

NG WELFARE NORTH WEST (NGW)
Non-profit Company (NPC)

ANNUAL REPORT

A YEAR IN REVIEW

**2017/
2018**

NG Welfare North West (referred to as NGW) is the registered welfare organisation of the Dutch Reformed Church of the Synod of Goudland, operating in the North West Province and in the Vaal and West-Rand regions of Gauteng.

Registration

- Welfare Organisation (WO) (Act 110/1978)
- Non-Profit Company (NPC) (Act 71/2008 – as amended)
Registration number: 1995/0088030/08
- Non-Profit Organisation (NPO) (Act 71/1997 – as amended)
Registration number: 002-059 NPO
- Public Benefit Organisation (PBO) (Sec 30, Act 58/1962)
Registration number: PBO 930 003 679
- Designated Child Protection Organisation (CPO) (Act 38/2005)

Head Office: 104 Peter Mokaba Avenue,
Potchefstroom.
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Website: www.ngwelfare.co.za

- www.facebook.com/ngwelfare
- <https://twitter.com/ngwelfare>
- <https://www.youtube.com/channel/UCbLy0zxyLqKdfGfkj1I96XQ>
- [ngwelfare8326](https://www.instagram.com/ngwelfare8326)

Banking details:
NG Welfare Noordwes
ABSA
Cheque Account No: 01009700249

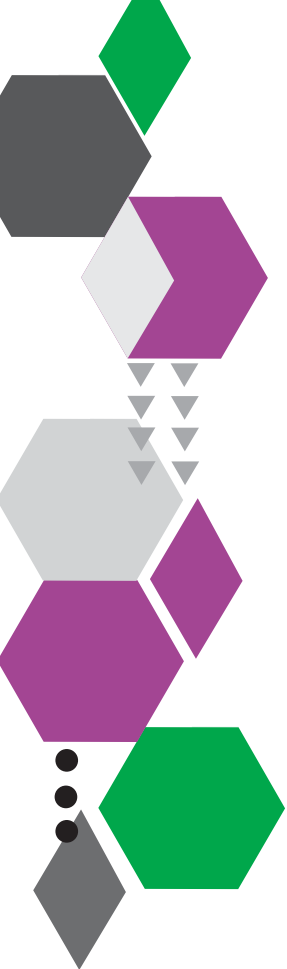


TABLE OF CONTENTS

CORE BUSINESS	2
VISION	2
MISSION	2
CORE VALUES	2
MESSAGE FROM THE DESK OF THE MANAGING DIRECTOR.....	3
GOVERNANCE AND MANAGEMENT	4
BOARD OF DIRECTORS	4
BENEFICIARIES	5
BENEFACTORS, SUPPORTERS AND CO-WORKERS	5
FAMILY CARE SERVICES	6
GROUP- & COMMUNITY WORK SERVICES	7
CHILD AND YOUTH CARE CENTRES.....	8
RESIDENTIAL CARE & SERVICES FOR OLDER PERSONS	9
NG WELFARE NORTH WEST NPC	
GOVERNANCE & MANAGEMENT STRUCTURES	10
CORPORATE GOVERNANCE	11
Ethical leadership and corporate citizenship	11
Board of Directors	11
Risk management	11
GENERAL TRENDS, RISKS AND CHALLENGES	12
SOCIAL AND ETHICAL ASPECTS	13
SUSTAINABILITY AND INTEGRATION	13
STAKEHOLDER RELATIONSHIPS	13
NGWELFARENORTHWESTNPC	
ORGANOGRAM: PERSONNEL	14
REPORT OF THE AUDIT COMMITTEE	16
REVENUE 2018	18

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

GENERAL INFORMATION	20
INDEPENDENT AUDITOR'S REPORT.....	21
REPORT OF THE COMPILER	22
DIRECTORS' RESPONSIBILITIES AND APPROVAL	23
Statement of Financial Position as at 28 February 2018.....	24
Statement of Comprehensive Income	25
Statement of Changes in Equity	25
Statement of Cash Flows.....	26
Notes to the Abridged Annual Financial Statements.....	27
NGW BRANCHES.....	28



CORE BUSINESS:

We provide professional social welfare services and focus mainly on the protection of children and families and on residential care for older persons.

VISION:

The optimal social functioning of the individual, family and community to the glory of God.

MISSION:

NGW is committed to render a comprehensive professional social welfare service.

CORE VALUES:

Honesty & Integrity
Grace & Compassion
Trust & Reliability



MESSAGE FROM THE DESK OF THE MANAGING DIRECTOR

We live in a community that is slowly but surely heading for point zero. The socio economic misery is enlarging daily. Even the church is affected by the empty wallets of the believers. This is one of the main reasons why our vision is to bring hope and touch lives where necessary.

My main task as Managing Director is to differentiate what God's calling is in our community which is falling apart. Our objectives should focus more on the large impact of hardship. At the same time, we must convince the church and the Government that the informal service of mercy must revive in order to decrease the pressure on the professional services. In order to delay D-Day, we should take hands to educate society to take the first step. Early childhood development needs to be the first calling of the new generation. Furthermore, the matter of generations that are growing up with absent fathers, can no longer be ignored. The latter is the breeding ground for a society in distress.

