BADISA

Registration number as non profit organisation : 011-891

PROGRAM: DURBANVILLE CHILDRENS HOME

ANNUAL FINANCIAL STATEMENTS - 31 MARCH 2025

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QUALIFIED REPORT OF THE INDEPENDENT AUDITORS TO THE CHAIRMAN AND THE MEMBERS OF THE MANAGEMENT BOARD OF DURBANVILLE CHILDRENS HOME

We have audited the financial statements of Durbanville Childrens Home set out on page 4 - 15 , which comprise the balance sheet as at 31 March 2025, and the income statement and cash flow statement 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 Durbanville Childrens Home as at 31 March 2025, and its financial performance and cash flows for the year then ended in accordance with the accounting policies as set out in note 1 in the financial statements and the manner required by the Non-Profit Organisations Act.

Basis for qualified opinion

In accordance with similar organisations, it is not feasible for the program to institute accounting controls over cash collections from donations, fundraisers, sale of products and membership fees prior to initial entry of the collections in the accounting records. Accordingly, it was impracticle for us to extend our examination beyond the receipts actually recorded.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the Financial Statements section of our report. We are independent of the organisation 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) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of the management board for the Financial Statements

The management board is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies as set out in note 1 in the financial statements in the manner required by the Non-Profit Organisations Act, and for such internal control as the management 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 management board is responsible for assessing the program'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 management board either intend to liquidate the program or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 skepticism 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 program's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.
- Conclude on the appropriateness of the management 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 program's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the program 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 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.

………………………………………………….
THERON DU PLESSIS DURBANVILLE INC.
Chartered Accountants (SA)
Registered Auditors
Helena Huysamen CA(SA), RA
Director

18 August 2025
Durbanville

DECLARATION OF MANAGEMENT BOARD

The management board is required to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the program 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 policies as set out in note 1 in the financial statements. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the accounting policies and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The management board acknowledges that they are ultimately responsible for the system of internal financial control established by the program and places considerable importance on maintaining a strong control environment. To enable the management board to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk.

These controls are monitored throughout the program and all employees are required to maintain the highest ethical standards in ensuring the program’s business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the program is on identifying, assessing, managing and monitoring all known forms of risk across the program. While operating risk cannot be fully eliminated, the program 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 board is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The management board has reviewed the program’s cash flow forecast for the year to 31 March 2026 and, in the light of this review and the current financial position, they are satisfied that the program 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 program's financial statements. The financial statements have been examined by the program's external auditors and their report is presented on page 1-2.

The financial statements as set out and which have been prepared on the going concern basis, were approved by the board and were signed on their behalf by:

………………………………………	………………………………………	
CHAIRMAN	**ADMINISTRATIVE OFFICIAL**	**18 August 2025**

BALANCE SHEET AT 31 MARCH 2025

	Note	2025 R	2024 R
ASSETS			
Non-Current Assets		21 827 905	20 596 790
Fixed assets	**2**	2 823 246	2 621 828
Investments	**3**	19 004 659	17 974 962
Current Assets		1 015 796	431 871
Accounts receivable	**4**	560 918	217 235
Cash & cash equivalents	**5**	438 036	107 936
Cash on hand		16 842	106 700
		22 843 701	21 028 661
EQUITY AND LIABILITIES			
Capital and Reserves		21 756 910	20 098 915
Retained surplus		2 802 908	2 235 902
Special Reserves (Appendix 1)		18 954 002	17 863 013
Current Liabilities		1 086 791	929 746
Accounts payable	**6**	1 086 791	929 746
		22 843 701	21 028 661

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 R	2024 R
INCOME			
SPECIAL PROGRAM INCOME		104 800	32 102
Social first aid		104 800	32 102
DONATIONS AND BEQUESTS		12 090 300	12 533 910
Individuals		4 177 612	3 652 177
Congregation		174 366	123 218
Inheritance		1 220 081	1 324 383
Goods in kind		830 227	491 111
Businesses		5 688 014	6 943 021
FUNDRAISER		3 117 288	2 434 118
RENT RECEIVED		21 207	19 398
INCREASE / (DECREASE) IN MARKET VALUE OF SHARES		1 810 692	397 488
INTEREST RECEIVED		989 642	1 127 738
AWARDS RECEIVED		10 986	-
SALE OF PRODUCTS: GROSS PROFIT		2 206 301	2 029 920
INSURANCE CLAIMS		401 051	4 500
PROFIT FROM SALE OF ASSETS		-	158 226
SUBTOTAL		20 752 267	18 737 400
Subsidies	**7**	7 814 045	7 386 912
OPERATING INCOME TOTAL		28 566 312	26 124 312
EXPENSES			
SALARIES		12 529 324	11 933 526
Administrative		1 313 546	1 431 603
Household		4 490 343	4 254 125
Professional		3 785 409	3 504 550
Bonuses		766 510	734 846
Medical aid contributions		474 590	481 273
Pension fund contributions		1 169 313	1 111 452
Unemployment Insurance Fund (UIF)		93 576	91 928
Compensation commissioner		19 948	18 427
Leave pay		83 376	61 096
Increase / (Decrease) in leave entitlement		80 385	(44 098)
Staff Development		208 772	263 746
Staff study loan		23 000	-
Staff Welfare		20 556	24 578
Subtotal carried forward		12 529 324	11 933 526

