

**LELIEBLOEM HOUSE**

**ANNUAL FINANCIAL STATEMENTS**  
**For the year ended 31 March 2021**

## **LELIEBLOEM HOUSE**

### **ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021**

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#### **ORGANISATION INFORMATION**

Non Profit Organisation Number: 003-227

Public Benefit Organisation Number: 18/11/13/2737

Business and postal address: Korne Close  
Off Belgravia Road  
Crawford  
7780

Auditors: PricewaterhouseCoopers Inc.  
Cape Town

Board: W Junor  
H Poulos  
HC Fichardt  
S M C Kleinschmidt-Page  
F Seragie (Chairperson)  
Fr. A Ernest  
F G Cornelius (Director)  
H Adonis  
C Petersen (Deputy Chairperson)  
M McGregor

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## LELIEBLOEM HOUSE

### STATEMENT BY THE BOARD for the year ended 31 March 2021

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The board is required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements present the state of affairs of the house 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 International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

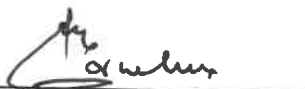
The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The board acknowledge that they are ultimately responsible for the system of internal financial control established by the house and place considerable importance on maintaining a strong control environment. To enable the 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 house and all employees are required to maintain the highest ethical standards in ensuring the house's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the house is on identifying, assessing, managing and monitoring all known forms of risk across the house. While operating risk cannot be fully eliminated, the house endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The board have reviewed the house's cash flow forecast for the year to 31 March 2022 and, in the light of this review and the current financial position, they are satisfied that the house has or has access to adequate resources to continue in operational existence for the foreseeable future.

The audit report of PricewaterhouseCoopers Incorporated is presented on page 3 to 5.

The financial statements were approved by the board and are signed on its behalf.



F. Cornelius  
Director

Date: 8 /10/2021



W. Junor  
Treasurer

Date: 8 /10/2021



## *Independent auditor's report*

To the Board of Leliebloem House

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### *Our qualified opinion*

In our opinion, except for the possible effects 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 Leliebloem House (the Organisation) as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

### **What we have audited**

Leliebloem House's financial statements set out on pages 6 to 19 comprise:

- the statement of financial position as at 31 March 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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### *Basis for qualified opinion*

Donations are a significant source of revenue for Leliebloem House. The Board has determined that it is impracticable to establish internal controls over the collection of donations prior to the initial entry into its financial records. We were therefore unable to confirm whether all donations were recorded. Our opinion on the financial statements for the period ended 31 March 2021 was modified accordingly.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **Independence**

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).

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### *Other information*

The Board is responsible for the other information. The other information comprises the information included in the document titled “Leliebloem House Annual Financial Statements for the year ended 31 March 2021”. 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 identified above 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. As described in the Basis for Qualified Opinion section above, we were unable to confirm whether all donations were recorded. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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### *Responsibilities of the directors for the financial statements*

The 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 directors 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 Board is responsible for assessing the Organisation’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 Board either intend to liquidate the Organisation or to cease operations, or have no realistic alternative but to do so.

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### *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 Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the 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 Organisation'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 Organisation 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 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.

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A handwritten signature in black ink that reads 'PricewaterhouseCoopers Inc.' in a cursive script.

**PricewaterhouseCoopers Inc.**

**Director: Viresh Harri**

**Registered Auditor**

**Cape Town**

**12 October 2021**

**LELIEBLOEM HOUSE**

**STATEMENT OF FINANCIAL POSITION**  
as at 31 March 2021

	Notes	<u>2021</u> R	<u>2020</u> R
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3	<u>1,126,079</u>	<u>1,218,763</u>
		<b>1,126,079</b>	<b>1,218,763</b>
<b>Current Assets</b>			
Accounts receivable	5	-	3,140
Cash and cash equivalents	4	<u>20,116</u>	<u>60,694</u>
		<b>20,116</b>	<b>63,834</b>
<b>Total Assets</b>		<u><b>1,146,195</b></u>	<u><b>1,282,597</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Accumulated Surplus		729,840	133,353
Isibindi Programme		65,584	-
Adolescent Development Programme		102,033	-
Specialized Behaviour Programme		<u>21,201</u>	<u>-</u>
		<b>918,658</b>	<b>133,353</b>
<b>Current Liabilities</b>			
Trade and other payables	6	174,465	121,686
Deferred revenue	7	44,065	44,065
Leliebloem House Trust	20	-	965,863
Lease Liability		<u>9,007</u>	<u>17,631</u>
		<b>227,537</b>	<b>1,149,244</b>
<b>Total Equity and Liabilities</b>		<u><b>1,146,195</b></u>	<u><b>1,282,597</b></u>

