

**Peninsula School Feeding Association  
(Registration number 002-878 NPO)  
Annual Financial Statements  
for the year ended 31 March 2018**

**Sprigg Abbott Incorporated  
Chartered Accountants (S.A.)  
Registered Auditors  
Issued 26 July 2018**

# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Index

---

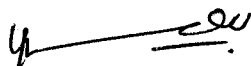
The reports and statements set out below comprise the Annual Financial Statements presented to the shareholder:

| Index                                    | Page    |
|--|---------|
| Independent Auditor's Report             | 2 - 3   |
| Statement of Financial Position          | 4       |
| Statement of Comprehensive Income        | 5       |
| Statement of Changes in Equity           | 6       |
| Statement of Cash Flows                  | 7       |
| Accounting Policies                      | 8 - 9   |
| Notes to the Annual Financial Statements | 10 - 12 |

The following supplementary information does not form part of the annual financial statements and is unaudited:

|                                    |         |
|------------------------------------|---------|
| Statement of Financial Performance | 13 - 14 |
|------------------------------------|---------|

The Annual Financial Statements set out on pages 4 to 14, which have been prepared on the going concern basis, were approved by the executive committee on 26 July 2018 and were signed on its behalf by:



Chairman



Honorary Treasurer

# SPRIGG ABBOTT INCORPORATED

---

CHARTERED ACCOUNTANTS (SA)  
REGISTERED AUDITORS

## Independent Auditor's Report

---

**To the members of Peninsula School Feeding Association**

**Report on the Audit of the Annual Financial Statements**

### Qualified opinion

We have audited the Annual Financial Statements of Peninsula School Feeding Association set out on pages 4 to 12, which comprise the Statement of Financial Position as at 31 March 2018, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Annual Financial Statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the basis for qualified opinion section of our report, the Annual Financial Statements present fairly, in all material respects, the financial position of Peninsula School Feeding Association as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with basis of accounting as described in note 1 to the annual financial statements and the requirements of the Non-Profit Organisations Act 71 of 1997.

### Basis for qualified opinion

Cash donations are a significant source of fundraising revenue for Peninsula School Feeding Association. Management has determined that it is impracticable to establish internal controls over the collection of cash donations prior to the initial entry into its financial records. We were therefore unable to confirm whether all cash donations were recorded.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Other information

Management is responsible for the other information. 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.

---

Sprigg Abbott House, Centurion Business Park, Bosmansdam Road, Milnerton, 7441, South Africa  
Private Bag X22, Milnerton, 7435, South Africa  
Tel: +27 (0)21 552 5599 Fax: +27 (0)21 552 5544 email: [auditors@sprigg.co.za](mailto:auditors@sprigg.co.za) Web: [www.sprigg.co.za](http://www.sprigg.co.za)

Directors: DM Barnes CA(SA); M Mulder B Acc, B Compt(Hons), CA(SA)  
Consultants: PJ Chong B Com(Hons), CA(SA); LE Norman B Com, CA(SA)  
Assisted by: RE Norman B Com, CTA, JJ Smith B Econ Registration Number: 2003/023087/21



# Independent Auditor's Report

---

## Responsibilities of management for the Annual Financial Statements

Management is responsible for the preparation and fair presentation of the Annual Financial Statements in accordance with the basis of accounting as described in note 1 to the annual financial statements and the requirements of the Non-Profit Organisations Act 71 of 1997, and for such internal control as they 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, management is responsible for assessing the association'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 they either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the Annual Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual Financial Statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 association'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 association 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 executive committee 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.

## Other matter

Without qualifying our opinion, we draw attention to the fact that the supplementary information set out on pages 13 to 14 does not form part of the Annual Financial Statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

*Sprigg Abbott Incorporated*

Sprigg Abbott Incorporated  
Director: David Barnes  
Chartered Accountant (S.A.)  
Registered Auditor

