

**CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**



**CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

GENERAL INFORMATION

TRUST REGISTRATION NUMBER	IT3808/2000
TRUSTEES	MF Le Roux DH Pinnock DH Van Zyl NS Moeng
TYPE OF TRUST	Non-profit
BUSINESS ADDRESS	Porter Estate Tokai Main Road Tokai 7945
POSTAL ADDRESS	Private Bag X2 Tokai 7966
COUNTRY OF INCORPORATION AND DOMICILE	South Africa
AUDITOR	Nexia Cape Town Chartered Accountants (SA)
PREPARER	The financial statements were independently compiled under the supervision of: Claudette February Chartered Accountant (SA)
LEVEL OF ASSURANCE	Audit

**CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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

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**CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

TRUSTEES' RESPONSIBILITIES AND APPROVAL

The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the 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 and the Trust Deed. The external auditor is engaged to express an independent opinion on the annual financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Trust Deed and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements 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 trustees set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the 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 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 2024 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 auditor is responsible for independently auditing and reporting on the trust's financial statements. The financial statements have been examined by the trust's external auditor and their report is presented on pages 5 to 6.

The financial statements set out on pages 7 to 19, which have been prepared on the going concern basis, are hereby approved.


MF Le Roux

Cape Town
19 July 2023

CHRYSALIS ACADEMY WESTERN CAPE TRUST FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' REPORT

The trustees have pleasure in submitting their report on the financial statements of Chrysalis Academy Western Cape Trust for the year ended 31 March 2023.

1. NATURE OF BUSINESS

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

There have been no material changes to the nature of the trust's business from the prior year.

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. The accounting policies have been applied consistently compared to the prior year.

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

Net surplus of the trust was R906 854 (2022 - surplus R138 063), after taxation of R- (2022 - R12 993).

3. 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.

4. NON-CURRENT ASSETS

There were no major changes in the nature or the use of non-current assets of the company during the year.

5. TRUSTEES

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

Names

MF Le Roux
DH Pinnock
DH Van Zyl
NS Moeng

6. GOING CONCERN

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the 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.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CHRYSALIS ACADEMY WESTERN CAPE TRUST

Opinion

We have audited the 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 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Chrysalis Academy Western Cape Trust as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Trust Deed.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the trust 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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "Chrysalis Academy Western Cape Trust financial statements for the year ended 31 March 2023", which includes the trustees' report and the trustees' responsibilities and approval report which we obtained prior to the date of this report. The other information does not include the 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.

INDEPENDENT AUDITOR'S REPORT

Responsibilities of the trustees for the financial statements

The trustees 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 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 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.

Nexia Cape Town
Nexia Cape Town

Per Claudette February
Partner
Registered Auditor

Cape Town
19 July 2023

CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF FINANCIAL POSITION

Figures in Rand	Note	2023	2022
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	6 355 157	5 102 946
Current Assets			
Trade and other receivables	4	286 115	176 256
Cash and cash equivalents	5	7 388 016	8 920 791
		7 674 131	9 097 047
Total Assets		14 029 288	14 199 993
EQUITY AND LIABILITIES			
EQUITY			
Accumulated surplus		7 895 063	6 988 209
LIABILITIES			
Current Liabilities			
Deferred income	6	3 776 606	5 571 796
Current tax payable		-	12 993
Trade and other payables	7	2 357 619	1 626 995
		6 134 225	7 211 784
Total Equity and Liabilities		14 029 288	14 199 993

**CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in Rand		2023	2022
Revenue	8	28 513 416	21 859 795
Other income	9	2 716 294	1 912 377
Operating expenses		(30 744 335)	(23 774 669)
Operating surplus (deficit)	10	485 375	(2 497)
Investment revenue	11	421 479	153 553
Surplus before taxation		906 854	151 056
Taxation	12	-	(12 993)
Total comprehensive surplus for the year		906 854	138 063

**CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Note	Accumulated Surplus	Total equity
Opening balance as previously reported		6 382 968	6 382 968
Adjustments			
Prior period error	2	467 178	467 178
Balance at 01 April 2021 as restated		6 850 146	6 850 146
Changes in equity			
Total comprehensive income for the year		138 063	138 063
Total changes		138 063	138 063
Balance at 01 April 2022		6 988 209	6 988 209
Changes in equity			
Total comprehensive income for the year		906 854	906 854
Total changes		906 854	906 854
Balance at 31 March 2023		7 895 063	7 895 063

**CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

STATEMENT OF CASH FLOWS

Figures in Rand	Note	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	13	497 439	2 813 227
Interest income		421 479	153 553
Tax paid		(12 993)	(5 115)
		<u>905 925</u>	<u>2 961 665</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	3	(2 438 316)	(1 567 924)
Proceeds from disposal of property, plant and equipment		-	25 000
		<u>(2 438 316)</u>	<u>(1 542 924)</u>
Total cash movement for the year		(1 532 391)	1 418 741
Cash and cash equivalents at the beginning of the year		8 920 791	7 502 050
(Profit) or loss on foreign exchange on cash and cash equivalents		(384)	-
Total cash and cash equivalents at the end of the year	5	<u>7 388 016</u>	<u>8 920 791</u>

**CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Trust Deed. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from those estimates which may be material to the financial statements. Significant judgements include:

Impairment testing

Ongoing assessments are made regarding any potential impairment of assets using various valuation methods.

Provisions

Provisions are based on an estimate determined by management from available information.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Expected useful lives

Items of property, plant and equipment are depreciated over their useful lives taking into account estimated residual values. The expected useful lives and residual values are assessed after taking into account various factors.

1.2 Property, plant and equipment

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

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
Communication equipment	5 - 18 years
Climbing tower	6 - 25 years
Furniture and fittings	6 - 10 years
IT equipment	3 - 10 years
Leasehold improvements	5 - 18 years
Matresses and bedding	4 - 25 years
Motor vehicles	5 - 25 years
Office equipment	5 - 9 years
Other equipment	5 - 25 years
Workshop equipment	5 - 18 years

The residual value, depreciation method and useful life are reviewed at each annual reporting date if there are indicators present that there has been a significant change since the last reporting date.

**CHRYSALIS ACADEMY WESTERN CAPE TRUST
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ACCOUNTING POLICIES

1.3 Financial instruments

Financial instruments at amortised cost

Financial instruments may be designated to be measured at amortised cost less any accumulated impairment using the effective interest rate method. These include trade and other receivables, loans, cash and cash equivalents and trade and other payables. 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 so, any impairment is recognised in the statement of profit or loss and other comprehensive income. The carrying amounts of trade and other receivables and trade and other payables approximate their fair values due to the short term nature of such amounts.

Deferred income

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

Financial instruments at fair value

All other financial instruments are measured at fair value through surplus and deficit.

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.

Current tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the tax authorities, using the tax rates that have been enacted or substantively enacted by the reporting date.

Tax expenses

Current tax is recognised as income or an expense and included in surplus for the period except to the extent that the tax arises from a transaction or event which is recognised in the same or different period directly in equity, in which case it is recognised in equity.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessor

Operating lease income is recognised in terms of the leases agreement as receipts are structured to increase in line with expected general inflation.

Operating leases – lessee

Operating lease expense is recognised in terms of the lease agreement as payments are structured to increase in line with expected general inflation.

1.6 Impairment of assets

The trust assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the trust estimates the recoverable amount of the asset and recognises the impairment in profit or loss.

**CHRYSALIS ACADEMY WESTERN CAPE TRUST
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ACCOUNTING POLICIES

1.6 Impairment of assets (continued)

If an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

1.7 Revenue

Government grant are recognised when there is reasonable assurance that:

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

Government grants are recognised as revenue over 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 revenue in the period in which it becomes receivable.

1.8 Other income

Other income represents income received other than government grants and donations. Other income is recognised when services are rendered and is measured at the fair value of consideration received and represents the amount receivable for goods and services provided net of discounts and value added tax.

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

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

1.9 Borrowing costs

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

CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand **2023** **2022**

2. PRIOR PERIOD ERROR

Residual values of motor vehicles were not taken into account when calculating the depreciable value of motor vehicles. This has resulted in the carrying values of motor vehicles being understated as depreciation of motor vehicles was overstated. The depreciable value of motor vehicles have been amended to take into account residual values. The carrying values of motor vehicles and accumulated depreciation of motor vehicles have been adjusted respectively.

The accumulated depreciation reduction has been raised. The error has been corrected retrospectively.