**LELIEBLOEM HOUSE**

**STATEMENT OF COMPREHENSIVE INCOME  
for the year ended 31 March 2021**

	Notes	<u>2021</u> R	<u>2020</u> R
<b>Revenue</b>			
Western Cape Department of Social Development			
- funding received		2,827,786	2,718,696
Donations, bequests and other grants		4,029,715	3,214,895
Donation in kind		431,532	377,711
Other income		460,622	229,609
Special projects income	9	2,760,920	2,892,286
		<u>10,510,575</u>	<u>9,433,197</u>
<b>Operating Expenses</b>			
Administration		(582,598)	(446,209)
Other Expenses	9	(324,598)	(274,710)
General living		(1,414,101)	(1,345,535)
Staff Expenses	9	(4,831,882)	(4,725,829)
Special projects expense	9	(2,572,102)	(2,892,285)
		<u>(9,725,281)</u>	<u>(9,684,569)</u>
<b>Operating Surplus/(Deficit)</b>		<b>785,294</b>	<b>(251,372)</b>
Interest received	10	11	28
<b>Net surplus/(deficit) for the year</b>		<u><b>785,305</b></u>	<u><b>(251,343)</b></u>
<b>Allocation of the surplus/(deficit) for specific funding</b>			
Family Reunification Reserve		-	-
Adolescent Development Programme		(102,033)	-
Isibindi Programme		(65,584)	-
Specialized Behaviour Programme		(21,201)	-
		<u>(188,818)</u>	<u>-</u>
<b>Net surplus/(deficit) transferred to accumulated funds</b>		<u><b>596,487</b></u>	<u><b>(251,344)</b></u>



**LELIEBLOEM HOUSE**  
**STATEMENT OF CHANGES IN EQUITY**  
**for the year ended 31 March 2021**

	<u>2021</u>	<u>2020</u>
	R	R
<b>Accumulated Funds</b>		
At beginning of year	133,353	384,696
Movement for the year	596,487	(251,343)
At end of year	729,840	133,353
<b>Adolescent Development Programme</b>		
At beginning of year	-	-
Movement for the year	102,033	-
Funds and donations received	539,988	539,953
Programme expenses	(437,955)	(539,952)
Transfer to Leliebloem House	-	-
At end of year	102,033	-
<b>Isibindi Programme</b>		
At beginning of year	-	-
Movement for the year	65,584	-
Funds and donations received	1,896,686	2,028,065
Programme expenses	(1,831,102)	(2,028,065)
Transfer from Leliebloem House	-	-
At end of year	65,584	-
<b>Specialized Behaviour Programme</b>		
At beginning of year	-	-
Movement for the year	21,201	-
Funds and donations received	324,246	324,268
Programme expenses	(303,045)	(324,268)
Transfer from Leliebloem House	-	-
At end of year	21,201	-
<b>Total funds</b>	918,658	(133,353)

## **LELIEBLOEM HOUSE**

### **STATEMENT OF CHANGES IN EQUITY (continued) for the year ended 31 March 2021**

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#### **Family Reunification Fund**

The funding received is used solely for the operational costs and the salary of a social worker, and honorarium volunteers for running this effective programme. The purpose of this programme is to assess and identify families to whom children can be successfully reunited.

#### **Adolescent Development Programme**

This programme was initiated by Leliebloem House as part of a Network of Shared Services Delivery Model within the Athlone District. Due to this need, funding was received for the implementation of this project from the Department of Social Development. This Project was piloted with the youth from 8 Children's Homes within the Athlone Community. The programme has now expanded to incorporate community organizations and schools.