I believe the time has come to again inspire our churches to put the local poverty and social deterioration on top of their calling lists. We have after all agreed to be missional in the new century. We therefore must see these reports as hour glasses indicating that the sand is running out.

May God give us the grace to stop the hour glass in South Africa. *Kyrie Eleison*: Lord, have mercy on us.

Blessings

Rev Nico van Rensburg
Managing Director

George Washington Carver (1864 – 1943) said:

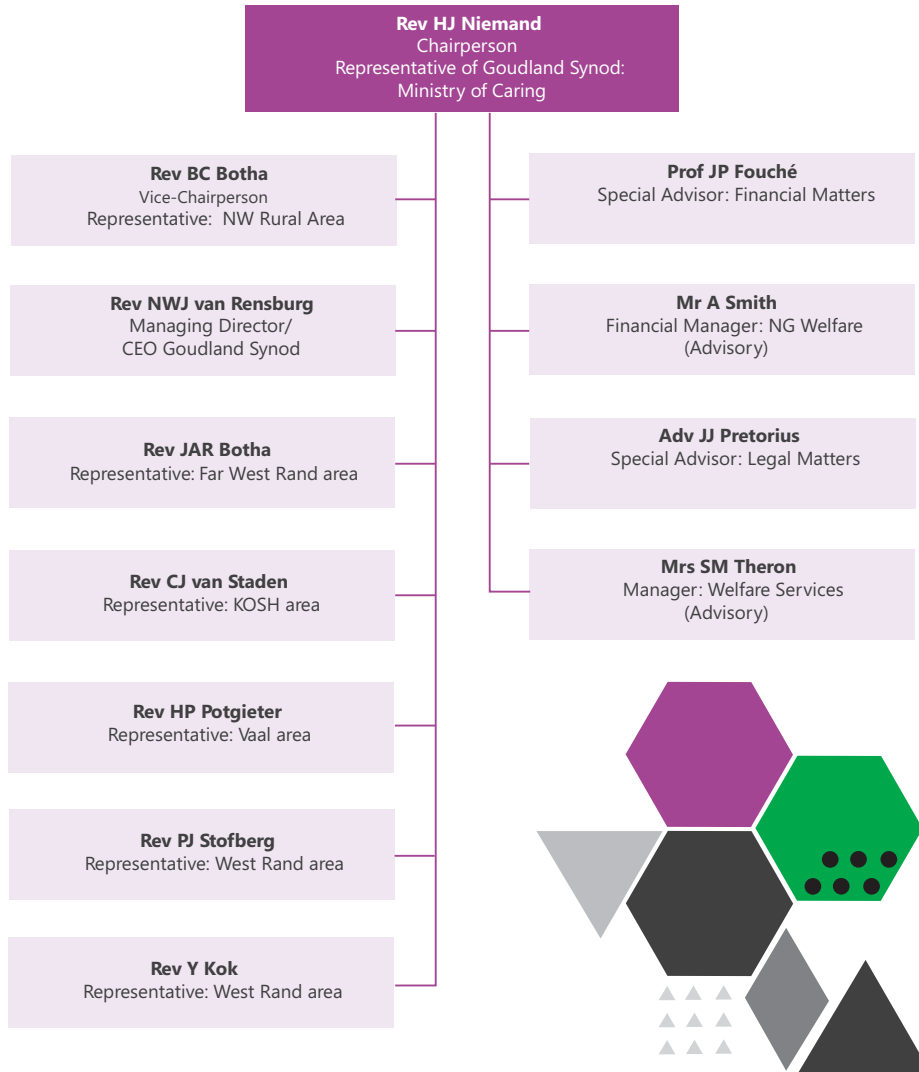
"How far you go in life depends on your being tender with the young, compassionate with the aged, sympathetic with the striving and tolerant of the weak and strong. Because some day in life you will have been all of these."