The aggregate effect of the prior period error on the financial statements for the year ended 31 March 2023 is as follows:

	2022	2021
Carrying value of property, plant and equipment		
As previously stated	4 467 250	4 244 335
Adjustment	635 696	467 178
Motor vehicle carrying value as previously stated	(985 728)	(1 030 825)
Motor vehicle carrying value	<u>1 621 424</u>	<u>1 498 003</u>
	<u>5 102 946</u>	<u>4 711 513</u>
Retained income	(6 988 209)	(6 850 146)
As previously stated	(6 352 513)	(6 382 968)
Adjustment	<u>(635 696)</u>	<u>(467 178)</u>
Depreciation		
As previously stated	1 330 084	1 132 057
Adjustment	(168 520)	(100 291)
Motor vehicles per financial statement	<u>(313 714)</u>	<u>(200 762)</u>
Motor vehicles depreciation	<u>145 194</u>	<u>100 471</u>
	<u>1 161 564</u>	<u>1 031 766</u>

3. PROPERTY, PLANT AND EQUIPMENT

	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Climbing tower	315 465	(275 557)	39 908	315 465	(255 630)	59 835
Furniture and fittings	1 310 918	(942 525)	368 393	1 206 671	(764 303)	442 368
IT equipment	1 216 224	(721 033)	495 191	1 070 643	(590 138)	480 505
Leasehold improvements	2 209 616	(986 571)	1 223 045	1 774 152	(813 318)	960 834
Mattresses and bedding	1 020 017	(594 243)	425 774	662 956	(499 555)	163 401
Motor vehicles	2 601 127	(511 877)	2 089 250	2 101 127	(479 703)	1 621 424
Office equipment	71 626	(62 420)	9 206	71 626	(50 784)	20 842
Other equipment	3 647 151	(1 993 988)	1 653 163	2 874 744	(1 571 102)	1 303 642
Workshop equipment	607 314	(556 087)	51 227	568 569	(518 474)	50 095
Total	<u>12 999 458</u>	<u>(6 644 301)</u>	<u>6 355 157</u>	<u>10 645 953</u>	<u>(5 543 007)</u>	<u>5 102 946</u>

CHRYSALIS ACADEMY WESTERN CAPE TRUST
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NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand **2023** **2022**

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Climbing tower	59 835	-	-	(19 927)	39 908
Furniture and fittings	442 368	104 247	-	(178 222)	368 393
IT equipment	480 505	201 794	(4 899)	(182 209)	495 191
Leasehold improvements	960 834	435 464	-	(173 253)	1 223 045
Mattresses and bedding	163 401	357 061	-	(94 688)	425 774
Motor vehicles	1 621 424	500 000	-	(32 174)	2 089 250
Office equipment	20 842	-	-	(11 636)	9 206
Other equipment	1 303 642	799 077	(433)	(449 123)	1 653 163
Workshop equipment	50 095	40 673	(291)	(39 250)	51 227
	5 102 946	2 438 316	(5 623)	(1 180 482)	6 355 157

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Climbing tower	79 762	-	-	(19 927)	59 835
Furniture and fittings	534 374	68 519	-	(160 525)	442 368
IT equipment	423 588	182 775	-	(125 858)	480 505
Leasehold improvements	543 923	554 894	-	(137 983)	960 834
Mattresses and bedding	258 744	37 696	-	(133 039)	163 401
Motor vehicles	1 498 003	274 000	(5 383)	(145 196)	1 621 424
Office equipment	33 027	-	-	(12 185)	20 842
Other equipment	1 246 424	450 040	(9 542)	(383 280)	1 303 642
Workshop equipment	93 668	-	-	(43 573)	50 095
	4 711 513	1 567 924	(14 925)	(1 161 566)	5 102 946

4. TRADE AND OTHER RECEIVABLES

Trade receivables	2 450	37 739
Prepayments	9 900	-
Deposits	12 000	12 000
Value-added Tax	261 765	126 517
	286 115	176 256

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	6 729	6 729
Bank balances	7 381 287	8 914 062
	7 388 016	8 920 791

CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand	2023	2022
6. DEFERRED INCOME		
Department of Social Development	26 606	43 717
Department of Community Safety	3 750 000	5 500 000
Telkom	-	28 079
	<u>3 776 606</u>	<u>5 571 796</u>
7. TRADE AND OTHER PAYABLES		
Trade payables	1 664 174	840 857
Accrued leave pay	540 829	468 363
Deposits received	33 650	147 553
Employee benefits payable	112 174	107 354
Income received in advance	6 792	62 868
	<u>2 357 619</u>	<u>1 626 995</u>
8. REVENUE		
Donations received	197 381	162 838
Government grants	28 101 000	21 510 000
Other grants	215 035	186 957
	<u>28 513 416</u>	<u>21 859 795</u>
9. OTHER INCOME		
Facility income	1 315 695	737 703
Gains on disposal of property, plant and equipment	-	16 356
Insurance claims	41 165	57 608
Recoveries	71 590	55 856
Registration fees	410 899	268 374
Rental income	869 555	769 450
Staff birthday fund	7 390	7 030
	<u>2 716 294</u>	<u>1 912 377</u>
10. OPERATING SURPLUS (DEFICIT)		
Operating surplus (deficit) include the following expenses:		
Loss on disposal of property, plant and equipment	5 623	9 542
Gain on disposal of property, plant and equipment	-	(16 356)
Loss on exchange differences	384	-
Depreciation	1 180 482	1 161 566
Employee costs	9 636 991	9 307 008
Catering	5 331 520	3 545 541
Clothing	2 021 858	1 510 466
Community safety expense	5 175 007	2 936 163
External service providers	431 134	336 385
Printing and stationery	353 812	343 386
Repairs and maintenance	658 498	564 541
Social development costs	614 369	451 039
Student training	2 310 195	1 575 220
	<u>23 008 336</u>	<u>20 877 500</u>

**CHRYSALIS ACADEMY WESTERN CAPE TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand	2023	2022
11. INVESTMENT REVENUE		
Interest		
Bank account	421 479	153 553
12. TAXATION		
Current taxation		
South African normal tax - year	-	12 993
Reconciliation between accounting surplus and tax expense		
Accounting surplus	906 854	151 056
Tax at the applicable tax rate of 28% (2022 - 28%)	253 919	42 296
Tax effect of adjustments on taxable income		
Disallowable expenditure	8 369 326	6 638 445
Exempt income	(9 307 913)	(7 815 115)
Basic exemption	(372 782)	(412 736)
Deferred revenue not taxable	1 057 450	1 560 103
	-	12 993
13. CASH GENERATED FROM OPERATIONS		
Surplus before taxation	906 854	151 056
Adjustments for:		
Depreciation	1 180 482	1 161 566
Loss (gain) on disposal of property, plant and equipment	5 623	(16 356)
Deficit on foreign exchange differences	384	-
Other non-cash items	-	6 281
Investment income	(421 479)	(153 553)
Changes in working capital:		
Trade and other receivables	(109 859)	190 559
Trade and other payables	730 624	(55 238)
Deferred income	(1 795 190)	1 528 912
	497 439	2 813 227

14. REMUNERATION OF KEY MANAGEMENT

The trust paid remuneration to key management personnel in the current year R2 943 666 (2022 - R2 864 865).

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15. RELATED PARTIES

Relationships

Members of key management

Trustees refer page 1

Lucille Meyer (CEO)

Wilhelm de Jongh (HOD - Admin and Finance)

Janine Turner (HOD - Training and Admin)

Related party transactions

Grant received

Department of Community Safety

27 021 000

20 310 000

Compensation paid to key management is disclosed in note 14.

16. FINANCIAL ASSETS BY CATEGORY

Financial assets at amortised cost

Trade and other receivables

286 115

176 256

Cash and cash equivalents

7 388 016

8 920 791

7 674 131

9 097 047

17. FINANCIAL LIABILITIES BY CATEGORY

Financial liabilities at amortised cost

Trade and other payables

2 357 619

1 626 995

18. RENTAL COMMITMENTS

Operating leases – as lessor

Minimum lease payments due

within one year

590 617

334 585

due between 2 - 5 years

1 085 131

1 077 608

due thereafter

285 621

509 710

1 961 369

1 921 903

Operating lease receipts represent rentals receivable by the trust for certain buildings. Leases are negotiated for an average term of two years.

19. GOING CONCERN

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the 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.

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20. COMPARATIVE FIGURES

Comparative figures have been amended to provide more meaningful disclosure.