#### **Isibindi Programme**

The Isibindi Model was designed by the National Association of Child Care Workers. It has been implemented in over 55 sites in 8 Provinces. This model is in partnership with National Association of Child Care Workers, Department of Social Development and international donors, with Department of Social Development being the major donor. It currently has 40 partner organisations including Leliebloem House. This model responds holistically to orphan vulnerable children who are infected or affected by HIV/AIDS, as well as children living in child head

#### **Specialised Behaviour Programme**

The Specialised Behaviour Management program offers holistic and therapeutic support to children and their families affected by severe behavioural challenges. Participation in the program offers the child and their support structure including their families, guardians and schools with the necessary skills and support to be able to better manage these behavioural challenges.

#### **Capital Reserve**

The Capital Reserve consist of grants and donations received for capital purposes, and which are not available for supporting operating expenditure. It also includes fair value adjustments to investments.

**LELIEBLOEM HOUSE**

**STATEMENT OF CASH FLOWS**  
for the year ended 31 March 2021

	Notes	<u>2021</u> R	<u>2020</u> R
<b>Cash flow utilised from operating activities</b>	12	<b>(409,871)</b>	(51,331)
Interest received	10	11	28
Net cash flow from operating activities		<u>(409,860)</u>	<u>(51,303)</u>
<b>Cash flows from investing activities</b>			
Additions of property, plant and equipment	3	(48,698)	(16,943)
Net cash flow from investing activities		<u>(48,698)</u>	<u>(16,943)</u>
<b>Cash flows from financing activities</b>			
Cash received from Leliebloem House Trust during the year		417,980	79,444
Net cash flow from financing activities		<u>417,980</u>	<u>79,444</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(40,578)</b>	11,198
<b>Cash and cash equivalents at the beginning of year</b>		<b>60,694</b>	49,496
<b>Cash and cash equivalents at the end of year</b>	4	<u><u>20,116</u></u>	<u><u>60,694</u></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2021

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**1. Basis of preparation**

The annual financial statements have been prepared in accordance with International Financial Reporting

**2. Accounting policies**

**2.1 Change in accounting policies**

The company initially applied IFRS 16 Leases from 1 April 2019. A number of other new standards are also effective from 1 January 2019 but they do not have a material effect on the company's financial statements.

The company applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 April 2020. Accordingly, the comparative information presented for 2019 is not restated – i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below.

**A. Definition of a lease**

Previously, the company determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 Determining whether an Arrangement contains a Lease. The Company now assesses whether a contract is or contains a lease based on the definition of a lease, as explained in Note 2.3

On transition to IFRS 16, the company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The company applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease under IFRS 16. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 April 2019.

**B. As a lessee**

As a lessee, the company leases office equipment. The company previously classified leases as operating leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the company. Under IFRS 16, the company have elected to apply the practical expedient relating to low value assets and as such no right-of-use assets and lease liabilities were recognized – i.e. these leases are still off-balance sheet.

The company applied the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17. In particular, the company:

- ☐ did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- ☐ did not recognise right-of-use assets and liabilities for leases of low value assets (e.g. IT equipment);

**C. Impact on transition**

On transition to IFRS 16, the company recognised no right-of-use assets or lease liabilities. Therefore there was no impact on transition to IFRS 16 from IAS 17. The entity will continue to account for leases on a systematic basis in line with previous IAS 17 requirements.

**2.2 Property, plant and equipment**

All property, plant and equipment are initially recorded at historical cost. Historical cost includes expenditure that is

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate,

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their

The following estimated useful lives were used in the preparation of these accounts:

Buildings	40 years
Furniture and equipment	6.67 years
Computer equipment	3 years
Motor Vehicles	5 years

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021 (continued)**

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**2.3 Lease liability and Right-of-use Asset**

The company assesses whether a contract is, or contains, a lease at inception of the contract. The company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

**2.4 Financial instruments**  
**Measurement**

IFRS 9 "Financial instruments" replaced existing standard IAS 39 during the previous financial year and had a very limited effect. Regular purchases and sales of financial assets and liabilities are recognized on trade date. The initial measurement of all financial instruments is at fair value. Except for derivatives, the initial measurement of financial instruments is adjusted for directly attributable transaction costs.

**Classification**

All financial assets are measured at either amortized cost, fair value through profit or loss or fair value through other comprehensive income.