GOVERNANCE AND MANAGEMENT

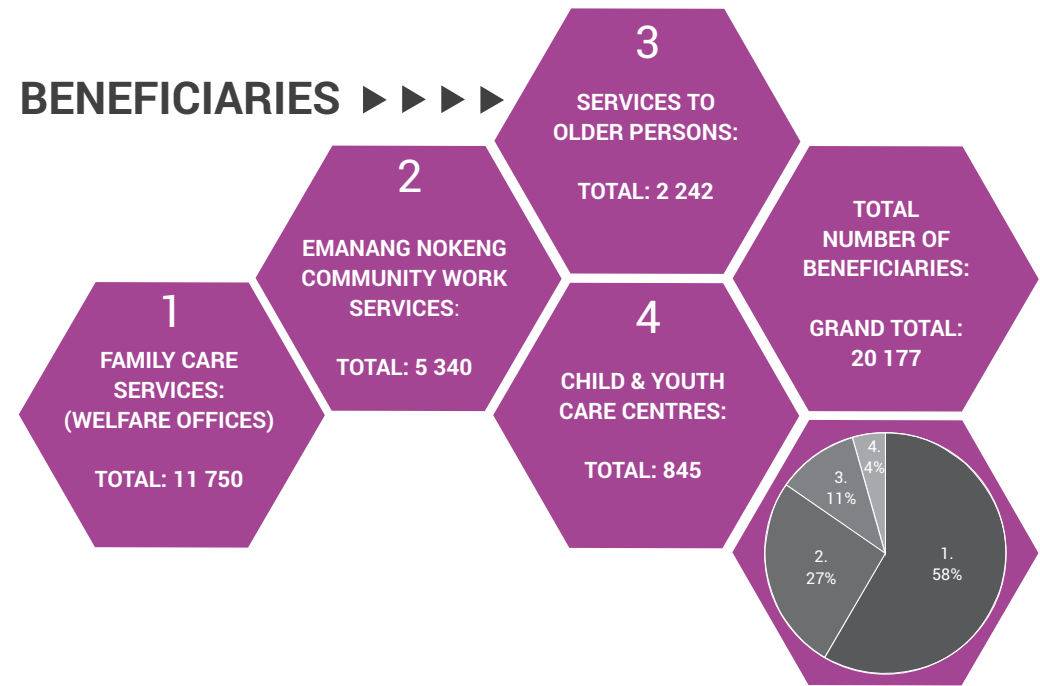
NG Welfare North West is governed by a Board of Directors. The quarterly meetings of 2017/18 took place on the following dates: 15 May 2017, 28 August 2017 (annual general meeting), 13 November 2017 and 12 February 2018.

Each of the 25 branches of NG Welfare is governed by an Advisory Board comprising members of the local community and management staff. Meetings also take place quarterly. Please refer to the organogram on page 12

BOARD OF DIRECTORS



BENEFICIARIES



BENEFACTORS, SUPPORTERS AND CO-WORKERS

Acknowledgement: A special word of appreciation to our loyal benefactors and supporters: Thank you for your continuous support. Your financial contributions greatly strengthen our hands to protect the vulnerable. To our volunteers: Thank you for giving your time and talents without any compensation.



social development

Department:
Social Development
REPUBLIC OF SOUTH AFRICA



Thank you to all the extremely dedicated, loyal and efficient staff and volunteers in all the affiliations for their sustained hard work.

Staff

684

530

Volunteers

FAMILY CARE SERVICES

"Remember there's no such thing as a small act of kindness. Every act creates a ripple with no logical end."

Scott Adams

OBJECTIVES & ACCOMPLISHMENTS

Strengthen family life & improve the general well-being of dysfunctional families:

Provide Child Protection Services to children whose safety and well-being is possibly endangered or at risk.

Children's Court Cases:

The safety and well-being of 245 children has been secured through Children's Court Orders. Of these 245 children, the well-being of 154 has been secured by the use of Form 38. The remaining 91 children had to be removed with Form 36 and put into temporary safe care in order to ensure their well-being. This accentuates the need in our society for people who can provide temporary shelter or safe care to such children.

Monitor placements of children in alternative care.

Alternative Care and Support Services:

1249 children are in alternative care. Of these 1249 children, 1156 are in foster care, 80 in Children's Homes (Child and Youth Care Centres) and 13 in schools of industries now known as Child and Youth Care Centres providing special programmes.

Protect vulnerable children, orphans and other children-at-risk:

Provide therapeutic, support and/or care services to families with a focus on children identified as being vulnerable or exposed to high-risk situations.

73 Parenting plans have been ratified by court in order to ensure stability the family lives of 91 children

GROUP- & COMMUNITY WORK SERVICES

"I shall pass this way but once; any good, therefore, that I can do or any kindness that I can show to any human being, let me do it now. Let me not defer nor neglect it, for I shall not pass this way again."

Abstract: How to win friends and influence people by Dale Carnegie

OBJECTIVES & ACCOMPLISHMENTS

Empower people, build capacity, resilience & self-reliance

Present programmes in the community that aid in the prevention of neglect, exploitation, maltreatment or insufficient supervision of the children. Provide opportunities for Skills Development to improve chances for employment and self-sustainability.

During the past financial year, a lot of time has been spent on the training of day-care providers and the implementation of such projects in order to make early childhood development programs more accessible to children in poor and rural communities. These programs also help to protect children and meet their basic needs, such as the provision of meals. In Vereeniging, this project has even been recognised and supported by means of an additional subsidy by the Department of Social Development and there is also a pilot project with a toy library.

- Projects such as fatherhood programs to address the social phenomenon of absent fathers.
- Prevention programs focus on teaching children life skills to protect themselves against crimes such as child trafficking and abuse.
- Foster children in their teens are equipped with life skills to help them prepare for the adult life after leaving school.

