

CHRYSALIS ACADEMY WESTERN CAPE TRUST
(Registration number IT3808/2000)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
General Information

Country of incorporation and domicile	South Africa
Nature of business and principle activities	Non profit
Trustees	MF Le Roux DH Pinnock DH Van Zyl NS Moeng
Registered office	Porter Estate Tokai Main Road Tokai 7945
Business address	Porter Estate Tokai Main Road Tokai 7945
Postal address	Private Bag X2 Tokai 7966
Bankers	Nedbank Limited
Auditors	Mazars Registered Auditor
Trust registration number	IT3808/2000
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Trust Deed.
Preparer	The annual financial statements were internally compiled by: Norman Solbowitz Chartered Accountant (SA)
Issued	29 July 2019

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

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**Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Trustees' Responsibilities and Approval**

The trustees are 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 fairly present the state of affairs of the trust 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 judgments and estimates.

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

The trustees 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 trustees have reviewed the trust's cash flow forecast for the year to 31 March 2020 and, in the light of this review and the current financial position, They are satisfied that the trust 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 trust's annual financial statements. The annual financial statements have been examined by the trust's external auditors and their report is presented on page 4- 5.

The annual financial statements set out on pages 6 to 21, which have been prepared on the going concern basis, were approved by the board of trustees on 29 July 2019 and were signed on its behalf by:



Trustee



Trustee



Trustee



Trustee

Independent Auditor's Report

To the trustee of Chrysalis Academy Western Cape Trust

Qualified opinion

We have audited the annual financial statements of Chrysalis Academy Western Cape Trust set out on pages 7 to 19, which comprise the statement of financial position as at 31 March 2019, and the statement of other 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 Chrysalis Academy Western Cape Trust as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Trust Deed.

Basis for qualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Corresponding figures presented in these financial statements were subject to an audit in 2018 in terms of the trust deed for the year ended 31 March 2018 and a qualified opinion was issued on those figures due to our inability to obtain assurance over the completeness of cash donations. Accordingly, we are unable to determine whether any adjustments are necessary in the respect of revenue included in the statement of the financial performance and the net cash flows from operating activities included in the statement of cash flows for the year then ended 31 March 2018, and the accumulated surplus balance as at 1 April 2018.

The lack of internal controls over cash donations is no longer present in the current year.

Other information

The trustees are responsible for the other information. The other information comprises the Trustees' Report as required by the Trust Deed. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REGISTERED AUDITOR – A FIRM OF CHARTERED ACCOUNTANTS(SA) • IRBA REGISTRATION NUMBER 900222

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Independent Auditor's Report

Responsibilities of the trustees for the Annual Financial Statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Trust Deed, and for such internal control as the trustees 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 trustees are responsible for assessing the trust'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 trustees either intend to liquidate the trust 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 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 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 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 trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 trust'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 trust 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 trustees 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.



Mazars
Theeban Gangen
Registered Auditor
29 July 2019
Cape Town

**Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Trustees' Report**

The trustees have pleasure in submitting their report on the annual financial statements of Chrysalis Academy Western Cape Trust and its associates for the year ended 31 March 2019.

1. Nature of business

Chrysalis Academy Western Cape Trust is a registered non profit organisation engaged in providing training to formerly disadvantaged communities.

2. 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.

Full details of the financial position, results of operations and cash flows of the trust are set out in these annual financial statements.

3. Trustees

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

Trustees

MF Le Roux
DH Pinnock
DH Van Zyl
NS Moeng

4. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the trust or in the policy regarding their use.

5. Events after the reporting period

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

6. Going concern

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the trust.

7. Auditors

Mazars continued in office as auditors for the trust for 2019 financial year.

8. Additional disclosure

In the comparative year, the Trustees recognised that management had controls in place to mitigate a portion of the risk related to the completeness in recording of donations in the accounting records for which the auditors expressed a qualified opinion. We accepted however, that this qualification is due to the nature of the industry within which the Chrysalis Academy operates and especially its public benefit status which can potentially attract donations from different sources. In the current year, further controls have been implemented to give the auditors reasonable assurance as to the completeness of donation income.

Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Statement of Financial Position as at 31 March 2019

Figures in Rand	Note(s)	2019	2018
Assets			
Non-Current Assets			
Property, plant and equipment	2	<u>2,838,329</u>	<u>1,739,478</u>
Current Assets			
Trade and other receivables	3	144,025	148,323
Cash and cash equivalents	4	<u>8,360,687</u>	<u>6,782,913</u>
		<u>8,504,712</u>	<u>6,931,236</u>
Total Assets		<u>11,343,041</u>	<u>8,670,714</u>
Equity and Liabilities			
Equity			
Accumulated surplus		<u>5,205,271</u>	<u>3,001,280</u>
Liabilities			
Current Liabilities			
Deferred income	5	4,311,972	4,028,057
Trade and other payables	6	1,499,466	1,387,494
Current tax payable		<u>326,332</u>	<u>253,883</u>
		<u>6,137,770</u>	<u>5,669,434</u>
Total Equity and Liabilities		<u>11,343,041</u>	<u>8,670,714</u>

Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Statement of Comprehensive Income

Figures in Rand	Note(s)	2019	2018
Revenue	7	17,806,002	12,986,482
Other income	8	2,537,502	1,940,478
Operating expenses		(18,243,775)	(16,694,042)
Operating surplus (deficit)		2,099,729	(1,767,082)
Investment revenue	9	289,450	180,682
Surplus (deficit) before taxation		2,389,179	(1,586,400)
Taxation	10	(185,188)	(141,144)
Surplus (deficit) for the year		2,203,991	(1,727,544)

Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Statement of Changes in Equity

Figures in Rand	Accumulated surplus	Total equity
Balance at 01 April 2017	4,728,824	4,728,824
Deficit for the year	(1,727,544)	(1,727,544)
Balance at 01 April 2018	3,001,280	3,001,280
Surplus for the year	2,203,991	2,203,991
Balance at 31 March 2019	5,205,271	5,205,271

Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Statement of Cash Flows

Figures in Rand	Note(s)	2019	2018
Cash flows from operating activities			
Cash generated from operations	11	3,155,377	3,268,934
Interest income		289,450	180,682
Tax paid		(112,739)	-
Net cash from operating activities		3,332,088	3,449,616
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(1,760,517)	(435,267)
Sale of property, plant and equipment	2	6,203	1,658
Net cash from investing activities		(1,754,314)	(433,609)
Total cash movement for the year		1,577,774	3,016,007
Cash at the beginning of the year		6,782,913	3,766,906
Total cash at end of the year	4	8,360,687	6,782,913

Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Accounting Policies

1. Presentation of annual financial statements

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, the Trust Deed. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. The annual financial statements 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.

1.2 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods and services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period

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

Cost includes 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:

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life (years)
Workshop equipment	Straight line	5 years
Furniture and Fixtures	Straight line	6 years
Motor Vehicles	Straight line	5 - 8 years
Office Equipment	Straight line	5 years
Matresses and Bedding	Straight line	4 - 6 years
IT Equipment	Straight line	3 years
Climbing Tower	Straight line	6 years
Leasehold Improvements	Straight line	5 years
Communication Equipment	Straight line	5 years
Medical Equipment	Straight line	5 years
Other Equipment	Straight line	5 - 6 years

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.3 Financial instruments

Initial measurement

The organisation classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Accounting Policies

1.3 Financial instruments (continued)

Financial instruments are recognised initially when the organisation becomes a party to the contractual provisions of the instruments.

Other financial liabilities

Other financial liabilities are measured at amortised cost.

The trust derecognises financial liabilities when, and only when the trusts obligations are discharged, cancelled or they expire. The differences between the carrying amount of the financial liability derecognised, and the consideration paid and payable is recognised in profit or loss.

Deferred income represents grant income in which the specified future performance conditions are have not been satisfied. Deferred income is measured at amortised cost.

Trade and other receivables

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

Trade and other payables

Trade and other payables are classified as financial liabilities and measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in fair value. These are initially and subsequently recorded at fair value.

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases - lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Accounting Policies

1.5 Leases (continued)

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 Impairment of assets

The trust assesses at each reporting date whether there is any indication that property, plant and equipment 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 surplus or deficit.

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 surplus or deficit.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those wholly due within 12 months after the end of the period in which the employees rendered the related service, 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.

1.8 Revenue

Rental revenue is recognised in accordance with the policy on leases.

Government grants are recognised when there is reasonable assurance that:

- the trust will comply with the conditions attaching to them; and
- the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income in the period in which it becomes receivable.

Measurement

Revenue is measured at fair value of the consideration received and represents the amount receivable for goods and services provided in the normal course of business, net of trade discounts and value added tax.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

**Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Accounting Policies**

1.9 Borrowing costs

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

Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Notes to the Annual Financial Statements

Figures in Rand **2019** **2018**

2. Property, plant and equipment

	2019			2018		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Matresses and bedding	641,796	(185,017)	456,779	239,919	(140,682)	99,237
Furniture and fixtures	848,597	(532,653)	315,944	852,894	(465,857)	387,037
Motor vehicles	1,435,137	(675,974)	759,163	973,456	(726,774)	246,682
Office equipment	71,626	(18,991)	52,635	50,731	(35,443)	15,288
Computer software	648,394	(469,449)	178,945	1,059,159	(1,024,413)	34,746
Leasehold improvements	856,667	(576,913)	279,754	1,098,263	(860,209)	238,054
Climbing tower	315,465	(253,552)	61,913	315,465	(263,665)	51,800
Workshop equipment	568,569	(536,340)	32,229	568,569	(479,231)	89,338
Other equipment	1,736,107	(1,035,140)	700,967	1,954,610	(1,377,314)	577,296
	7,122,358	(4,284,029)	2,838,329	7,113,066	(5,373,588)	1,739,478