Financial assets are classified according to a model based on:

- A contractual cash flow characteristics test
- A business model dictating how the reporting entity manages its financial assets in order to generate cash flows as either:
  1. hold to collect contractual cash flows;
  2. collect contractual cash flows and sell; or
  3. neither 1 or 2.

Financial assets will be irrevocably designated, on initial recognition, at fair value through profit and loss only if doing so eliminates or significantly reduces an accounting mismatch.

The classification of a financial asset is determined at initial recognition, with reclassification only occurring when the business model managing financial assets has changed.

**Impairment of financial assets**

Debt instrument financial assets are assessed for impairment either according to the general approach or a simplified model.

The calculation of impairment under the general approach uses following stages:

- 12-month expected credit losses; taking in account possible default events within one year;
- Lifetime expected credit losses in case of an increase in credit risk; through recognition of expected credit losses over the remaining life of the exposure;
- Lifetime expected credit losses, where interest is calculated on the net amount of the receivables less impairment loss.

**2.5 Receivables**

Trade and other receivables are recognised initially at transaction price. Leliebloem House holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less loss allowance. The IFRS 9 simplified approach is applied for measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Bad debts are written off during the year in which they were identified.

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021 (continued)**

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**2.6 Investments**

Investments are recognised initially at fair value in line with IFRS 9. No transaction fees are incurred on these transactions. Investments are subsequently measured at fair value. Any interest received or dividends on the investments is recognised as and when these are received.

**2.7 Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits and

**2.8 Provisions**

Provisions are recognised when the organisation has a present, legal or constructive obligation as a result of a  
Employee entitlements to annual leave is recognised when they accrue to employees. A provision is made for the

**2.9 Revenue and deferred revenue recognition**

The majority of the entity's revenue is derived from funds received from the Western Cape Department of Social Services, donations and interest. Revenue from funding and donations is recognised at a point in time of receiving the funds unless there are future performance obligations to the funding. In the event of future committed events revenue recognition are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs for which they are intended to be utilised. Interest is accounted for using the effective interest rate method.

**2.10 Retirement benefits**

The organisation has a defined contribution plan. A defined contribution plan is a pension plan under which the

**2.11 Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently

Borrowings are classified as non - current liabilities with the exception of the current portion payable within the

**2.12 Payables**

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021 (continued)**

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**3. New Standards and Interpretations**

**3.1 Standards and interpretations effective and adopted in the current year**

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

**Standard/ Interpretation:**

**Effective date:**  
**Years beginning on or after**

\* IFRS 16 Leases

01 January 2019

The adoption of above standard did not have any impact on the current period or any prior period and its not likely to affect future periods.

**3.2 Standards and interpretations not yet effective**

There are no standards and interpretations that have been published and that are relevant to the company for periods beginning on or after 1 January 2020.

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021 (continued)**

	Freehold land & Buildings	Furniture & Equipment	2021	Motor	2020
			Computer Equipment	Vehicles	Total
	R	R	R	R	R
<b>3 Year ended 31 March 2021</b>					
Opening Carrying amount	1,015,617	144,124	24,356	34,667	1,218,764
Additions/Replacements	-	21,800	14,898	12,000	48,698
Cost of Disposals		(3,873)	(6,500)	-	(10,373)
Accumulated Depreciation of Disposals		3,873	6,500	-	10,373
Depreciation Charge	(37,001)	(65,980)	(21,202)	(17,200)	(141,383)
<b>Carrying amount at year end</b>	<b>978,616</b>	<b>99,944</b>	<b>18,052</b>	<b>29,467</b>	<b>1,126,079</b>
 Cost	 1,992,330	 657,742	 186,975	 610,000	 3,447,047
Accumulated depreciation	(1,013,714)	(557,798)	(168,923)	(580,533)	(2,320,968)
<b>Carrying amount at year end</b>	<b>978,616</b>	<b>99,944</b>	<b>18,052</b>	<b>29,467</b>	<b>1,126,079</b>
 <b>Year ended 31 March 2020</b>	 <b>R</b>	 <b>R</b>	 <b>R</b>	 <b>R</b>	 <b>R</b>
Opening Carrying amount	1,052,618	197,786	35,455	50,667	1,336,526
Additions/Replacements	-	9,908	7,035	-	16,943
Cost of Disposals		(12,793)	(15,500)	-	(28,293)
Accumulated Depreciation of Disposals	-	12,793	15,500	-	28,293
Depreciation Charge	(37,100)	(63,570)	(18,134)	(16,000)	(134,061)
<b>Carrying amount at year end</b>	<b>1,015,518</b>	<b>144,124</b>	<b>24,356</b>	<b>34,667</b>	<b>1,218,665</b>
 Cost	 1,992,330	 639,815	 178,577	 598,000	 3,408,722
Accumulated depreciation	(976,713)	(495,691)	(154,221)	(563,333)	(218,958)
<b>Carrying amount at year end</b>	<b>1,015,617</b>	<b>144,124</b>	<b>24,356</b>	<b>34,667</b>	<b>1,218,764</b>

