

**SOUTH AFRICAN MONITORING AND EVALUATION NPC
(REGISTRATION NUMBER 2005/043931/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023**

BVA
Auditing & Assurance

South African Monitoring and Evaluation NPC

(Registration number: 2005/043931/08)

Annual Financial Statements for the year ended 28 February 2023

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Promote Monitoring and Evaluation as a practice that benefits society
Directors	Mayibongwe Mncube Babette Rabie Mishkah Jakoet Eleanor Louise Kathryn Hazell Ian Goldman Jennifer Norins Molupe Andreas Matsumunyane Moses Mashingaidze Ruth Mojalefa Takunda John Chirau Tikwiza Rayleen Silubonde Nana Gadegaard Davies Asgar Ali Bhikoo
Registered office	545 Makou Street Monument Park Pretoria Gauteng 0075
Postal address	PO Box 13914 Hatfield Pretoria 0028
Auditors	BVA Incorporated Chartered Accountants (SA) Registered Auditor
Company registration number	2005/043931/08
Tax reference number	9038/068/17/8
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were independently compiled by: DA Steenkamp AGA(SA)
Issued	19/10/2023

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Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, 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 company 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 company 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors 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 29 February 2024 and, in the light of this review and the current financial position, they are satisfied that the company 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 pages 5 to 6.

The annual financial statements set out on pages 7 to 15, which have been prepared on the going concern basis, were approved by the board of directors and were signed on its behalf by:

Approval of annual financial statements


Tikwiza Silubonde (Oct 19, 2023 15:13 GMT+2)

Tikwiza Rayleen Silubonde



Mishkah Jakoet

Randburg

Place of signature:

Date: 19/10/23

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Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of South African Monitoring and Evaluation NPC for the year ended 28 February 2023.

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 Companies Act 71 of 2008. 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. Directors

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

Directors

Asgar Ali Bhikoo
Ayanda Mtanyana
Babette Rabie
Cara Hugo Hartley
Eleanor Louise Kathryn Hazell
Ian Goldman
Jennifer Norins
Mayibongwe Mncube
Mokgophana Ramasobana
Molupe Andreas Matsumunyane
Moses Mashingaidze
Nana Gadegaard Davies
Ruth Mojalefa
Takunda John Chirau
Tikwiza Rayleen Silubonde

Changes

Appointed 22 September 2022
Resigned 22 September 2022

Resigned 22 September 2022

Appointed 22 September 2022
Appointed 22 September 2022
Resigned 22 September 2022

Appointed 22 September 2022

3. 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.

4. 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.

5. Litigation statement

The company may become involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The company is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

Independent Auditor's Report

To the Shareholder of South African Monitoring and Evaluation NPC

Opinion

We have audited the annual financial statements of South African Monitoring and Evaluation NPC (the company) set out on pages 7 to 15, which comprise the statement of financial position as at 28 February 2023, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the 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 South African Monitoring and Evaluation NPC as at 28 February 2023, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

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 annual 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 "South African Monitoring and Evaluation NPC annual financial statements for the year ended 28 February 2023", which includes the Directors' Report as required by the Companies Act 71 of 2008 and the supplementary information as set out on page 16. 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.

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 Companies Act 71 of 2008, 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.

Independent Auditor's Report

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.

BVA Incorporated

BVA Incorporated
Per: CFP Jordaan
Director
Chartered Accountants (SA)
Registered Auditor

19/10/23

Durbanville

South African Monitoring and Evaluation NPC

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Annual Financial Statements for the year ended 28 February 2023

Statement of Financial Position as at 28 February 2023

Figures in Rand	2023	2022
Assets		
Current Assets		
Trade and other receivables	132,028	2,000
Cash and cash equivalents	3,411,877	2,665,219
	<u>3,543,905</u>	<u>2,667,219</u>
Total Assets	<u>3,543,905</u>	<u>2,667,219</u>
Equity and Liabilities		
Equity		
Retained income	<u>2,130,750</u>	<u>1,692,887</u>
Liabilities		
Current Liabilities		
Trade and other payables	<u>1,413,155</u>	<u>974,332</u>
Total Equity and Liabilities	<u>3,543,905</u>	<u>2,667,219</u>

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Statement of Comprehensive Income

