increase in trade and other payables	(110 822)	18 473
– decrease in payable from related party	–	(246 300)
	433 397	(493 315)
12.2 Cash and cash equivalents		
Cash and cash equivalents comprise -		
Cash and cash equivalents	588 341	125 088
Deposits on call	9 534	8 967
	597 875	134 055

### 13. Related parties

The Director of the Association, the Office Manager and the Commercial Service Managers have been identified as key management personnel of the Association.

Remuneration of key management personnel was R1 021 830 for the year (2016 – R1 488 272).

The following related party receivable exists at year end –

	2017	2016
	R	R
Barrier Breakers Support Trust	11 530	17 935

### 14. Contingent liability

Erf 5582 Eldorado Park Ext 7 is currently occupied by St Raphael Workshop for the Physically Disabled, who is responsible for the municipal charges related to this property. Should the Association dispose of this property to a third party, APD would be liable for all unsettled municipal charges related to that property.

At 31 March 2017, the unsettled municipal charges amounted to R90 085.

# Association for the Physically Disabled – Greater Johannesburg

## Notes to the financial statements

for the year ended 31 March 2017 (continued)

### 15. Going concern and subsequent events

During September 2015, the Association implemented its revised strategy whereby revenue streams were diversified and costs saving initiatives were implemented. The Association made a profit of R428 307 for the year ended 31 March 2017 (2016: loss of R287 979) as a result of the successful implementation of this strategy.

The Executive Board have made an assessment of the ability of the Association to continue as a going concern and have no reason to believe the Association will not be a going concern in the year ahead.

### 16. Standards and interpretations not yet effective

At the date of authorisation of the financial statements of the Association for the Physically Disabled – Greater Johannesburg for the year ended 31 March 2017, the following applicable Standards and Interpretations were in issue but not yet effective:

#### Effective for the financial year commencing 1 April 2017

- *Disclosure Initiative (Amendments to IAS 7)*

#### Effective for the financial year commencing 1 April 2018

- *IFRS 9 Financial Instruments*
- *IFRS 15 Revenue from Contracts with Customers*

#### Effective for the financial year commencing 1 April 2019

- *IFRS 16 Leases*

All Standards and Interpretations will be adopted at their effective date



# Association for the Physically Disabled – Greater Johannesburg

## Schedule of income

for the year ended 31 March 2017

2017 Income	Social work R	Home based care R	Projects R	Support Services R	Total R
Appeals				94 010	94 010
Projects			1 168 040		1 168 040
Donations		7 004		141 177	148 181
Events				57 470	57 470
Fees for Services	19 195	138 052		96 622	253 869
Grants		100 000			100 000
Legacies				425 040	425 040
New Projects					
Sales				72 873	72 873
SED funding				525 000	525 000
Street Collections				990	990
Subsidies	675 610	1 374 179			2 049 789
Fair Value of held for trading investments				(12 273)	(12 272)
Interest				12 374	12 374
Profit on disposal of equipment and vehicles				18 047	18 047
<b>Total income</b>	<b>694 805</b>	<b>1 619 235</b>	<b>1 168 040</b>	<b>1 431 330</b>	<b>4 913 410</b>

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

# Association for the Physically Disabled – Greater Johannesburg

## Schedule of income

for the year ended 31 March 2017

2016 Income	Social work R	Home based care R	Projects R	Support Services R	Total R
Appeals				335 000	335 000
Projects			1 612 224		1 612 224
Donations				219 900	219 900
Events				72 440	72 440
Fees for Services	5 030	11 690		27 953	44 673
Grants		1 320 839			1 320 839
Legacies				105 851	105 851
New Projects				123 608	123 608
Sales				51 069	51 069
SED funding				397 537	397 537
Street Collections				1 388	1 388
Subsidies	637 373				637 373
Dividends				6 538	6 538
Fair Value of held for trading investments				(270 792)	(270 792)
Interest				729	729
Profit on disposal of equipment and vehicles				44 668	44 668
Profit on disposal of held for trading investments				296 499	296 499
<b>Total income</b>	<b>642 403</b>	<b>1 332 529</b>	<b>1 612 224</b>	<b>1 412 388</b>	<b>4 999 544</b>

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

# Association for the Physically Disabled – Greater Johannesburg

## Schedule of expenses

for the year ended 31 March 2017

2017 Expenses	Social work R	Home based care R	Governance R	Protective Workshops R	Projects R	Support services R	Total R
Affiliation Fees						900	900
Annual General Meeting			8 044				8 044
Annual Report			12 383				12 383
APD Products					9 413		9 413
Audit Fees			79 531				79 531
Bank Charges		16 449				7 599	27 959
Projects Expense	3 911				626 318		626 318
Capacity Building							
Casual Day					70 692		70 692
Christmas Cards							
Computer Expenses	19 475	15 681				44 640	79 796
Courier & Postage	500					1 061	1 561
Depreciation						90 107	90 107
Donation						79 469	79 469
Electricity & Water	5 512	1 430		(138 441)		22 786	(108 713)
Entertainment						530	530
Golf Day					39 485		39 485
Insurance & Licences	707					77 694	78 401
Interest Paid						3 398	3 398
Long Service Awards		2 000				1 500	3 500
Loss on write off of obsolete stock						26 360	26 360