Freehold land and buildings comprise land held under deed of transfer 8124/1972, situated at Korne Close, Crawford, Cape Town, together with buildings thereon.

	2021	2020
	R	R
<b>4 Cash and cash equivalents</b>		
Bank balances	15,116	55,694
Cash on hand	5,000	5,000
	<b>20,116</b>	<b>60,694</b>
 <b>5 Accounts receivable</b>		
Accounts receivable		3,140
	-	3,140



LELIEBLOEM HOUSE

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2021 (continued)

	2021	2020
	R	R
<b>6 Trade and other payables</b>		
Trade payables	51,470	19,625
Accruals	122,995	102,061
	<u>174,465</u>	<u>121,686</u>
<b>7 Deferred revenue</b>		
Totalgaz: New Kitchen	44,065	44,065
	<u>44,065</u>	<u>44,065</u>
The revenue as indicated above will be utilised in the new financial year as agreed and indicated by the donors.		
<b>8 Special projects income</b>		
Adolscent Development Programme	539,988	539,953
Specialized Behaviour Programme	324,246	324,268
Isibindi Programme	1,896,686	2,028,065
Special projects income	<u>2,760,920</u>	<u>2,892,286</u>
<b>9 Operating Expenses</b>		
The following items have been included in expenditure:		
<b>Staff expenses</b>		
Salaries	4,562,299	4,449,057
Pension fund contributions	217,268	214,038
Staff training and development	49,214	61,414
Casual labour	3,100	1,320
	<u>4,831,882</u>	<u>4,725,829</u>
Average number of persons employed over the period:		
- Full time	55	56
	<u>55</u>	<u>56</u>
<b>Other Expenses</b>		
Depreciation (see note 4)		
- Buildings	37,001	37,001
- Furniture	65,980	63,570
- Computer equipment	21,202	18,134
- Motor vehicles	17,200	16,000
	<u>141,383</u>	<u>134,705</u>
Motor Vehicle Running Expenses	111,168	90,442
Repairs and maintenance	72,047	49,564
	<u>324,598</u>	<u>274,710</u>
<b>Special projects expense</b>		
Adolscent Development Programme	437,955	539,953
Specialized Behaviour Programme	303,045	324,268
Isibindi Programme	1,831,102	2,028,065
Special projects expense	<u>2,572,102</u>	<u>2,892,285</u>
<b>10 Net finance income</b>		
Interest Received	11	28
	<u>11</u>	<u>28</u>

## LELIEBLOEM HOUSE

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021 (continued)

#### 11 Taxation

Leliebloom House has been approved, on 7 March 2005, as a Public Benefit Organisation (PBO) in terms of section 30 of the Income Tax Act, ("the Act") and has also been approved in terms of Section 18A. The receipts and accruals of Leliebloom House are exempt from income tax in terms of section 10 (1) (cN) of the Act, and as a result no provision has been made for income tax.

#### 12 Cash utilised in operations

	<u>2021</u>	<u>2020</u>
	R	R
Reconciliation of deficit for the year to cash utilised in operations:		
Net surplus/(deficit) for year	785,305	(251,343)
Net finance income	(11)	(28)
Depreciation	141,383	134,705
Donation from Leliebloom Trust	<u>(1,383,843)</u>	<u>-</u>
	(457,166)	(116,667)
Decrease in receivables	3,140	31,690
Increase in trade and other payables	44,155	33,646
Cash flows from operating activities	<u>(409,871)</u>	<u>(51,331)</u>

#### 13 Related party transactions

Leliebloom House is a beneficiary of the Leliebloom House Trust. In line with the trust deed requirements, the trust distributed R (2020 R) of its prior year realised income to Leliebloom House.

