

masinyusane

Masinyusane Development Organisation
(Registration number 074-244-NPO)
Annual Financial Statements
for the year ended 31 March 2024

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Education, Community Development and Poverty Alleviation
Directors	I Adams J Browne C Bula N Dwayi T Gaxamba L Jayiya T Mabizela A Mukhiebiri S Thyse
Registered office	19 Sherlock Street Richmond Hill Port Elizabeth 6001
Business address	19 Sherlock Road Richmond Hill Port Elizabeth 6001
Bankers	First National Bank
Auditors	Michael Howcroft Incorporated Chartered Accountants (SA) Registered Auditors IRBA No: 954608 81 Cape Road Mill Park Port Elizabeth 6001
Company registration number	074-244-NPO
Tax reference number	9162378187,PBO number:930035604
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Nonprofit Organisations Act.
Issued	28 August 2024

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Contents

The reports and statements set out below comprise the annual financial statements presented to the executive members:

	Page
Directors' Responsibilities and Approval	3
Directors' Report	4 - 5
Independent Auditor's Report	6 - 7
Practitioner's Compilation Report	8
Statement of Financial Position	9
Statement of Comprehensive Income	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Accounting Policies	13 - 15
Notes to the Annual Financial Statements	16 - 19
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	20

Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Nonprofit Organisations Act.

Published

28 August 2024

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Directors' Responsibilities and Approval

The directors are required by the Nonprofit Organisations Act, 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 International Financial Reporting Standard for Small and Medium-sized Entities. 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 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 organisation and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set 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 organisation 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 directors have reviewed the company's cash flow forecast for the year to 31 March 2025 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 company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 6 - 7.

The annual financial statements set out on pages 9 to 19, which have been prepared on the going concern basis, were approved by the board of directors on 28 August 2024 and were signed on its behalf by:

Approval of annual financial statements


Director

Director

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Masinyusane Development Organisation for the year ended 31 March 2024.

1. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Nonprofit Organisations Act. 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 annual financial statements.

2. Auditors

Michael Howcroft Incorporated continued in office as auditors for the organisation for 2024.

At the AGM, the directors will be requested to reappoint Michael Howcroft Incorporated as the independent external auditors of the organisation and to confirm MI Howcroft as the designated lead audit partner for the 2025 financial year.

3. Directors

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

Directors	Nationality
I Adams	South African
J Browne	South African
C Bula	South African
N Dwayi	South African
T Gaxamba	South African
L Jayiya	South African
T Mabizela	South African
A Mukhiebiri	South African
S Thysse	South African

There have been no changes to the directorate for the period under review.

4. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

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.

6. 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.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual 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.

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Directors' Report

The annual financial statements set out on page 9, which have been prepared on the going concern basis, were approved by the board of directors on 28 August 2024, and were signed on its behalf by:

Approval of annual financial statements



Director
Executive

Wednesday, 28 August 2024



MICHAEL HOWCROFT INCORPORATED

(Registration number: 1995/06034/21)

REGISTERED AUDITOR

81 Cape Road, Mill Park, Port Elizabeth 6001. P O Box 12342, Centrabil 6006

Telephone +27 41 3734752. Telefax +27 41 3734796

email: info@howinc.co.za Website: <http://www.howinc.co.za>

Independent Auditor's Report

To the Directors of Masinyusane Development Organisation

Opinion

We have audited the annual financial statements of Masinyusane Development Organisation (the Organisation) set out on pages 9 to 19, which comprise the statement of financial position as at 31 March 2024; and the statement of comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Masinyusane Development Organisation as at 31 March 2024, and its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Nonprofit Organisations Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual 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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Masinyusane Development Organisation annual financial statements for the year ended 31 March 2024", which includes the Directors' Report as required by the Nonprofit Organisations Act and the supplementary information as set out on page 20. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual 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 annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual 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.

J.B.

Independent Auditor's Report

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Nonprofit Organisations Act, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual 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 Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 annual 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 annual 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 annual 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 annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Michael Howcroft Incorporated
MI Howcroft
Partner
Chartered Accountants (SA)
Registered Auditors
IRBA No: 954608

28 August 2024
Port Elizabeth
81 Cape Road
Mill Park
Port Elizabeth
6001

J.B.

