

BREADLINE AFRICA

Incorporating Breadline Africa (RSA), Breadline Africa (UK and Ireland)
and Breadline Africa (The Netherlands)

Consolidated Annual Financial Statements

for the year ended

31 March 2018

BREADLINE AFRICA

Incorporating Breadline Africa (RSA), Breadline Africa (UK and Ireland) and Breadline Africa (The Netherlands)

Consolidated Annual Financial Statements for the year ended 31 March 2018

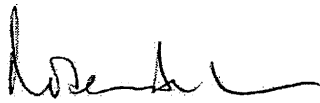
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Approval of the Consolidated Annual Financial Statements

The trustees have approved the annual financial statements of each of the individual entities contained in this consolidation and have signed those statements to that effect.

The basis of consolidation of these individual entities has been to eliminate inter entity incomes and expenses for the year as well as amounts owed to/by as at financial year end.

These consolidated annual financial statements set out on pages 3 to 10 have been approved by the Trustees and are signed on their behalf by:



Sir Robert Dunbar

4 December 2018



Report of the Independent Auditors on the basis of Consolidation of the Annual Financial Statements of Breadline Africa Incorporating Breadline Africa (RSA), Breadline Africa (UK and Ireland) and Breadline Africa (The Netherlands)

The consolidated annual financial statements have been prepared for the internal use of the individual entities. We have examined the basis of consolidation of the annual financial statements for Breadline Africa (RSA), Breadline Africa (UK and Ireland) and Breadline Africa (The Netherlands) and confirm that it is in accordance with the basis of consolidation as set out in the notes to the consolidated annual financial statements for the year ended 31 March 2018.

Our independent auditors report is contained in the annual financial statements of each individual entity.

HG CHARTERED ACCOUNTANTS

HG CHARTERED ACCOUNTANTS

Chartered Accountants (S.A)

Registered Auditors

Per: F Adams

Partner

4 December 2018

BELLVILLE

2.

BREADLINE AFRICA

Incorporating Breadline Africa (RSA), Breadline Africa (UK and Ireland) and Breadline Africa (The Netherlands)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 March 2018

	Notes	2018 R	2017 R
ASSETS			
Non-current assets			
Property, plant and equipment	2	210,671	245,821
Other financial assets	3	<u>16,820,490</u>	<u>12,333,935</u>
Total non-current assets		<u>17,031,161</u>	<u>12,579,756</u>
Current assets			
Trade and other receivables		3,738,117	7,005,695
Cash and cash equivalents	4	<u>3,762,841</u>	<u>4,955,279</u>
Total current assets		<u>7,500,958</u>	<u>11,960,974</u>
Total assets		<u>24,532,119</u>	<u>24,540,730</u>
FUNDS AND LIABILITIES			
Funds			
Retained resources		22,585,873	22,466,223
Current liabilities			
Trade and other payables		1,498,298	527,466
Provisions		<u>447,948</u>	<u>1,547,041</u>
Total current liabilities		<u>1,946,246</u>	<u>2,074,507</u>
Total funds and liabilities		<u>24,532,119</u>	<u>24,540,730</u>

BREADLINE AFRICA

Incorporating Breadline Africa (RSA), Breadline Africa (UK and Ireland) and Breadline Africa (The Netherlands)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2018

	2018	2017
	R	R
Fundraising and donations	27,447,224	26,121,421
Cost of generating voluntary income	<u>(6,613,659)</u>	<u>(8,165,399)</u>
Operating resources generated	20,833,565	17,956,022
Other operating income	<u>1,385,893</u>	<u>2,444,168</u>
	22,219,458	20,400,190
Resources expended	<u>(23,861,041)</u>	<u>(18,141,262)</u>
	(1,641,583)	2,258,928
Investment income	1,489,618	1,288,971
Fair value adjustments	<u>272,814</u>	<u>164,274</u>
Surplus before taxation	120,849	3,712,173
Taxation	5 <u>(1,199)</u>	<u>(529)</u>
Net resources generated for the year	<u><u>119,650</u></u>	<u><u>3,711,644</u></u>

BREADLINE AFRICA

Incorporating Breadline Africa (RSA), Breadline Africa (UK and Ireland) and Breadline Africa (The Netherlands)

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2018

	Notes	2018 R	2017 R
Cash flows from operating activities			
Cash generated from/(used in) operations	6	1,532,884	(2,659,810)
Interest income		1,470,874	1,274,383
Dividends received		18,744	14,588
Tax paid	7	(1,199)	(529)
Net cash from operating activities		<u>3,021,303</u>	<u>(1,371,368)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	2	-	(39,270)
Sale of property, plant and equipment	2	-	65,000
Fair value adjustments		(4,213,741)	(956,652)
Net cash from investing activities		<u>(4,213,741)</u>	<u>(930,922)</u>
Cash movement for the year		(1,192,438)	(2,302,290)
Cash and cash equivalents at the beginning of year		4,955,279	7,257,569
Cash and cash equivalents at the end of year	4	<u>3,762,841</u>	<u>4,955,279</u>

BREADLINE AFRICA

Incorporating Breadline Africa (RSA), Breadline Africa (UK and Ireland) and Breadline Africa (The Netherlands)

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

1. Accounting policies and basis of consolidation

The consolidated annual financial statements are prepared in accordance with the historical cost convention and incorporate the following principal accounting policies which are consistent with those of the previous year and conform in all material respects with generally accepted accounting practice.