#### 14 Pension fund contributions

Leliebloom House makes fixed contributions for the benefit of 7 (2020: 7) employees to the defined benefit contribution plan, CPSA Layworkers Pension Fund. During the year the total contribution (employee and employer) was R217 268(2020:R214038).

#### 15 Financial instruments

##### Nature and extent of financial instruments

Financial instruments carried on the balance sheet consist of receivables, investments, cash and cash equivalents, trade and other payables and borrowings.

The organisation has not engaged in any other derivative or interest rate instruments.

##### Fair values

At 31 March 2021 and 31 March 2020 the carrying values of financial instruments reported in the financial statements approximate their fair values.

**16 Financial risk management**

The organisation's activities expose it to a variety of financial risks: market risk, (including fair value interest rate risk and cash flow interest rate risk) and liquidity risk.

**Credit Risk**

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to donors, including outstanding receivables. There is no independent rating so the organisation assesses the credit quality of the donors, taking into account its financial position, past experience and other factors. Potential concentrations of credit risk principally exist in the area of short-term cash, cash equivalents and trade receivables. The organisation only deposits cash surpluses with major banks of high credit standing.

The table below shows the balance of the major counterparties at the balance sheet date:

Counter Party	Rating	2021	2020
		R	R
Standard Bank	P-3	15,116	55,694

No credit limits were exceeded during the period, and management does not expect any losses from non-performance by the counterparty.

**Market Risk****(i) Foreign exchange risk**

The organisation is not exposed to foreign currency risk because when they receive foreign currency it is immediately translated to local currency. At year end there are also no foreign currency receivables or payables.

**(ii) Cash flow and fair value interest rate risk**

The organisation has no significant interest bearing assets, and its income and operating cash flows are substantially independent of changes in market interest rates. The organisation's exposure to interest rate risk is limited, as interest is a market related rate.

	Carrying value	+ 1%	-1%
<b>31 March 2021</b>			
Cash and cash equivalents	15,116	151	(151)
<b>31 March 2020</b>			
Cash and cash equivalents	55,694	557	(557)

**Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the availability to close out market position.

The table below analyses the organisation's financial liabilities into relevant maturity groupings. The amount disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Due within 1 year	Due within 2-5 years	Due after 5 years	Total
<b>2021</b>				
Trade and other payables	174,465	-	-	174,465
	174,465	-	-	174,465
<b>2020</b>				
Trade and other payables	121,686	-	-	121,686
	121,686	-	-	121,686

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021 (continued)**

**17 Operating lease commitments**

At the balance sheet date the organisation had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	<u>2021</u>	<u>2020</u>
	R	R
Not later than 1 year	130,493	130,493
Later than 1 year but not later than 5 years	365,767	365,767
	<u>496,260</u>	<u>496,260</u>

**18 Going Concern**

The annual financial statement 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 realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Organization has incurred a net deficit prior to the donation from the Leliebloem Trust of R607,163 (2020: R251,343). The Organisation's total assets exceeded its total liabilities by R910,033 (2020: R133,353). The Organization's liquidity position as at 31 March, current liabilities exceeding current assets, is R216,046 (2020: R1,085,410). The Organisation continues to incur losses.

The effect of the Covid-19 pandemic on the Organisation's ability to continue as a going concern has been assessed by management. A plan has been implemented by management and management are of the opinion that sufficient steps have been taken post year end to ensure the ability of The Organisation to continue as a going concern. These steps include the reduction in the operational costs and maintaining a positive cash balance. The ability of the Organisation to continue as a going concern is dependent on a number of factors. The most significant of these being:

- The continued support from the Department of Social Development and other donors by way of donations.
- Leliebloem House Trust to provide additional funding on an as needed basis and to waive its loan payable outstanding as year end to significantly improve the solvency and liquidity position of the Organisation.
- The Organisation's ability to reduce operational cost in line with reductions in funding received.

The directors are of the opinion that the cash flow forecast is achievable and realistic, on the basis that the above will materialise.