Practitioner's Compilation Report

To the Directors of Masinyusane Development Organisation

I have compiled the annual financial statements of Masinyusane Development Organisation, as set out on pages 9 - 19, based on information you have provided. These annual financial statements comprise the statement of financial position of Masinyusane Development Organisation as at 31 March 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

I have applied my expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. I have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual 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 annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.



Riaan Voster
Associate General Accountant (SA)
SAICA Reg No. 20054145

28 August 2024
Port Elizabeth

J.B.

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Statement of Financial Position as at 31 March 2024

Figures in Rand	Note(s)	2024	2023
Assets			
Non-Current Assets			
Property, plant and equipment	2	6 521 915	4 069 487
Current Assets			
Trade and other receivables	3	826 549	1 122 188
Cash and cash equivalents	4	10 021 253	9 188 651
		10 847 802	10 310 839
Total Assets		17 369 717	14 380 326
Equity and Liabilities			
Equity			
Retained income		11 960 220	10 149 476
Liabilities			
Current Liabilities			
Trade and other payables	6	58 000	99 568
Deferred income	5	5 351 497	4 131 282
		5 409 497	4 230 850
Total Equity and Liabilities		17 369 717	14 380 326

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Statement of Comprehensive Income

Figures in Rand	Note(s)	2024	2023
Revenue	7	22 450 135	18 678 500
Other income	8	1 999 908	693 249
Operating expenses		(23 090 056)	(18 940 658)
Operating profit		1 359 987	431 091
Investment revenue	10	450 757	208 926
Profit for the year		1 810 744	640 017
Other comprehensive income		-	-
Total comprehensive income for the year		1 810 744	640 017

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 April 2022	9 509 459	9 509 459
Profit for the year	640 017	640 017
Other comprehensive income	-	-
Total comprehensive income for the year	640 017	640 017
Balance at 01 April 2023	10 149 476	10 149 476
Profit for the year	1 810 744	1 810 744
Other comprehensive income	-	-
Total comprehensive income for the year	1 810 744	1 810 744
Balance at 31 March 2024	11 960 220	11 960 220
Note(s)		

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Statement of Cash Flows

Figures in Rand	Note(s)	2024	2023
Cash flows from operating activities			
Cash receipts from Donors/Funders		27 101 521	19 284 939
Cash paid to suppliers and employees		(23 994 297)	(18 672 658)
Cash generated from operations	12	3 107 224	612 281
Interest income		450 757	208 926
Net cash from operating activities		3 557 981	821 207
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(2 725 379)	(148 252)
Total cash movement for the year		832 602	672 955
Cash and cash equivalents at the beginning of the year		9 188 651	8 515 695
Total cash at end of the year	4	10 021 253	9 188 650

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

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

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

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

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

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

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

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

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

Item	Depreciation method	Average useful life
Buildings	Straight line	20 years
Motor vehicles	Straight line	5 years

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

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

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

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1.2 Financial instruments (continued)

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

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

1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are 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 payments are 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.

Any contingent rents are expensed in the period they are incurred.

1.4 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill or investment property on the cost model 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.

1.5 Employee benefits

Short-term employee benefits

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

1.6 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1.7 Revenue

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

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

1.8 Borrowing costs

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

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Notes to the Annual Financial Statements

Figures in Rand

2024

2023

2. Property, plant and equipment

	2024			2023		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Land	1 600 000	-	1 600 000	1 600 000	-	1 600 000
Buildings	5 396 327	(1 213 898)	4 182 429	2 989 048	(1 064 446)	1 924 602
Motor vehicles	1 129 503	(390 017)	739 486	811 403	(266 518)	544 885
Total	8 125 830	(1 603 915)	6 521 915	5 400 451	(1 330 964)	4 069 487

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Closing balance
Land	1 600 000	-	-	1 600 000
Buildings	1 924 602	2 407 279	(149 452)	4 182 429
Motor vehicles	544 885	318 100	(123 499)	739 486
	4 069 487	2 725 379	(272 951)	6 521 915

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Land	1 600 000	-	-	1 600 000
Buildings	2 074 054	-	(149 452)	1 924 602
Motor vehicles	474 626	148 252	(77 993)	544 885
	4 148 680	148 252	(227 445)	4 069 487

Details of properties

Erf 2524, 68 Rubin Crescent, Summerstrand, Port Elizabeth

- Purchase price: 16 November 2015 (Land)	800 000	800 000
- Purchase price: 16 November 2015 (Buildings)	966 011	966 011
- Capitalised expenditure	83 907	83 907
- Accumulated Depreciation	(642 948)	(590 452)
	1 206 970	1 259 466