Community & Group Work with Clients:	Emanang Nokeng: Community & Group Work with non-Clients	Social Trends	Challenges
Life Skills with Adolescents, Training of Foster Parents, Grief counselling with orphans, Parenting Skills, Fatherhood Programmes, Support Groups, Holiday programmes, Handcrafts, Information sessions	Early Childhood Development and training of day-care mothers at community day-care centres., Vegetable gardens, Holiday programmes, Mentorships, Life Skills, Awareness Campaigns,	• Deficient parental skills/guidance. • Disintegration of family life. • Moral decay. • Violence & sexual abuse. • Deterioration of social fibre. • Exploitation of/through social media. • Poverty and neglect. • Drug abuse.	• High demand for NGW's expertise & services. • Complexity of cases. • High cost of support services. • Limited resources for alternative care. • Insufficient financial resources. • Staff burnout and turnover.
19 projects – involving 644 clients	53 projects – involving 5,340 non-clients		

RESIDENTIAL CHILD CARE SERVICES: CHILD AND YOUTH CARE CENTRES

"One hundred years from now it will not matter what your bank account was, the sort of house you lived in or the kind of car you drove, but the world may be different because you were important in the life of a child."

Forest E. Witcraft

OBJECTIVES & ACCOMPLISHMENTS

Provide safe & caring environment

These children had been removed from their parents' care by means of a Children's Court Order often because of traumatic circumstances, such as serious neglect or abuse.

 367 children involved	Accommodation	Education
	Provision in basic needs	Formal education in local schools & Extra classes
	Counselling	Transport to and from schools/extra classes
	Therapy	Skills Development
	Spiritual guidance	Sport & Recreation
		Assistance with application for bursaries for higher education

Outreach initiatives

Support children in community and involve children in social outreach projects.

Community Involvement

- Building relationships and establishing common purposes with other role players and support systems in the community.
- The local and regional hospitals and clinics play an important role in medical care.
- Services provided by other professionals in the community: Psychologists, psychiatrists, speech therapists, occupational therapists, play therapists, forensic assessors and orthodontists. Some of these professionals are employed by government, but many are in private practice.
- Funding/donors from local businesses. support projects.

Social Integration & Responsibility

- Food parcels to families/hosts during school holidays.
- Transport of children visiting families in neighbouring towns and settlements.
- Visits to and contact with lonely elderly in residential care facilities.
- Social visits to shelter for homeless persons.
- Voluntary work at animal shelters.
- Provide student internships. opportunities

Trends	Challenges
Victims of sexual/culture abuse	Recruiting trained staff and ensuring new staff get specialised training as soon as possible.
Drug abuse	Peer group pressure.
Acting-Out Behaviour	Insufficient resources for children with special needs.
Psychiatric disorders	Unchanged circumstances of parents.
Extended family of orphaned children unable to take them into foster care	Vacancies at Child Protection Organisations resulting in restricted rendering of reunification services.
	Multi-disciplinary team work.

RESIDENTIAL CARE & SERVICES FOR OLDER PERSONS

I will be your God throughout your lifetime – until your hair is white with age. I made you, and I will care for you. I will carry you along and save you.