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

	Note	2025 R	2024 R
Subtotal brought forward		12 529 324	11 933 526
TRANSPORT EXPENSES		683 969	684 619
Fuel		452 417	423 291
Repairs and maintenance		94 465	138 510
Insurance and license		137 087	122 818
OFFICE EXPENSES		542 495	413 877
Advertising		1 500	-
Printing and stationary		269 122	199 137
Levies, registrations and affiliations		70 440	69 450
Maintenance of office equipment		13 257	-
Telephone and postage		161 602	126 946
Insurance		24 262	3 985
Replacements		2 312	14 359
LAND AND BUILDINGS		2 263 324	1 802 026
Municipal services			
- Electricity		649 812	524 879
- Water and sanitation		441 030	360 777
Maintenance		740 596	459 079
Insurance		144 399	184 089
Security		287 487	273 202
HOUSEHOLD EXPENSES		5 728 341	4 848 260
Cleaning		294 899	290 907
Groceries		3 652 422	3 224 834
Clothing		401 201	248 942
Medical		60 871	18 012
Education and relaxation		337 102	284 698
Allowance		152 460	139 907
Repairs and maintenance		51 166	27 746
Transport		117 048	129 873
Program presentation		661 172	483 341
PROGRAM EXPENSES		218 031	275 131
Education and relaxation		218 031	275 131
Subtotal carried forward		21 965 484	19 957 439

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

	Note	2025 R	2024 R
Subtotal brought forward		21 965 484	19 957 439
SPECIAL SERVICES		2 036 718	1 727 087
Bank charges		192 002	165 220
Fundraising		1 699 094	1 485 995
Consultation and professional fees		-	2 000
Audit fees		23 420	21 080
Loss on sale of assets		122 202	-
Miscellaneous		-	52 792
EXPENSES BEFORE DEPRECIATION		24 002 202	21 684 526
DEPRECIATION		205 675	379 965
Furniture and equipment		191 253	94 823
Computer equipment		-	1 510
Motor vehicles		14 422	283 632
OPERATING EXPENSES TOTAL		24 207 877	22 064 491
NET SURPLUS / (DEFICIT) FOR THE YEAR			
OPERATING SURPLUS / (DEFICIT) FOR THE YEAR		4 358 435	4 059 821
CAPITAL EXPENDITURE		(2 700 438)	(2 529 513)
OPERATING / (DEFICIT) AFTER CAPITAL EXPENDITURE		1 657 997	1 530 308
MOVEMENT IN RESERVE FUND			
Recoveries from:		1 587 296	2 064 199
- Piet du Toit Bursary		1 450 843	2 059 215
- Reserve funds		121 098	4 423
- Maintenance Fund		15 355	561
Contributions to:		(2 678 287)	(2 398 346)
- Piet du Toit Bursary Fund		(2 448 046)	(2 289 794)
- Reserve Fund		(204 331)	(96 336)
- Maintenance Fund		(25 910)	(12 216)
NET SURPLUS / (DEFICIT) FOR THE YEAR		567 006	1 196 161

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 R	2024 R
CASH FLOW FROM OPERATING ACTIVITIES		1 799 233	1 695 846
Cash receipts from clients and funders		28 566 312	26 124 312
Cash payments to employees and suppliers		(27 756 721)	(25 556 207)
Cash utilised by operating activities	1	809 591	568 108
Investment income		989 642	1 127 738
CASH FLOW FROM INVESTING ACTIVITIES		(1 558 991)	(1 651 019)
Fixed assets purchased		(509 106)	(1 770 830)
Proceeds from sale of Assets		-	200 000
Decrease / (Increase) in investments		(1 049 885)	(80 189)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		240 242	44 827
CASH AND CASH EQUIVALENTS BEGINNING OF THE YEAR		214 636	169 809
CASH AND CASH EQUIVALENTS END OF THE YEAR		454 878	214 636