26 July 2018  
Milnerton

# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Statement of Financial Position as at 31 March 2018

| Figures in Rand                     | Note(s) | 2018               | 2017               |
|-------------------------------------|---------|--------------------|--------------------|
| <b>Assets</b>                       |         |                    |                    |
| <b>Non-Current Assets</b>           |         |                    |                    |
| Property, plant and equipment       | 2       | 24 454 935         | 24 128 172         |
| Investments                         | 3       | 75 805 502         | 57 135 640         |
|                                     |         | <b>100 260 437</b> | <b>81 263 812</b>  |
| <b>Current Assets</b>               |         |                    |                    |
| Inventories                         | 4       | 1 490 841          | 3 654 087          |
| Trade and other receivables         |         | 33 797 882         | 39 201 873         |
| Cash and cash equivalents           | 5       | 3 717 703          | 1 186 236          |
|                                     |         | <b>39 006 426</b>  | <b>44 042 196</b>  |
| <b>Total Assets</b>                 |         | <b>139 266 863</b> | <b>125 306 008</b> |
| <b>Equity and Liabilities</b>       |         |                    |                    |
| <b>Equity</b>                       |         |                    |                    |
| Retained income                     |         | 125 859 865        | 107 964 849        |
| <b>Liabilities</b>                  |         |                    |                    |
| <b>Current Liabilities</b>          |         |                    |                    |
| Trade and other payables            |         | 13 406 998         | 17 341 159         |
| <b>Total Equity and Liabilities</b> |         | <b>139 266 863</b> | <b>125 306 008</b> |

# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Statement of Comprehensive Income

| Figures in Rand                                 | Note(s) | 2018              | 2017               |
|---|---------|-------------------|--------------------|
| Revenue   | 6       | 221 513 140       | 144 909 969        |
| Cost of sales                                   | 7       | (205 044 815)     | (142 965 076)      |
| <b>Gross surplus</b>                            |         | <b>16 468 325</b> | <b>1 944 893</b>   |
| Other income                                    |         | 3 415 765         | -                  |
| Operating expenses                              |         | (6 199 106)       | (5 834 636)        |
| <b>Operating surplus</b>                        |         | <b>13 684 984</b> | <b>(3 889 743)</b> |
| Investment revenue                              | 8       | 4 210 032         | 4 660 061          |
| <b>Surplus for the year</b>                     | 9       | <b>17 895 016</b> | <b>770 318</b>     |
| Other comprehensive income                      |         | -                 | -                  |
| <b>Total comprehensive surplus for the year</b> |         | <b>17 895 016</b> | <b>770 318</b>     |

# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Statement of Changes in Equity

| Figures in Rand                 | Retained income    | Total equity       |
|---------------------------------|--------------------|--------------------|
| <b>Balance at 01 April 2016</b> | <b>107 194 531</b> | <b>107 194 531</b> |
| Surplus for the year            | 770 318            | 770 318            |
| <b>Balance at 01 April 2017</b> | <b>107 964 849</b> | <b>107 964 849</b> |
| Surplus for the year            | 17 895 016         | 17 895 016         |
| <b>Balance at 31 March 2018</b> | <b>125 859 865</b> | <b>125 859 865</b> |

# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Statement of Cash Flows

| Figures in Rand                             | Note(s) | 2018                | 2017                |
|---|---------|---------------------|---------------------|
| <b>Cash flows from operating activities</b> |         |                     |                     |
| Cash generated from (used in) operations    | 10      | 17 515 219          | (27 498 936)        |
| Interest income                             |         | 4 041 037           | 4 294 384           |
| Dividends received                          |         | 168 995             | 365 677             |
| <b>Net cash from operating activities</b>   |         | <b>21 725 251</b>   | <b>(22 838 875)</b> |
| <b>Cash flows from investing activities</b> |         |                     |                     |
| Purchase of property, plant and equipment   | 2       | (523 922)           | (12 474 984)        |
| (Increase) / decrease in investments        |         | (18 669 862)        | 31 821 546          |
| <b>Net cash from investing activities</b>   |         | <b>(19 193 784)</b> | <b>19 346 562</b>   |
| <b>Total cash movement for the year</b>     |         | <b>2 531 467</b>    | <b>(3 492 313)</b>  |
| Cash at the beginning of the year           |         | 1 186 236           | 4 678 549           |
| <b>Total cash at end of the year</b>        | 5       | <b>3 717 703</b>    | <b>1 186 236</b>    |



# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Accounting Policies

---

### 1. Presentation of annual financial statements

The Annual Financial Statements have been prepared in accordance with the accounting policies as set out below. The Annual Financial Statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

#### 1.1 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

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

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

---

| Item                   |               | Average useful life |
|------------------------|---------------|---------------------|
| Trademarks             | Straight line | 5 years             |
| Motor vehicles         | Straight line | 4 years             |
| Office equipment       | Straight line | 4 years             |
| Computer equipment     | Straight line | 3 years             |
| Computer software      | Straight line | 2 years             |
| Furniture and fittings | Straight line | 6 years             |
| Warehouse equipment    | Straight line | 6 years             |

Land and buildings is not depreciated because it has an indefinite life.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

#### 1.2 Financial instruments

##### Initial measurement

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

##### Financial instruments at amortised cost

These include trade receivables, trade payables, shareholder loans and loans to group companies. Those debt instruments which meet the criteria in section 11.8(b) of the standard, 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.

##### Financial instruments at cost

Investments are measured at cost less impairment.

# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Accounting Policies

---

### 1.3 Tax

#### Tax expenses

Provision has not been made for the taxation for the current year as the association has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, and the receipts and accruals are exempt from SA normal taxation in terms of section 10(1)(cN) of the Income Tax Act.

### 1.4 Inventories

Inventories are measured at the lower of cost and net realisable value, on the weighted average cost basis.

Where necessary provision is made for obsolete, slow moving and defective inventories.

### 1.5 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

### 1.6 Government 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 Revenue

Revenue comprising donations received, subscriptions, legacies and other fundraising income, is recognised in profit and loss upon receipt.

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

Dividends are recognised, in profit or loss, when the company's right to receive payment has been established.

# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Notes to the Annual Financial Statements

Figures in Rand

2018

2017

### 2. Property, plant and equipment

|                        | 2018              |                          |                   | 2017              |                          |                   |
|------------------------|-------------------|--------------------------|-------------------|-------------------|--------------------------|-------------------|
|                        | Cost              | Accumulated depreciation | Carrying value    | Cost              | Accumulated depreciation | Carrying value    |
| Land and buildings     | 23 774 884        | -                        | 23 774 884        | 23 436 936        | -                        | 23 436 936        |
| Warehouse equipment    | 507 719           | (110 192)                | 397 527           | 458 891           | (26 723)                 | 432 168           |
| Furniture and fittings | 250 551           | (145 195)                | 105 356           | 240 862           | (119 569)                | 121 293           |
| Motor vehicles         | 131 330           | (131 328)                | 2                 | 131 330           | (131 328)                | 2                 |
| Office equipment       | 204 178           | (146 141)                | 58 037            | 180 472           | (119 956)                | 60 516            |
| Computer equipment     | 538 924           | (434 814)                | 104 110           | 455 439           | (378 184)                | 77 255            |
| Computer software      | 69 813            | (62 115)                 | 7 698             | 57 395            | (57 393)                 | 2                 |
| Trademarks             | 7 848             | (527)                    | 7 321             | -                 | -                        | -                 |
| <b>Total</b>           | <b>25 485 247</b> | <b>(1 030 312)</b>       | <b>24 454 935</b> | <b>24 961 325</b> | <b>(833 153)</b>         | <b>24 128 172</b> |

### Reconciliation of property, plant and equipment - 2018

|                        | Opening balance   | Additions      | Depreciation     | Total             |
|------------------------|-------------------|----------------|------------------|-------------------|
| Land and buildings     | 23 436 936        | 337 948        | -                | 23 774 884        |
| Warehouse equipment    | 432 168           | 48 828         | (83 469)         | 397 527           |
| Furniture and fittings | 121 293           | 9 689          | (25 626)         | 105 356           |
| Motor vehicles         | 2                 | -              | -                | 2                 |
| Office equipment       | 60 516            | 23 706         | (26 185)         | 58 037            |
| Computer equipment     | 77 255            | 83 485         | (56 630)         | 104 110           |
| Computer software      | 2                 | 12 418         | (4 722)          | 7 698             |
| Trademarks             | -                 | 7 848          | (527)            | 7 321             |
|                        | <b>24 128 172</b> | <b>523 922</b> | <b>(197 159)</b> | <b>24 454 935</b> |