Erf 2532, 52 Rubin Crescent, Summerstrand, Port Elizabeth

- Purchase price: 19 October 2018 (Land)	800 000	800 000
- Purchase price: 19 October 2018 (Buildings)	1 939 130	1 939 130
- Accumulated Depreciation	(570 951)	(473 994)
	2 168 179	2 265 136

Erf 2105, 72 Russell Road, Central, Port Elizabeth

- Purchase price: 19 September 2023	1 919 584	-
- Capitalised expenditure	487 695	-
	2 407 279	-

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
3. Trade and other receivables		
Employment Tax Incentive (ETI) Receivable	644 979	543 332
Grant receivable-committed at the year-end	-	465 799
Reimbursement floats	58 733	27 400
VAT	122 837	85 657
	826 549	1 122 188
4. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	10 021 253	9 188 651
5. Deferred income		
Deferred income	5 351 497	4 131 282
Deferred income consists of the following:		
Sommerfeld (Germany), R3 034 635.		
Terre des Homme (Germany), R2 316 861		
6. Trade and other payables		
Audit fees	58 000	39 500
Other accrued expenses	-	26 202
Trade payables	-	33 866
	58 000	99 568
7. Revenue		
Donation income	421 069	499 244
Donations received - Local (Refer note 15 for details of major funders)	13 344 777	14 599 595
Donations received - Foreign (Refer note 15 for details of major funders)	8 684 289	3 579 661
	22 450 135	18 678 500
8. Other income		
ETI credits	1 999 908	645 064
Sundry income	-	48 185
	1 999 908	693 249
9. Depreciation, amortisation and impairments		
The following items are included within depreciation, amortisation and impairments:		
Depreciation		
Property, plant and equipment	272 951	227 445

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
10. Investment revenue		
Interest revenue		
Bank	450 757	208 926
11. Taxation		
No provision of tax		
No provision has been made for the 2024 tax period as the organisation is exempt from taxation in terms of section 10(1)(cN) read together with section 30 of the Income Tax Act.		
12. Cash generated from operations		
Net profit before taxation	1 810 744	640 015
Adjustments for:		
Depreciation, amortisation, impairments and reversals of impairments	272 951	227 445
Investment income	(450 757)	(208 926)
Changes in working capital:		
(Increase) decrease in trade and other receivables	295 639	(692 464)
Increase (decrease) in trade and other payables	(41 568)	40 557
Increase (decrease) in deferred income	1 220 215	605 654
	3 107 224	612 281

13. Commitments

Operating leases – as lessee (expense)

Operating lease payments represent rentals payable by the organisation for its office property at 19 Sherlock Street, Richmond Hill. The lease commenced on 1 January 2021 and terminated on 31 December 2021. Thereafter the lease should have been continued on an annual basis. However, both parties decided to continue with the lease on a monthly basis. No long term contractual obligation exists at 31 March 2024.

The Organisation has subsequently acquired its own premises at 72 Russell Road, Central, Port Elizabeth.

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.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual 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.

15. Funders

The following are major funders of the organisation

Sommerfeld Family Foundation - Germany

Terre Des Hommes (TDH) - Germany

Kouga Wind Farm Proprietary Limited - South Africa

Tsitsikamma Community Wind Farm (RF) Proprietary Limited - South Africa

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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15. Funders (continued)

Grassridge Wind Power (RF) Proprietary Limited - South Africa

Masinyusane Development Organisation

(Registration number: 074-244-NPO)

Annual Financial Statements for the year ended 31 March 2024

Detailed Income Statement

Figures in Rand	Note(s)	2024	2023
Revenue			
Donations		421 069	499 244
Grants		13 344 777	14 599 595
Contributions		8 684 289	3 579 661
	7	22 450 135	18 678 500
Other income			
Sundry income		-	48 185
ETI credits		1 999 908	645 064
		1 999 908	693 249
Operating expenses			
Back office (admin)		(1 575 385)	(907 940)
Depreciation, amortisation and impairments		(272 951)	(227 445)
Childrens literacy and youth jobs		(12 656 861)	(10 543 735)
Top learner project		(8 584 859)	(7 261 538)
		(23 090 056)	(18 940 658)
Operating profit		1 359 987	431 091
Investment income	10	450 757	208 926
Profit for the year		1 810 744	640 017