1 RECONCILIATION OF CASH UTILISED BY OPERATING ACTIVITIES WITH NET SURPLUS / (DEFICIT) FOR THE YEAR

	2025	2024
Net surplus / (deficit) for the year	567 006	1 196 161
Adjustments for:		
- Depreciation	205 675	379 965
- Investment income	(989 642)	(1 127 738)
- Gain on sale of assets	-	(158 226)
- Loss on sale of assets / assets written off	122 202	-
- Movements in reserve Fund	1 090 991	334 147
- Rounding	(3)	-
Operating income before working capital changes	996 229	624 311
Changes in working capital		
- (Increase) / Decrease in receivables	(343 683)	14 951
- Increase / (Decrease) in creditors	157 045	(71 154)
Cash utilised by operating activities	809 591	568 108

RESERVE FUNDS (APPENDIX 1)

	Mainte-nance Fund R	Reserve Fund R	Piet du Toit Bursary Fund R	2025 Total R	2024 Total R
Balance beginning of the year	164 783	1 299 524	16 398 705	17 863 012	17 528 866
Add:	25 910	204 331	2 448 046	2 678 287	2 398 346
Contributions	-	-	-	-	1 000 000
Adjustment in Market Value	17 517	138 140	1 655 034	1 810 691	397 488
Interest	8 393	66 190	793 012	867 596	1 000 858
Less:	(15 355)	(121 098)	(1 450 843)	(1 587 296)	(2 064 199)
Drawings	(15 355)	(121 098)	(1 450 843)	(1 587 296)	(2 064 199)
Balance end of year	175 337	1 382 757	17 395 909	18 954 002	17 863 013

- The purpose of the Maintenance Fund is to make funds available for large maintenance expenses for land and buildings.
- The Reserve Fund was created for the purchase and replacement of vehicles, computers, and equipment.
- The Piet du Toit Fund is used for school sponsorships, studies, and the needs of children.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

1.1 Basis of presentation

The financial statements have been prepared on the historical cost basis and are presented in South African Rand. The accounting policies are consistent with those of the previous period. The following are the principal accounting policies used.

1.2 Fixed assets

Fixed assets are tangible items that:
- Held for use in the production or supply of goods and services, for rental to others or for administrative purposes; and
- expected to be used in more than one period.

Vehicles and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Fixed assets received as donations or bequests, are stated at nominal value.

Cost includes all costs incurred to deliver to the place the asset and the state that is necessary to enable it to function in the manner contemplated by management.

Depreciation on vehicles and equipment are provided, using methods that are appropriate to write off the depreciable amount of the assets over their economic life. The following depreciation and economic lives are allocated to the respective assets:
- Furniture and equipment - 10% according to the diminishing balance method;
- Computer equipment - 33.33%, according to the straight-line method;
- Vehicles - 20% according to the diminishing balance.

In addition to the above:
- Purchases of tangible assets with a cost of R3,000 and less recognized as incurred an expense in the period;
- Purchases of tangible assets with a cost of between R3,000 and R7,000 is capitalized, but the full amount will be written off as depreciation in the year of purchase;
- Capital improvements to buildings under lease agreements are recognised directly in the surplus or deficit for the year in which it incurred.

Gains and losses on sales are determined by comparing proceeds with the carrying amount and are recognized in surplus or deficit in the period.

1.3 Financial instruments

Initial measurement

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

Financial instruments at amortised cost

Debt securities, including loans payable and receivable and trade receivables and trade payables are then measured at amortized cost using the effective interest rate method. Debt securities that are classified as current assets or current liabilities are measured at the undiscounted amount of cash received or expected to be paid.

At the end of each reporting period the carrying amount of assets held are reviewed in this category, to determine whether there is objective evidence of impairment. If so, it is recognized as an impairment loss.

NOTES TO THE FINANCIAL STATEMENTS

1.3 Financial instruments (Continued)

Financial instruments at cost

Obligations to get a loan is measured at cost less any impairment.

Equity instruments that are not publicly traded and whose fair value otherwise can be reliably measured, are measured at cost less any impairment. These include equities held in unlisted investments.

Financial instruments at fair value

All other financial instruments are measured at fair value through surplus or defecit.

1.4 Special reserve funds

The values shown represent capital and accumulated investment return of the funds of which the whole yield may be used for specified objectives.