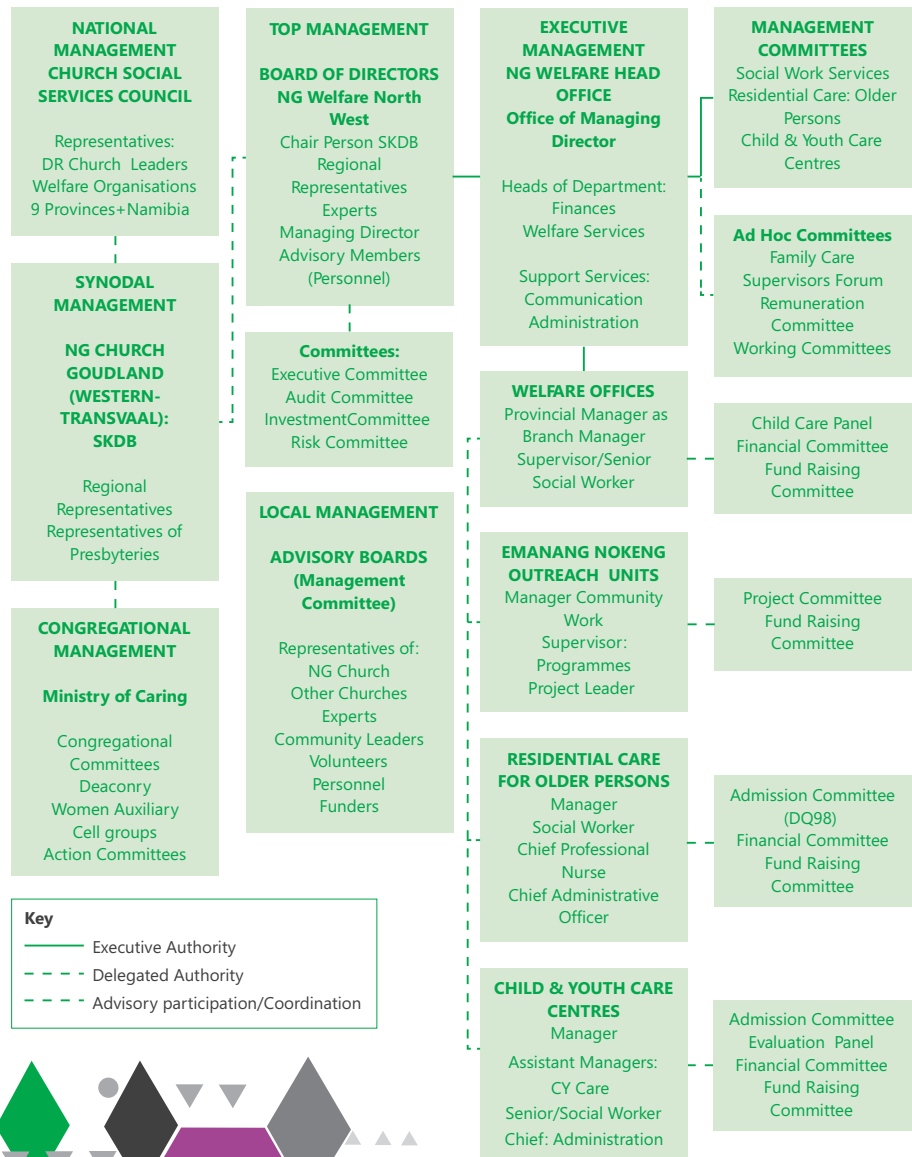
Isaiah 46:4

Provide safe & caring environment to frail & debilitated Older Persons



Trends	Challenges
• Frailty & Vulnerability. • Increasing numbers of older persons are victims of crime, neglect & exploitation. • Poverty/insufficient financial support. • Older persons abandoned by families. • Loneliness amongst residents. • Unavailability or decline in services provided by state hospitals and other medical services from government entities, such as ambulance services and provision of medical supplies.	• Shortage of trained staff willing to work in NPO-sector. • Increased number of sub-economic residents, food and other necessities puts strain on budgets. • Difficult balance between affordability & quality of services. • Inconsistency of basic services by local municipalities. • Demands by labour unions. • Labour relations unrest.

NG WELFARE NORTH WEST NPC GOVERNANCE & MANAGEMENT STRUCTURES



CORPORATE GOVERNANCE

The Board of Directors subscribes to the best practices and principles as contained in the Code of Governance for South Africa in the King III report. The Board of Directors regularly monitors its application in order to ensure continuous improvement of the managerial and corporate practices and that the operations of the company are managed with transparency and integrity.

The recommendations of the King III report are applied in as far as they are applicable to non-profit companies and as defined and qualified below. The new Companies Act, Act 71 of 2008 (the New Act), is applicable since 1 May 2011 and the Board of Directors continuously ensures compliance herewith within the set time frames.

Ethical leadership and corporate citizenship

The company and its Board of Directors comply with, and subscribe to the strictest ethical values and fully practise corporate citizenship, especially in the field of social services delivered. The Company and the Board of Directors meet all legal requirements and other regulatory requirements, codes and standards. Not all of these processes have as yet been formally documented and issued as policy and procedures, but they fall within the duties in terms of the charters of the Board and the Social and Ethics Committee in the foreseeable future.

Board of Directors

The Board of Directors and the governance and management structure is portrayed elsewhere in the report.

Risk management

The Audit and Risk Committee met on 15 May 2017 to specifically start formalising the risk management process by updating the risk register. Sustainable finances remain the organisation's largest challenge linked to the current economic climate. In this regard good relations with the Department of Social Development and other stakeholders are crucial. The Company budgets for a deficit of R for the 2017/2018 financial year. Various fundraising efforts are underway at Head Office as well as at the branches. The company also hopes to receive Lotto money again in future. Succession plans were put in place with regard to retiring management members and board members of the company.

No unusual or unexpected risks were taken while executing the company's activities; thus no accompanying material losses incurred.

GENERAL TRENDS, RISKS & CHALLENGES



MANAGEMENT

- Recruiting new Senior Management with appropriate expertise after retirement of present senior staff members.
- Transformation of the BOD.
- Recruitment of willing and available volunteers to serve as Board or as Advisory Board members without compensation.



STAFF

- Recruitment difficult due to non-competitive remuneration in NPO-sector.
- High turnover of professional staff.
- Skills shortage especially in professional nursing services.
- Unavailability of skilled & experienced social workers for complicated cases of child protection.
- Burnout



SERVICE DELIVERY

- Deterioration of municipal services in rural areas and deterioration of quality of life as a result.
- Limited resources.
- Sustainability of services due to financial constraints/staff turnover.
- Possibility of termination of services – closure of small offices in rural towns.
- Staff turnover due to non-competitive salaries.



FUNDS

- Financial planning & budgeting complicated by:
 - Decreased funding from Dutch Reformed Church due to decline in membership numbers.
 - Delayed payments of government funding.
 - Sporadic funding from National Lotteries Commission.
- Fundraising done by already over-exploited staff members.
- Contingency funds at most of the branches are being utilised to cover expenditure – in some cases it have been totally depleted.
- Competitiveness between NGO's for corporate funding



NEEDS

- Need for specialised HR manager to handle staff issues and deliberations with trade unions.
- Need of formal Staff Support Programme.
- Need for professional fund raiser.
- Need for improved partnership and joint ventures with other NGO's.
- Increased need for *Pro Bono* services of legal experts for social casework management.



INFRASTRUCTURE

- Buildings are old and require constant maintenance.
- Funds constrained for maintenance and replacement of vehicles & office equipment.