These conditions give rise to a material uncertainty which may cast significant doubt about the Organisation's ability to continue as a going concern and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

**19 Events after the reporting period**

On 23 March 2020 President Cyril Ramaphosa announced that a national lockdown would be implemented for 21 days from 26 March 2020 in response to the COVID-19 outbreak in South Africa, which has been further extended. The national lockdown and the expected economic slowdown are expected to negatively impact the ability of The Organisation to raise funds due to donors experiencing increased financial difficulty. However The Organisation continued operating under the lockdown regulations imposed. There is an increased focus on adhering to Covid-19 safety protocols which has resulted in additional out flow of resources at the same time the Organisation saw more funding being received specifically in support of COVID-19. The impact of COVID-19 has been considered by management as part of their going concern assessment.

**20 Related Party Transactions**

Leliebloem House has borrowed funds from the Leliebloem House Trust and there is no interest charge against the amount owing and no terms of repayment.

	<u>2021</u>	<u>2020</u>
Distribution from Leliebloem House Trust	-	65,555
Donation from Leliebloem House Trust	<u>1,383,843</u>	-
Loan payable to Leliebloem House Trust	-	965,863

# LELIEBLOEM HOUSE

## UNAUDITED: DETAILED PROJECTS BREAKDOWN for the year ended 31 March 2021

	2021	2020
	R	R
<b>CHILDRENS' RESIDENTIAL PROJECT</b>		
<b>Revenue</b>		
Western Cape Department of Social Development: Residential	2,312,640	2,223,362
Western Cape Department of Social Development: Administration Cost	515,146	495,334
	<u>2,827,786</u>	<u>2,718,696</u>
<b>Donations, bequest and other grants</b>		
Christmas Pudding Fund	47,140	46,860
Community Chest	25,000	25,000
Distribution from Leliebloem House Trust	-	65,555
Donation from Leliebloem House Trust	1,383,843	-
Donations	190,817	512,549
Chairman Club	23,605	26,300
Fundraising Functions	-	29,800
Management fees	361,792	387,078
Salaries Derived from projects	1,997,517	2,121,753
	<u>4,029,715</u>	<u>3,214,895</u>
Donations in Kind	431,532	377,711
<b>Other income</b>		
COVID-19	336,025	-
Discount received	850	2,245
Accommodation Project	24,000	85,960
Insurance	8,550	23,836
Sundry income	6,908	53,528
Pledges	81,540	64,040
Feed A Child	2,750	-
	<u>460,622</u>	<u>229,609</u>
Interest Received	11	28
<b>Total Revenue</b>	<u>7,749,667</u>	<u>6,540,939</u>
<b>Expenditure</b>		
<b>Administration expenses</b>		
Accommodation Project	-	250
AGM costs	1,460	3,900
Audit fee & Accounting fees	16,828	22,581
Bank charges	27,034	30,603
Computer expenses	20,839	18,110
Christmas Pudding fund	2,127	2,500
Conference fees	-	29,260
COVID-19	206,337	
Fundraising expenses	-	13,402
Marketing expense	30,357	23,498
Small Appliance	6,200	5,552

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

**LELIEBLOEM HOUSE**

**UNAUDITED: DETAILED PROJECTS BREAKDOWN  
for the year ended 31 March 2021**

	<b>2021</b>	<b>2020</b>
	<b>R</b>	<b>R</b>
<b>CHILDRENS' RESIDENTIAL PROJECT (continued)</b>		
Insurance	91,764	81,521
Operating Lease	53,245	73,241
Photocopier expense	3,140	14,448
Postage and telephone	88,917	87,822
Printing and stationery	639	3,803
Sundry expenses	633	6,380
Security	33,077	29,340
	<b>582,598</b>	<b>446,209</b>
<b>Staff expenses</b>		
Casual labour	3,100	1,320
Pension fund contributions	217,268	214,038
Salaries and Provision for leave and long service award	4,562,299	4,449,057
Staff training and development	49,214	61,414
	<b>4,831,882</b>	<b>4,725,829</b>
<b>Other Expenses</b>		
Depreciation:		
Buildings	37,001	37,001
Furniture and equipment	65,980	63,570
Motor vehicles	17,200	16,000
Computer equipment	21,202	18,134
Motor vehicle running expenses	111,168	90,442
Repairs and maintenance	72,047	49,564
	<b>324,598</b>	<b>274,710</b>
<b>General living expenses</b>		
Clothing, bedding and linen	-	200
Education/Sports/Therapeutic/Medical	58,424	68,092
Electricity and water	726,715	661,126
Food and household expenses	252,199	235,817
Donation in kind:food,toys,gifts and other	371,228	355,494
Recreation	-	584
Transport expenses	5,535	24,222
	<b>1,414,101</b>	<b>1,345,535</b>
<b>Total Admin &amp; Residential expense</b>	<b>7,153,178</b>	<b>6,792,283</b>
<b>Net (deficit)/surplus for the year</b>	<b>596,488</b>	<b>(251,344)</b>

