

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

**Annual Financial Statements
for the year ended 31 March 2019**

SWEMMER MACINNES & ASSOCIATES

Registered Auditors

18 July 2019

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

Annual Financial Statements for the year ended 31 March 2019

Index

The reports and statements set out below comprise the annual financial statements presented to the Management committee:

General Information	2
Independent Auditor's Report	3 - 4
Management's committee Responsibilities and Approval	5
Management's committee Report	6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Cash Flows	9
Accounting Policies	10
Notes to the Annual Financial Statements	11 - 12
The supplementary information presented does not form part of the annual financial statements and is unaudited	
Detailed Income Statement	13

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

Annual Financial Statements for the year ended 31 March 2019

General Information

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	To profile and advocate on behalf of older persons sector organisations
MANAGEMENT COMMITTEE	B Segalla L Sigasana D Wills B Daries
REGISTERED OFFICE	19 Regent Street Woodstock 7915
INDEPENDENT AUDITORS	SWEMMER MACINNES & ASSOCIATES

SWEMMER MACINNES & ASSOCIATES

CHARTERED ACCOUNTANTS (S.A.)
REGISTERED AUDITORS

UNIT D14 WESTLAKE SQUARE, WESTLAKE 7945
P O BOX 552 CONSTANTIA 7848
TEL: 021-701 0220 FAX: 021-701 0226
E-MAIL: sma@smaccounting.co.za
Partner: P V Swemmer
Practice no: 936413

Independent Auditor's Report

To the Management committee of SECTOR TASK TEAM FOR OLDER PERSONS

Qualified Opinion

We have audited the financial statements of SECTOR TASK TEAM FOR OLDER PERSONS set out on pages 7 to 12, which comprise the statement of financial position as at 31 March 2019, and the statement of comprehensive income, the statement of changes in reserves and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of the organisation as at 31 March 2019, 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.

Basis for Qualified Opinion

In common with similar organisations it is not feasible for the organisation to institute accounting control over collections from donations, fees, grants and other income prior to the initial entry of the collections in the accounting records. Accordingly, it was impractical for us to extend our examination beyond the receipts actually recorded.

Responsibilities of the Management committees for the Financial Statements

The management committees are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and for such internal control as the management committees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management committees are 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 management committees either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

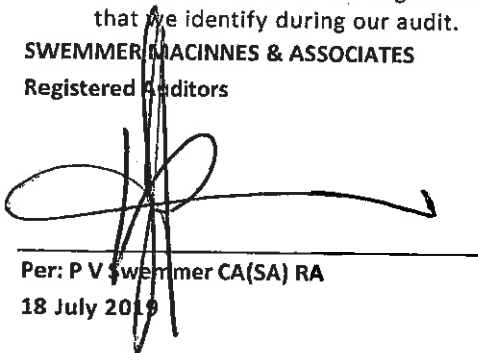
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 management committees.
- Conclude on the appropriateness of the management committees' 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 management committees 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.

SWEMMER MACINNES & ASSOCIATES

Registered Auditors



Per: P V Swemmer CA(SA) RA
18 July 2019

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

Annual Financial Statements for the year ended 31 March 2019

Management committee's Responsibilities and Approval

The management committee 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 satisfy the financial reporting standards as to form and content and present fairly the statement of financial position, results of operations and business of the organisation, and explain the transactions and financial position of the business of the organisation at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the organisation and supported by reasonable and prudent judgements and estimates.

The management committee acknowledges that they are ultimately responsible for the system of internal financial control established by the organisation and place considerable importance on maintaining a strong control environment. To enable the management committee to meet these responsibilities, the Management committee 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 organisation and all employees are required to maintain the highest ethical standards in ensuring the organisations business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The management committee 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 going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the management committee has no reason to believe that the organisation will not be a going concern in the foreseeable future. The financial statements support the viability of the organisation.

The financial statements have been audited by the independent auditing firm, SWEMMER MACINNES & ASSOCIATES, who have been given unrestricted access to all financial records and related data, including minutes of all meetings. The management committee believes that all representations made to the independent auditor during the audit were valid and appropriate. The external auditors' qualified audit report is presented on page 3 to 4.

The annual financial statements as set out on pages 7 to 12 were approved by the Management committee on 18 July 2019 and were signed on its behalf by:



B Segalla



L Sigasana



D Wills



B Daries

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

Annual Financial Statements for the year ended 31 March 2019

Management Committee Report

The Management committee present their report for the year ended 31 March 2019.

1. Review of activities

Main business and operations

The principal activity of the organisation is to profile and advocate on behalf of older persons sector organisations and there were no major changes herein during the year.

The operating results and statement of financial position of the organisation are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. 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.

3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework require adjustment or disclosure have been adjusted or disclosed.

4. Management committee

The management committee of the organisation during the year and to the date of this report are as follows:

B Segalla
L Sigasana
D Wills
B Daries

5. Independent Auditors

SWEMMER MACINNES & ASSOCIATES were the independent auditors for the year under review.