SOCIAL AND ETHICAL ASPECTS

As stated in the Standing Orders of the Social and Ethical Committee of NG Welfare, we are responsible to monitor everything the company does with due observance of the relevant legislation, other legal obligations and ethical codes for best practices. In all the meetings of the Board of Directors of NG Welfare North West, we also take into account the Ten Principles of the United Nations Global Compact, the Policies of the Organisation for Economic Co-operation and Development, BBEE legislation and the Employment Equity Act.

In the past year (2017) the King IV Report (Draft) on Corporate Governance for South Africa (March 2016), the Introduction to Sector Supplements (Part 6 of the King IV Report – April 2016), Supplements for NPO's, the IoD CGN Governance Issues paper 201 and other relevant information regarding NPO's were sent to Board members to inform and equip them for their task as Directors.

Because we want to make a sustainable difference by touching lives and bringing hope, we as a Committee, Board and company do everything with integrity, grounded in sound ethical Biblical principles. We do this in our meetings, in our planning for the future, in caring for children, families and the elderly, hoping and praying ourselves that NG Welfare will contribute to a better society and South Africa for all.

SUSTAINABILITY AND INTEGRATION

This annual report is presented as an integrated report which addresses the annual financial statement figures as well as the social, environmental and economic aspects. Due to the nature of activities, a great deal of this report is dedicated to the social services rendered to the broad community.

None of the sustainability aspects are subject to an audit or assurance engagement, because of costs involved and the focus on the spending of funds on welfare work.

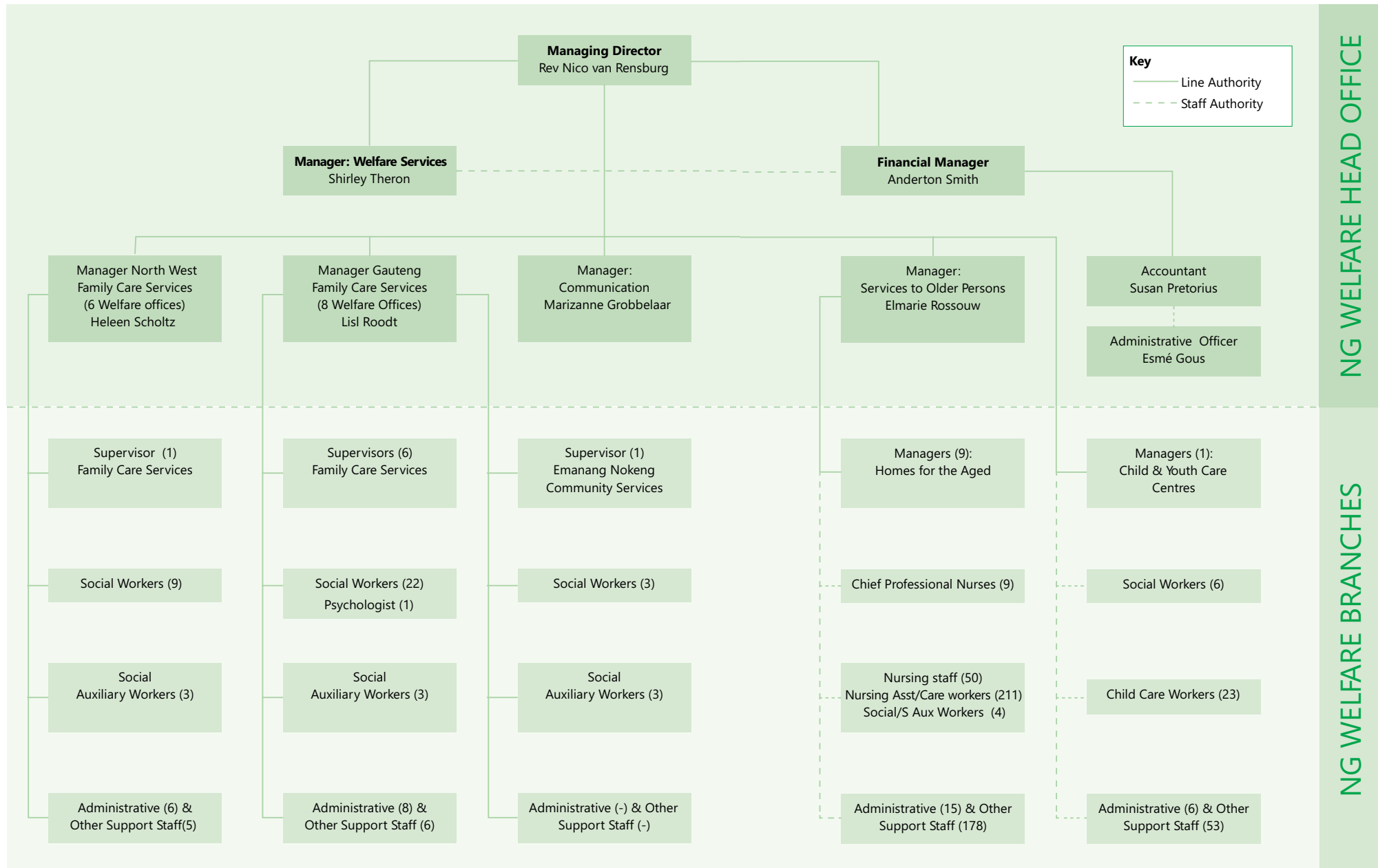
The sustainability of activities forms a huge part of the focus of the Board and top management. Due to the welfare and non-profit nature of activities, the company is largely dependent on donations and church and government support; thus no guarantee of continued support exists. In spite of this, the company has dealt with its financial matters extremely responsibly and has therefore also already placed large funds on fixed investment.