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

**LELIEBLOEM HOUSE**  
**UNAUDITED: DETAILED PROJECTS BREAKDOWN**  
**for the year ended 31 March 2021**

	<b><u>2021</u></b>	<b><u>2020</u></b>
	<b>R</b>	<b>R</b>
<b><u>ADOLESCENT DEVELOPMENT PROGRAMME</u></b>		
<b>Revenue</b>		
Western Cape Department of Social Development	<b>539,988</b>	<b>539,953</b>
	<b><u>539,988</u></b>	<b><u>539,953</u></b>
<b>Expenses</b>		
Salaries derived from Projects	<b>284,363</b>	317,347
Adolescent camps	-	38,926
Adolescent graduation	<b>5,000</b>	4,167
ADP: Presidents Award	-	180
Refreshments	<b>2,221</b>	1,917
Family preservation expenses	-	3,600
Admin Cost	<b>16,341</b>	18,272
Management fees	<b>107,988</b>	107,988
Travel	<b>6,000</b>	6,000
Adolescent Workshop/Staff training workshops	<b>7,890</b>	11,500
Leadership camps	<b>4,500</b>	27,000
Teaching Materials	<b>3,102</b>	3,057
Equipment	<b>550</b>	-
Total Expenditure	<b><u>437,955</u></b>	<b><u>539,953</u></b>
<b>Net (deficit)/surplus for the year</b>	<b><u>102,033</u></b>	<b><u>-</u></b>

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

**LELIEBLOEM HOUSE**

**UNAUDITED: DETAILED PROJECTS BREAKDOWN  
for the year ended 31 March 2021**

	<b>2021</b>	<b>2020</b>
	<b>R</b>	<b>R</b>
<b><u>ISIBINDI PROGRAMME</u></b>		
<b>Revenue</b>		
Western Cape Department of Social Development	1,891,656	1,954,665
NACCW	5,030	73,400
	<b>1,896,686</b>	<b>2,028,065</b>
<b>Expenses</b>		
Salaries derived from projects	1,500,000	1,500,000
Bank Charges	2,260	2,260
Equipment	-	300
Files	1,235	4,417
Photocopy Expenses	3,140	4,808
Overall Coordination fees	174,125	180,301
Refreshments	791	3,693
Staff Development	2,880	14,700
Safe Park	65,485	42,690
Cell Phone expenses	40,700	36,237
Telephone Cost	10,326	8,245
Transport	25,670	33,569
Coordination transport cost	-	7,355
Training	4,490	189,490
Total Expenditure	<b>1,831,102</b>	<b>2,028,065</b>
<b>Net (deficit)/surplus for the year</b>	<b>65,584</b>	<b>-</b>
<b><u>SPECIALISED BEHAVIOUR PROGRAMME</u></b>		
<b>Revenue</b>		
Western Cape Department of Social Development	324,246	324,268
	<b>324,246</b>	<b>324,268</b>
<b>Expenses</b>		
Salaries derived from projects	213,154	213,154
Project cost	8,511	27,659
Management fees	64,854	64,854
Admin Cost	16,526	18,601
Total Expenditure	<b>303,045</b>	<b>324,268</b>
<b>Net (deficit)/surplus for the year</b>	<b>21,201</b>	<b>-</b>
<b>PROJECTS' SUMMARY</b>		
Childrens' residential project & Administration	596,488	(251,344)
Adolescent development programme	102,033	-
Isibindi programme	65,584	-
Specialised Behaviour Programme	21,201	-
	<b>785,306</b>	<b>(251,344)</b>

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