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

# Association for the Physically Disabled – Greater Johannesburg

## Schedule of expenses

for the year ended 31 March 2017

2017 Expenses	Social work R	Home based care R	Governance R	Protective Workshop R	Projects R	Support services R	Total R
Motor Vehicle Expenses Repairs & Maintenance	3 623	684				7 017	11 324
Motor Vehicle Expenses Fuel & Oil	13 151	3 729				30 244	47 124
Management Fees						52	52
Marketing						1 112	1 112
Medical Aid	14 345					8 002	22 347
Printing & Stationery	1 096	1 292				12 689	15 077
Professional Fees						1 476	1 476
Rent Paid	16 158						16 158
Repairs And Maintenance Buildings	38					731	769
Repairs And Maintenance Equipment						3 725	3 725
Salaries & Wages Casual		10 467				2 465	12 932
Salaries & Wages VIP	703 786	1 077 892			235 667	942 666	2 960 011
Sales New Projects							
Security	4 270	1 513				7 429	13 212
Service Awards		2 000					2 000
Staff Training						650	650
Staff Welfare	4 073	2 454				9 751	16 278
Telephone & Fax	13 036	14 430				20 047	47 513
Travel allowance							
Travelling Expenses	5 298	152 694				3 201	161 193
Uniforms & Clothing		2 327					2 327
Web Cost	4 309	1 157				6 550	12 016
Workman's Compensation						8 673	8 673
<b>Reallocation</b>	<b>813 288</b>	<b>1 306 199</b>	<b>99 958</b>	<b>(138 441)</b>	<b>981 575</b>	<b>1 422 524</b>	<b>4 485 103</b>
<b>For distribution</b>	<b>361 423</b>	<b>580 471</b>	<b>44 421</b>	<b>-</b>	<b>436 209</b>	<b>(1 422 524)</b>	<b>-</b>
<b>Total expenses</b>	<b>1 174 711</b>	<b>1 886 670</b>	<b>144 379</b>	<b>(138 441)</b>	<b>1 417 784</b>	<b>-</b>	<b>4 485 103</b>

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



# Association for the Physically Disabled – Greater Johannesburg

## Schedule of expenses

for the year ended 31 March 2017

2016 Expenses	Social work R	Home based care R	Governance R	Protective Workshops R	Projects R	Support services R	Total R
Affiliation Fees						900	900
Annual General Meeting			7 188				7 188
Annual Report			2 336				2 336
APD Products					14 451		14 451
Audit Fees			79 000				79 000
Bank Charges		14 333				14 375	32 126
Projects Expense					762 270		762 270
Capacity Building						194	194
Casual Day					37 668		37 668
Christmas Cards						49	49
Computer Expenses	16 564	10 930				41 831	69 325
Courier & Postage						1 566	1 566
Depreciation						130 596	130 596
Donation						64 856	64 856
Electricity & Water	5 021	1 533		25 000		16 293	47 847
Entertainment							
Golf Day					44 646		44 646
Insurance & Licences		194				80 553	81 201
Interest Paid	454					14 628	14 628
Long Service Awards		250				250	500
Motor Vehicle Expenses	3 759	2 483				13 565	19 807
Repairs & Maintenance	8 982	5 324				51 222	65 528
Fuel & Oil						1 175	1 175
Management Fees	8 100	5 400				19 575	33 075
Medical Aid							

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

# Association for the Physically Disabled – Greater Johannesburg

## Schedule of expenses

for the year ended 31 March 2017

2016 Expenses	Social work R	Home based care R	Governance R	Protective Workshop R	Projects R	Support services R	Total R
Printing & Stationery	755	944				10 764	12 463
Professional Fees						125 950	125 950
Rent Paid	15 512	688		13 145			29 345
Repairs And Maintenance Buildings	87	114				377	377
Repairs And Maintenance Equipment		4 349				1 742	1 943
Salaries & Wages Casual		925 021				4 630	8 979
Salaries & Wages VIP	447 921				268 897	1 585 370	3 227 209
Sales New Projects						80 457	80 457
Security	3 215	1 245				10 082	14 542
Service Awards		1 000					1 000
Staff Training						1 850	1 850
Staff Welfare	2 460	2 624				9 140	14 224
Telephone & Fax	20 159	17 537				37 280	74 976
Travel allowance						10 800	10 800
Travelling Expenses	7 714	126 310				12 432	146 456
Uniforms & Clothing		1 042					1 042
Web Cost	2 340	614				9 783	12 737
Workman's Compensation						17 232	17 232
<b>Reallocation</b>	<b>546 461</b>	<b>1 121 934</b>	<b>88 524</b>	<b>38 145</b>	<b>1 127 932</b>	<b>2 369 517</b>	<b>5 292 513</b>
<b>For distribution</b>	<b>448 844</b>	<b>921 518</b>	<b>72 711</b>	<b>-</b>	<b>926 444</b>	<b>-2 369 517</b>	<b>-</b>
<b>Total expenses</b>	<b>995 305</b>	<b>2 043 452</b>	<b>161 235</b>	<b>38 145</b>	<b>2 054 376</b>	<b>-</b>	<b>5 292 513</b>

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