1.5 Short-term employee benefits

The cost of short-term employee benefits (those payable within 12 months after the service is rendered such as paid leave) is recognized in the period in which services are delivered and are not discounted.

1.6 Goverment grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable. Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met. Grants received before the revenue recognition criteria are satisfied are recognised as a liability. Grants are measured at the fair value of the asset received or receivable.

1.7 Income recognition

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.

Revenue is recognised upon delivery of products and customer acceptance, net of value added tax and discounts.

Other income earned is recognized on the following bases:

- Interest income as it accrues (taking into account effective yield on asset) unless collectability is in doubt.
- Donations, bequests and fundraising - when the amount is received.
- Rent / accommodation income - as it accrues, according to the agreement conditions.
- Membership fees - when the amount actually received is
- Day care fees - when the amount actually received is
- Admin and service fees - in the period the service is provided.

1.8 Borrowing costs

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

1.9 Impairment of assets

At each reporting date evaluating is done on any indication whether there has been a drop in an asset's value. If there is any indication that an asset's value may have declined, then the recoverable amount for the individual asset is determined. If the recoverable amount of an individual asset can not be determined, the recoverable amount of the cash-generating unit to which the asset belongs, is determined.

If an impairment is therefore reversed, the carrying amount of the asset (or group of related assets) is amended to its recoverable amount, but no more than the amount that would have been determined if no impairment adjustments were made for the asset (or asset group) in prior years. The reversal of an impairment is recognised immediately in surplus or deficit.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R	2024 R
2 FIXED ASSETS		
2.1 FURNITURE AND EQUIPMENT		
Cost price beginning of the year	1 966 075	1 480 462
Plus: Purchases	178 282	485 613
Cost price end of the year	2 144 357	1 966 075
Less: Accumulated depreciation	(1 072 746)	(881 493)
Carrying value end of the year	1 071 611	1 084 582
2.2 MOTOR VEHICLES		
Cost price beginning of the year	3 173 532	2 226 314
Plus: Purchases	320 325	1 285 217
Less: Sales	(417 443)	(338 000)
Cost price end of the year	3 076 414	3 173 531
Less: Accumulated depreciation	(1 335 297)	(1 636 304)
Carrying value end of the year	1 741 117	1 537 227
2.3 COMPUTERS		
Cost price beginning of the year	242 013	242 013
Plus: Purchases	10 499	-
Cost price end of the year	252 512	242 013.000
Less: Accumulated depreciation	(241 994)	(241 994)
Carrying value end of the year	10 518	19
TOTAL ASSETS		
Cost price beginning of the year	5 381 620	3 948 789
Plus: Purchases	509 106	1 770 830
Less: Sales	(417 443)	(338 000)
Cost price end of the year	5 473 283	5 381 619
Less: Accumulated depreciation	(2 650 037)	(2 759 791)
Carrying value end of the year	2 823 246	2 621 828

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R	2024 R
3 INVESTMENTS		
ABSA Money Market	50 656	111 950
FNB Stockbroking Portfolio *	18 954 003	17 863 012
	19 004 659	17 974 962
* The investment is shown at market value.		
Apportioned as follows:		
Durbanville Childrens Home	50 656	111 950
Special Funds (See Appendix 1)	18 954 003	17 863 012
Maintenance Fund	175 337	164 783
Motor Vehicle replacement Fund	1 382 758	1 299 524
Piet du Toit Bursary Fund	17 395 908	16 398 705
	19 004 659	17 974 962
4 ACCOUNTS RECEIVABLE		
VAT Receivable	532 421	185 426
Prepaid expenses	21 898	24 549
City of Cape Town (Prepaid Water expense)	6 599	7 260
	560 918	217 235
5 CASH & CASH EQUIVALENTS		
Bank	438 036	107 936
	438 036	107 936
6 ACCOUNTS PAYABLE		
Accounts payable	561 181	499 522
Provision for leave	509 996	429 610
Badisa Management programme	614	614
Grants received in advance	15 000	-
	1 086 791	929 746

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R	2024 R
7 SUBSIDY		
- Department of Social Development	7 814 045	7 386 912
	7 814 045	7 386 912
(Subsidy in respect of April 2024 - March 2025)		
Department of Health distributed as follows:		
Provincial administration		
- Western Cape	7 814 045	7 386 912
Department of Social Development	7 814 045	7 386 912

8 CONTINGENCIES

Contracts were done for the rental of equipment over an average of five years with a fixed escalation.

	2025 R	2024 R
Minimum lease payments due		
Within one year	75 840	75 840
In second to fifth year inclusive	113 760	189 600
	189 600	265 440