STAKEHOLDER RELATIONSHIPS

The company operates in the wider society to render welfare and social services; thus society is an important stakeholder. Liaison and regular feedback take place continuously between local communities and officials of the company, as well as between congregations where some of the Board members are active and congregations where welfare services are actively rendered. The relationships with the community, as well as with the church, government and welfare services within the government, therefore are actively managed on a continuous basis as part of the company's core business.

NG WELFARE NORTH WEST NPC

ORGANOGRAM PERSONNEL



REPORT OF THE AUDIT & RISK COMMITTEE

We hereby present our report for the financial year that ended February 28, 2018 to the Board of Directors. The Audit Committee is an independent committee, appointed by the Board of Directors that also delegates duties and responsibilities to the Committee.

The Audit Committee is of the opinion that this report meets the requirements of the Companies Act (Act 71 of 2008, as amended) and all the material recommendations of the King Code of Governance for South Africa (King III, 2009).

The Audit Committee's duties were formalised in a charter that had been approved by the Board of Directors. Since its inception, the Audit Committee has managed its activities in accordance with the charter and discharged its responsibilities as contained in the charter.

The Audit Committee is an independent committee of the Board of Directors and consists of five independent Non-Executive Directors. The Audit Committee met on 28 August 2017 during the year under review. Prof Anton du Toit, chairperson and special advisor on financial matters, passed away on 20 December 2016. The post was vacant and was only filled in May 2017 with the appointment of Prof Jaco Fouché.

The Audit Committee is responsible for:

- The nomination of the registered independent auditor;
- The assessment of the independence of the registered independent auditor;
- An overview of all matters pertaining to the appointment, audit fees, completion and closing of the independent audit;
- The overview of the annual financial statements prior to submission to and approval by the Board of Directors, taking into consideration the company's going-concern status;
- The revision of the annual report and all sustainability matters prior to submitting it to the Board of Directors;
- Maintaining a proper risk management process;
- Monitoring the internal audit function;
- Monitoring a proper internal control system; and
- Monitoring the processes and procedures concerning ethical behaviour within the company.

The Audit Committee therefore reports that all the duties and responsibilities, as described, have been honoured since the first meeting up to and including the overview meeting concerning the financial statements for the year under review. The Audit Committee specifically report that:

- The registered auditor is indeed independent;
- The annual financial statements have been evaluated and recommended

to the Board (the audit report and the accounting policy and compliance with International Financial Reporting standards have been emphasized);

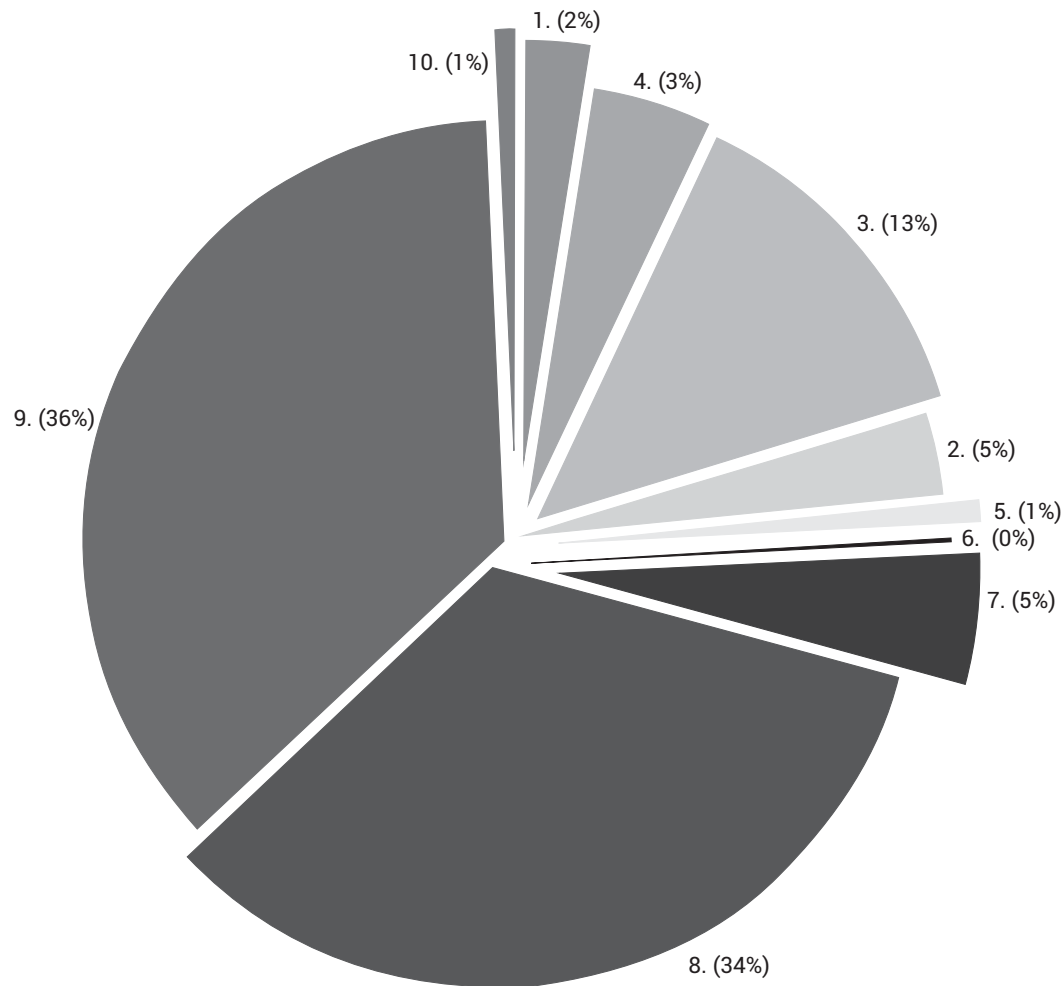
- The going-concern status of the Company has been reviewed and the Audit Committee is satisfied that the company has adequate resources available to continue to operate in the foreseeable future;
- The annual report has been reviewed for recommendation to the Board and to determine if corporate governance matters and sustainability reporting are sufficiently covered, taking into consideration the nature and size of the company;
- To the best of our knowledge, management has placed no limitations on the independent auditors in the execution of their duties;
- The risk management process has been performed, although the Board of Directors bears full responsibility for the maintenance of an effective risk management process;
- Although the Board of Directors bears full responsibility for the Company's internal control, the Audit Committee assisted the Board in monitoring the effectiveness and adequacy thereof;
- The internal audit function has been performed by the Financial Manager, due to the nature and limited extent of activities, as well as the limited resources available for this task. The Audit Committee acknowledges the lack of independence of this function, but also realises that financial resources can be better applied for the Company's main task and aim; and
- The Audit Committee has established that the Financial Manager has appropriate expertise and experience to act in this capacity. The Audit Committee is also satisfied that the Company's finance function has the required expertise and sufficient resources available to fulfil their responsibilities.