The principle accounting policies are:

Foreign currency translation

Transactions in foreign currencies are accounted for at the rates of exchange ruling on transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the year end date. Unrealised differences on monetary assets and liabilities are recognised in the statement of comprehensive income in the period in which they occur.

Basis of consolidation

The basis of consolidation of these individual entities has been to eliminate inter entity incomes and expenses for the year as well as amounts owed to/by as at financial year end.

2. Property, plant and equipment

	2018			2017		
	Cost	Accumulated Depreciation	Carrying value	Cost	Accumulated Depreciation	Carrying value
	R	R	R	R	R	R
Fixed Assets RSA	<u>567,288</u>	<u>(356,617)</u>	<u>210,671</u>	<u>586,926</u>	<u>(341,105)</u>	<u>245,821</u>

BREADLINE AFRICA

Incorporating Breadline Africa (RSA), Breadline Africa (UK and Ireland) and Breadline Africa (The Netherlands)

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2018

The carrying value of property, plant and equipment can be reconciled as follows:

	Carrying value at beginning of year R	Additions R	Disposals R	Depreciation R	Carrying value at end of year R
Fixed Assets RSA	<u>245,821</u>	<u>-</u>	<u>-</u>	<u>(35,150)</u>	<u>210,671</u>

3. Other financial assets

	2018 R	2017 R
At fair value		
Coronation	<u>16,820,490</u>	<u>12,333,935</u>
Non-current assets		
At fair value	<u>16,820,490</u>	<u>12,333,935</u>

4. Cash and cash equivalents

Cash at bank and in hand

Breadline Africa (UK and Ireland) bank balances and short-term deposits	2,662,910	2,036,475
Breadline Africa (The Netherlands) bank balances	1,009,862	2,591
Breadline Africa (RSA) bank balances	<u>90,069</u>	<u>2,916,213</u>
	<u>3,762,841</u>	<u>4,955,279</u>

5. Taxation

Major components of tax expense

Current

Foreign income tax of withholding tax – Current period	<u>1,199</u>	<u>529</u>
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BREADLINE AFRICA

Incorporating Breadline Africa (RSA), Breadline Africa (UK and Ireland) and Breadline Africa (The Netherlands)

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2018

	2018	2017
	R	R
6. Cash generated from/(used in) Operations		
Net resources generated for the year	120,849	3,712,173
Adjustments:		
Depreciation	35,150	101,895
Profit on sale of assets	-	(30,000)
Dividends received	(18,744)	(14,588)
Interest received	(1,470,874)	(1,274,383)
Fair value adjustments	(272,814)	(164,274)
Changes in working capital:		
Changes in accounts payable	970,832	(1,106,527)
Changes in accounts receivable	3,267,578	(4,009,748)
Changes in provisions	(1,099,093)	125,642
	<u>1,532,884</u>	<u>(2,659,810)</u>
7. Tax paid		
Current tax for the year recognised in resources generated	<u>1,199</u>	<u>529</u>

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Incorporating Breadline Africa (RSA), Breadline Africa (UK and Ireland) and Breadline Africa (The Netherlands)

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2018

	2018	2017
	R	R
8. Prior period errors		
Cash and cash equivalents, investment revenue and the fair value adjustment of the Coronation account was understated in the prior year.		
The correction of the errors results in adjustments as follows:		
Statement of financial position		
Cash and cash equivalents	-	294,409
Professional fees paid to related parties		
Dividends received	-	(14,588)
Interest received	-	(116,076)
Fair value adjustment	-	(164,274)
Taxation	-	529

9. Comparative figures

Certain comparative figures have been reclassified.

BREADLINE AFRICA

Incorporating Breadline Africa (RSA), Breadline Africa (UK and Ireland) and Breadline Africa (The Netherlands)

CONSOLIDATED DETAILED STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2018

	2018 R	2017 R
Resources generated	27,447,224	26,121,421
Fundraising and donations	27,044,462	25,852,732
Donations in kind	402,762	268,689
Cost of generating voluntary income	(6,613,659)	(8,165,399)
Operating resources generated	20,833,565	17,956,022
Other income	3,148,325	3,897,413
Grant – National Lottery	979,272	2,414,168
Dividends received	18,744	14,588
Interest received	1,470,874	1,274,383
Fair value adjustments	272,814	164,274
Profit on disposal of asset	-	30,000
Profit on foreign exchange	406,621	-
	23,981,890	21,853,435
Resources expended	23,861,041	18,141,262
Auditors remuneration	157,120	163,390
Bank charges	116,188	128,313
Container fund	6,859,146	4,040,449
Donations in kind	402,762	283,139
Donor acquisitions	1,081,273	1,274,477
Google grants	1,551,165	1,683,573
Grants: Allocations	9,418,274	6,188,106
Loss on foreign exchange	-	239,130
Mandela Day Library Project	-	54,184
Office and operational expenses	4,275,113	4,086,501
Surplus before taxation	120,849	3,712,173
Taxation	(1,199)	(529)
Net resources generated for the year	119,650	3,711,644