Figures in Rand	2023	2022
Revenue	5,368,041	1,234,521
Other income	161	151
Operating expenses	(5,038,464)	(1,415,905)
Operating profit (loss)	329,738	(181,233)
Investment revenue	108,416	68,374
Finance costs	(291)	(5)
Profit (loss) for the year	437,863	(112,864)
Other comprehensive income	-	-
Total comprehensive income (loss) for the year	437,863	(112,864)

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Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 March 2021	1,805,751	1,805,751
Loss for the year	(112,864)	(112,864)
Other comprehensive income	-	-
Total comprehensive loss for the year	(112,864)	(112,864)
Balance at 01 March 2022	1,692,887	1,692,887
Profit for the year	437,863	437,863
Other comprehensive income	-	-
Total comprehensive income for the year	437,863	437,863
Balance at 28 February 2023	2,130,750	2,130,750

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Statement of Cash Flows

Figures in Rand	2023	2022
Cash flows from operating activities		
Cash generated from operations	638,533	792,630
Interest income	108,416	68,374
Finance costs	(291)	(5)
Net cash from operating activities	746,658	860,999
Total cash movement for the year	746,658	860,999
Cash and cash equivalents at the beginning of the year	2,665,219	1,804,220
Total cash at end of the year	3,411,877	2,665,219

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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 Companies Act 71 of 2008. 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 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

Key sources of estimation uncertainty

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

1.2 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.

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
IT equipment	Straight line	3 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.

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Accounting Policies

1.3 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.

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.

1.4 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.

1.5 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.

1.6 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.

1.7 Borrowing costs

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

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Notes to the Annual Financial Statements

Figures in Rand

2023

2022

2. Property, plant and equipment

	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
IT equipment	11,970	(11,970)	-	19,320	(19,320)	-

Reconciliation of property, plant and equipment - 2023

	IT equipment	Total
Cost	11,970	11,970
Accumulated depreciation	(11,970)	(11,970)
Net book value at 28 February 2023	-	-
Net book value at beginning of year	-	-
Disposals - cost	(7,350)	(7,350)
Disposals - accumulated depreciation and impairment	7,350	7,350
Net book value at end of year	-	-

3. Trade and other receivables

Deposits	-	2,000
Bank account - Managed by Tourvest	132,028	-
	132,028	2,000

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	2,331,686	1,639,890
Short-term deposits	1,080,191	1,025,329
	3,411,877	2,665,219

5. Trade and other payables

Trade payables	1,165,446	1,926
Amounts received in advance	221,000	924,872
Payroll liability	26,709	1,047
Unknown deposits	-	46,487
	1,413,155	974,332

6. Revenue

Conference and workshop income	2,154,933	56,057
Grants funding	2,403,871	697,664
Membership fees	309,237	280,800
Sponsorship Income	500,000	200,000
	5,368,041	1,234,521

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
7. Other income		
Insurance income	161	151
8. Operating expenses		
Operating expenses include the following expenses:		
Employee costs	1,450,388	705,323
9. Investment revenue		
Interest revenue		
Bank	53,554	43,163
Fixed deposit	54,862	25,211
	108,416	68,374
10. Finance costs		
Interest paid	291	5
11. Cash generated from operations		
Net profit (loss) before taxation	437,863	(112,864)
Investment income	(108,416)	(68,374)
Finance costs	291	5
Changes in working capital:		
(Increase) decrease in trade and other receivables	(130,028)	29,150
Increase (decrease) in trade and other payables	438,822	944,713
	638,532	792,630
12. Related parties		
Relationships		
Institutional client of the NPC	Jet Education Services	
Related party balances and transactions with other related parties		
Related party transactions		
Consulting fees paid to (received from) related parties		
Jet Education Services	72,000	306,500
13. Directors' and prescribed officer's remuneration		
No emoluments were paid to the directors or any individuals holding a prescribed office during the year.		
14. Categories of financial instruments		
Debt instruments at amortised cost		
Cash and cash equivalents	3,411,877	2,665,219
Trade and other receivables	132,028	2,000
	3,543,905	2,667,219
Financial liabilities at amortised cost		
Trade and other payables	1,192,154	49,460

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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15. 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.

16. Events after the reporting period

The director is not aware of any material event which occurred after the reporting date and up to the date of this report.