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Matresses and bedding	99,237	446,103	-	(88,561)	456,779
Furniture and fixtures	387,037	65,568	-	(136,661)	315,944
Motor vehicles	246,682	586,957	-	(74,476)	759,163
Office equipment	15,288	43,332	-	(5,985)	52,635
Computer software	34,746	124,208	(6,203)	26,194	178,945
Leasehold improvements	238,054	147,624	-	(105,924)	279,754
Climbing tower	51,800	-	-	10,113	61,913
Workshop equipment	89,338	-	-	(57,109)	32,229
Other equipment	577,296	346,725	-	(223,054)	700,967
	1,739,478	1,760,517	(6,203)	(655,463)	2,838,329

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Matresses and bedding	20,976	90,000	-	(11,739)	99,237
Furniture and fixtures	507,367	9,968	-	(130,298)	387,037
Motor vehicles	346,823	-	-	(100,141)	246,682
Office equipment	20,948	-	-	(5,660)	15,288
Computer software	126,252	-	-	(91,506)	34,746
Leasehold improvements	359,197	9,870	-	(131,013)	238,054
Climbing tower	69,075	-	-	(17,275)	51,800
Workshop equipment	197,275	-	-	(107,937)	89,338
Other equipment	514,159	325,429	(97,252)	(165,040)	577,296
	2,162,072	435,267	(97,252)	(760,609)	1,739,478

Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Notes to the Annual Financial Statements

Figures in Rand	2019	2018
3. Trade and other receivables		
Trade receivables	5,233	15,436
Prepayments	9,900	-
Deposits	12,000	12,000
VAT	116,892	120,887
	144,025	148,323
4. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	4,000	4,000
Bank balances	8,356,687	6,778,913
	8,360,687	6,782,913
5. Deferred income		
Department of Community Safety	4,000,000	3,602,585
Department of Social Development	214,468	295,722
Telkom	86,768	100,000
Usiko Trust	-	29,750
Community Trust	10,736	-
	4,311,972	4,028,057
The academy spent R16,170,422 of the allocation amount of R20,482,394 leaving a balance of R4,311,972 (2018: R4,028,057)		
6. Trade and other payables		
Trade payables	934,391	803,543
Income received in advance	28,276	24,760
Payroll accrual	91,477	79,574
Accrued leave pay	325,269	298,384
Accrued audit fees	-	78,200
Deposits received	120,053	103,033
	1,499,466	1,387,494
7. Revenue		
Donations received	1,635,380	672,089
Donation CA Graduate Bursary	200	-
Government grants	16,170,422	12,314,393
	17,806,002	12,986,482

Chrysalis Academy Western Cape Trust
Annual Financial Statements for the year ended 31 March 2019
Notes to the Annual Financial Statements

Figures in Rand	2019	2018
8. Other income		
Rental income	897,794	939,332
Recoveries	52,653	29,850
Registration fees	217,119	187,143
Facility income	1,314,120	639,378
Insurance claims	51,666	140,265
Staff birthday fund	4,150	4,510
	<u>2,537,502</u>	<u>1,940,478</u>
9. Investment revenue		
Interest revenue		
Interest on bank account	<u>289,450</u>	<u>180,682</u>
10. Taxation		
Major components of the tax expense		
Current taxation		
South African normal tax - year	<u>185,188</u>	<u>141,144</u>
Reconciliation of the tax expense		
Reconciliation between accounting surplus and tax expense.		
Accounting surplus (deficit)	2,389,179	(1,586,400)
Tax at the applicable tax rate of 28% (2018: 28%)	668,970	(444,192)
Tax effect of adjustments on taxable income		
Exempt income	(5,157,891)	(3,788,101)
Dissallowable expenditure	4,962,970	4,584,944
Basic exemption	(288,861)	(211,507)
	<u>185,188</u>	<u>141,144</u>
11. Cash generated from (used in) operations		
Surplus (deficit) before taxation	2,389,179	(1,586,400)
Adjustments for:		
Depreciation	655,463	760,609
Deficit on sale of assets	-	95,594
Interest received	(289,450)	(180,682)
Changes in working capital:		
Trade and other receivables	4,298	295,319
Trade and other payables	111,972	113,234
Deferred income	283,915	3,771,260
	<u>3,155,377</u>	<u>3,268,934</u>

Chrysalis Academy Western Cape Trust
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Figures in Rand	2019	2018
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12. Related parties

Relationships

Trustees

MF Le Roux
 DH Pinnock
 DH Van Zyll
 NS Moeng

Related party transactions

Grants received

Department of Community Safety	14,429,585	11,247,600
Department of Social Development	1,103,590	1,006,543

13. Remuneration of key management

The trust paid remuneration to key management personnel in the current year of R2,328,618 (2018: R2,206,652)

14. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

2019

	Loans and receivables	Total
Trade and other receivables	17,233	17,233
Cash and cash equivalents	8,360,687	8,360,687
	8,377,920	8,377,920

2018

	Loans and receivables	Total
Trade and other receivables	27,436	27,436
Cash and cash equivalents	6,782,913	6,782,913
	6,810,349	6,810,349

15. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

2019

	Financial liabilities at amortised cost	Total
Trade and other payables	1,054,444	1,054,444

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15. Financial liabilities by category (continued)		
2018		
	Financial liabilities at amortised cost	Total
Trade and other payables	984,776	984,776