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

Financial Statements for the year ended 31 March 2019

Statement of Financial Position

Figures in R	Notes	2019	2018
Assets			
Non-Current Assets			
Property, plant and equipment	3	2,393	5,003
		<u>2,393</u>	<u>5,003</u>
Current Assets			
Cash and cash equivalents	4	227,534	45,036
		<u>227,534</u>	<u>45,036</u>
Total Assets		<u>229,927</u>	<u>50,039</u>
Reserves and Liabilities			
Reserves			
Retained earnings		422	422
		<u>422</u>	<u>422</u>
Current Liabilities			
Trade and other payables	5	10,651	25,043
Deferred income - AAC Trust		218,854	24,574
		<u>229,505</u>	<u>49,617</u>
Total Reserves and Liabilities		<u>229,927</u>	<u>50,039</u>

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

Financial Statements for the year ended 31 March 2019

Statement of Comprehensive Income

Figures in R	Notes	2019	2018
Revenue	6	269,720	208,641
Operating costs		(285,006)	(214,688)
Operating deficit		(15,286)	(6,047)
Finance income	7	16,242	6,711
Finance costs	8	(956)	(664)
Surplus for the year		-	-

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

Financial Statements for the year ended 31 March 2019

Statement of Cash Flows

Figures in R	2019	2018
Cash flows from operating activities		
<i>Adjustments for:</i>		
Finance costs	956	664
Depreciation of Tangible assets	2,610	2,610
Investment income	(16,242)	(6,711)
Operating cash flow before working capital changes	(12,676)	(3,437)
<i>Working capital changes</i>		
Increase in trade and other receivables	-	-
Increase/(decrease) in trade and other payables	179,888	(187,229)
Cash generated by/(utilised in) operating activities	167,212	(190,666)
Investment income	16,242	6,711
Finance costs	(956)	(664)
Net cash from operating activities	182,498	(184,619)
Increase/(decrease) in cash and cash equivalents	182,498	(184,619)
Cash and cash equivalents at beginning of the year	45,036	229,655
Cash and cash equivalents at end of the year	227,534	45,036

4

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

Financial Statements for the year ended 31 March 2019

Accounting Policies

1. General information

SECTOR TASK TEAM FOR OLDER PERSONS is a non-profit organisation.

2. Summary of significant accounting policies

These annual financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in South African Rands.

2.1 Revenue recognition

The organisation recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the organisation's activities,

2.1.1 Interest income

Interest income is recognised using the effective interest rate method.

2.2 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

IT equipment	3 Years
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2.3 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

2.4 Trade payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest rate method.

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

Financial Statements for the year ended 31 March 2019

Notes to the Annual Financial Statements

Figures in R

2019

2018

3. Property, plant and equipment

	Cost	Accumulated depreciation	2019 Carrying value	Cost	Accumulated depreciation	2018 Carrying value
<i>Owned assets</i>						
IT equipment	7,830	5,437	2,393	7,830	2,827	5,003
	7,830	5,437	2,393	7,830	2,827	5,003

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

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2019 Carrying value at end of year
<i>Owned assets</i>					
IT equipment	5,003	-	-	(2,610)	2,393
	5,003	-	-	(2,610)	2,393

4. Cash and cash equivalents

Favourable cash balances

Bank balances

227,534

45,036

227,534

45,036

5. Trade and other payables

Accrued liabilities

1,858

17,868

Trade creditors

8,793

7,175

10,651

25,043

6. Gross Income

An analysis of revenue is as follows:

AAC Trust	24,574	205,081
Work001	3,000	3,310
IPMG Advisory CC	-	250
DG Murray	231,146	-
Foundation for Human Rights in SA	11,000	-
	269,720	208,641

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

Financial Statements for the year ended 31 March 2019

Notes to the Annual Financial Statements

Figures in R	2019	2018
7. Finance income		
Interest income		
Interest received	16,242	6,711
	<u>16,242</u>	<u>6,711</u>
8. Finance costs		
SARS	956	664
	<u>956</u>	<u>664</u>
9. Income tax expense		

No provision has been made as the organisation is a non-profit organisation and consequently is not liable for income tax.

SECTOR TASK TEAM FOR OLDER PERSONS

(Registration Number 091-728 - NPO)

Financial Statements for the year ended 31 March 2019

Detailed Income Statement

Figures in R	2019	2018
Gross Income		
AAC Trust	24,574	205,081
DG Murray	231,146	-
IPMG Advisory CC	-	250
Foundation for Human Rights in SA	11,000	-
Work001	3,000	3,310
	<u>269,720</u>	<u>208,641</u>
Other Income		
Investment income	16,242	6,711
	<u>16,242</u>	<u>6,711</u>
	<u>285,962</u>	<u>215,352</u>
Expenditure		
Accounting fees	19,200	19,200
AGM	310	-
Auditors' remuneration	3,048	2,850
Bank charges	8,198	6,937
Computer expenses	1,386	-
Consulting fees	-	30,420
Depreciation - Tangible assets	2,610	2,610
DGM Trust Agreement	77,447	-
Finance costs	956	664
Internet-Hosting services	574	-
Lease rental on operating lease	43,923	40,230
M & E Plans	18,400	-
Meetings & seminars	2,329	956
Printing and stationery	-	2,826
Salaries	107,393	107,393
Travel - local	188	35
Website development	-	1,231
	<u>285,962</u>	<u>215,352</u>
Surplus for the year		
	<u>-</u>	<u>-</u>