### Details of properties

#### Erf 94

To the extent of 6638 sqm, situated in Springfield, Lansdowne

- Purchase price: 22 October 2013

- Attorney and transfer fees

- Capitalised expenditure

|  |                   |                   |
|--|-------------------|-------------------|
|  | 4 646 600         | 4 646 600         |
|  | 39 886            | 39 886            |
|  | 19 088 398        | 18 750 450        |
|  | <b>23 774 884</b> | <b>23 436 936</b> |

### 3. Investments

#### The association held the following investments at cost:

|                                 |                   |                   |
|---------------------------------|-------------------|-------------------|
| Allan Gray investment portfolio | 1 864 743         | 1 485 781         |
| Coronation investment portfolio | 25 119 229        | 23 420 785        |
| Funds on deposit                | 35 391 616        | 20 028 162        |
| Momentum investment portfolio   | 50 154            | 49 872            |
| STANLIB investment portfolio    | 13 379 760        | 12 151 040        |
|                                 | <b>75 805 502</b> | <b>57 135 640</b> |

#### Non-current assets

At cost

|  |            |            |
|--|------------|------------|
|  | 75 805 502 | 57 135 640 |
|--|------------|------------|

# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Notes to the Annual Financial Statements

| Figures in Rand  | 2018               | 2017               |
|--|--------------------|--------------------|
| <b>3. Investments (continued)</b>  |                    |                    |
| The market value of the STANLIB investment portfolio at year end was R 13 363 072 (2017: R 12 166 715 ).   |                    |                    |
| The market value of the Allan Gray investment portfolio at year end was R 11 554 242 (2017: R 10 780 808). |                    |                    |
| The market value of the Coronation investment portfolio at year end was R 31 323 390 (2017: R 28 769 526). |                    |                    |
| <b>4. Inventories</b>  |                    |                    |
| Food and cooking utensils to be distributed to schools   | 1 490 841          | 3 654 087          |
| <b>5. Cash and cash equivalents</b>  |                    |                    |
| Cash and cash equivalents consist of:  |                    |                    |
| Cash on hand   | 10 917             | 22 580             |
| Bank balances  | 3 706 786          | 1 163 656          |
|  | <b>3 717 703</b>   | <b>1 186 236</b>   |
| <b>6. Revenue</b>  |                    |                    |
| NSNP Grant   | 206 529 136        | 133 603 641        |
| Collections / Donations  | 14 984 004         | 11 306 328         |
|  | <b>221 513 140</b> | <b>144 909 969</b> |
| <b>7. Cost of sales</b>  |                    |                    |
| Direct feeding costs   | 204 512 821        | 141 620 497        |
| Project and fundraising costs  | 531 994            | 1 344 579          |
|  | <b>205 044 815</b> | <b>142 965 076</b> |
| <b>8. Operating surplus</b>  |                    |                    |
| Operating surplus for the year is stated after accounting for the following:                               |                    |                    |
| Depreciation on property, plant and equipment  | 197 159            | 127 258            |
| Employee costs   | 3 893 698          | 3 443 737          |
| <b>9. Investment revenue</b>   |                    |                    |
| <b>Dividend revenue</b>  |                    |                    |
| Investments  | 168 995            | 365 677            |
| <b>Interest revenue</b>  |                    |                    |
| Financial institutions   | 4 041 037          | 4 294 384          |
|  | <b>4 210 032</b>   | <b>4 660 061</b>   |

# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Notes to the Annual Financial Statements

| Figures in Rand                                     | 2018              | 2017                |
|---|-------------------|---------------------|
| <b>10. Cash generated from (used in) operations</b> |                   |                     |
| Profit before taxation                              | 17 895 016        | 770 318             |
| <b>Adjustments for:</b>                             |                   |                     |
| Depreciation and amortisation                       | 197 159           | 127 258             |
| Dividends received                                  | (168 995)         | (365 677)           |
| Interest received                                   | (4 041 037)       | (4 294 384)         |
| <b>Changes in working capital:</b>                  |                   |                     |
| Inventories   | 2 163 246         | (2 526 798)         |
| Trade and other receivables                         | 5 403 991         | (37 739 599)        |
| Trade and other payables                            | (3 934 161)       | 16 529 946          |
|   | <b>17 515 219</b> | <b>(27 498 936)</b> |
| <b>11. Auditor's remuneration</b>                   |                   |                     |
| Fees  | 76 500            | 75 000              |
| Adjustment for previous year                        | (2 500)           | (6 000)             |
| Other services                                      | 1 870             | 1 650               |
|   | <b>75 870</b>     | <b>70 650</b>       |

# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Statement of Financial Performance

| Figures in Rand   | Note(s) | 2018                 | 2017                 |
|---|---------|----------------------|----------------------|
| <b>Revenue</b>  |         |                      |                      |
| NSNP Grant  |         | 206 529 136          | 133 603 641          |
| Collections / Donations                                 |         | 14 984 004           | 11 306 328           |
|   | 6       | <b>221 513 140</b>   | <b>144 909 969</b>   |
| <b>Cost of sales</b>                                    |         |                      |                      |
| Direct feeding costs                                    |         | (204 512 821)        | (141 620 497)        |
| Project and fundraising costs                           |         | (531 994)            | (1 344 579)          |
|   | 7       | <b>(205 044 815)</b> | <b>(142 965 076)</b> |
| <b>Gross surplus</b>                                    |         | <b>16 468 325</b>    | <b>1 944 893</b>     |
| <b>Other income</b>                                     |         |                      |                      |
| Return on realisation of investment in Dorhur (Pty) Ltd |         | 3 415 765            | -                    |
| Dividends received                                      | 9       | 168 995              | 365 677              |
| Interest received                                       | 9       | 4 041 037            | 4 294 384            |
|   |         | <b>7 625 797</b>     | <b>4 660 061</b>     |
| <b>Expenses (Refer to page 14)</b>                      |         | <b>(6 199 106)</b>   | <b>(5 834 636)</b>   |
| <b>Surplus for the year</b>                             |         | <b>17 895 016</b>    | <b>770 318</b>       |

# Peninsula School Feeding Association

(Registration number 002-878 NPO)

Annual Financial Statements for the year ended 31 March 2018

## Statement of Financial Performance

| Figures in Rand                  | Note(s) | 2018               | 2017               |
|----------------------------------|---------|--------------------|--------------------|
| <b>Operating expenses</b>        |         |                    |                    |
| Advertising                      |         | (110 760)          | (32 760)           |
| Auditors remuneration            | 11      | (75 870)           | (70 650)           |
| BBBEE Enterprise Development     |         | -                  | (344 681)          |
| Bank charges                     |         | (72 841)           | (93 708)           |
| Computer expenses                |         | (126 116)          | (180 446)          |
| Consulting and professional fees |         | (263 061)          | (143 232)          |
| Depreciation                     |         | (197 159)          | (127 258)          |
| Donations                        |         | -                  | (2 000)            |
| Employee costs                   |         | (3 893 698)        | (3 443 737)        |
| Entertainment                    |         | (6 040)            | (6 372)            |
| Insurance                        |         | (95 000)           | (90 022)           |
| Legal expenses                   |         | (40 596)           | (66 003)           |
| Motor vehicle expenses           |         | (50 596)           | (27 079)           |
| Municipal expenses               |         | (310 240)          | (297 313)          |
| Postage                          |         | (27 674)           | (2 920)            |
| Printing and stationery          |         | (136 056)          | (134 883)          |
| Protective clothing              |         | (5 065)            | (18 593)           |
| Repairs and maintenance          |         | (27 845)           | (27 798)           |
| Research and development         |         | (19 200)           | -                  |
| Security                         |         | (11 120)           | (11 074)           |
| Services and cleaning            |         | (211 002)          | (86 131)           |
| Sheffield park expenses          |         | (117 855)          | (172 633)          |
| Staff Recruitment                |         | -                  | (5 150)            |
| Staff welfare                    |         | (114 497)          | (54 868)           |
| Telephone and fax                |         | (179 645)          | (322 421)          |
| Training                         |         | (107 170)          | (72 904)           |
|                                  |         | <b>(6 199 106)</b> | <b>(5 834 636)</b> |