The Audit Committee noted gratefully that all the audited financial statements of the Company and its branches' have received unqualified audit reports.



Jaco Fouché
Chairperson of the Audit Committee

REVENUE 2018



R94,557,789

- | | |
|---------------------------------|--|
| 1 NG Church (2%) | 6 Profit on sale of fixed assets (0%) |
| 2 Collection & recoupments (5%) | 7 Rent received (5%) |
| 3 Donations & bequests (13%) | 8 Service fees (34%) |
| 4 Fundraising & projects (3%) | 9 Subsidy: Department of Social Services (36%) |
| 5 Lotto income (1%) | 10 Sundry income (1%) |



NG WELFARE NORTH WEST NPC

Trading as

NG WELSYN NOORDWES MSW
(Registration Number 1995/008030/08)
Abridged Annual Financial Statements
for the year ended 28 February 2018

Abridged Annual Financial Statements
Extract of the audited annual financial statements

Prepared: F.J. Bekker

Position: Independent Compiler

Reviewed: Philip Miller & Co.

Position: Registered Auditor

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)

Abridged Annual Financial Statements for the year ended 28 February 2018

GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
ENTITY TYPE	Non-profit company
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	To provide welfare and charitable services as the registered welfare organisation of the Dutch Reformed Church in the North West Province and in the Vaal and West Rand regions of Gauteng
DIRECTORS	Van Staden, C.J. Niemand, H.J. Van Rensburg, N.W.J. Pretorius, J.J. Botha, B.C. Potgieter, H.P. Stofberg, R.J. Fouché, J.P. (Appointed 28 August 2017)
REGISTERED OFFICE / BUSINESS ADDRESS	104 Peter Mokaba Avenue Potchefstroom 2531
BANKERS	ABSA
INCOME TAX REGISTRATION NUMBER	9050/709/61/8
AUDITORS	Philip Miller & Co. 12 Holtzhausen Road Baillie Park Potchefstroom 2531
WEBSITE	www.ngwelfare.co.za
DATE PUBLISHED	28 August 2018



PHILIP MILLER & CO.

REGISTERED AUDITORS/GEREGISTREERDE OUDITEURE
PRACTICE NUMBER – SAICA 03045752 / IRBA 904260-0000
KRAUSE VAN DER WALT CA (SA) Ph.D. – SAICA 00247961 / IRBA 584177
GERALDINE SMUTS CA (SA) M.COM. – SAICA 08194011 / IRBA 837558

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INDEPENDENT AUDITOR'S REPORT

To the Members of NG WELFARE NORTH WEST NPC

Opinion

We have audited the financial statements of NG WELFARE NORTH WEST NPC set out on pages 6 to 10, which comprise the statement of financial position as at 28 February 2018, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

The abridged annual financial statements are consistent, in all material respects, with these complete audited annual financial statements, from which it was derived.

Responsibilities of the Directors for the Financial Statements

The directors 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 Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Accounting policy and limitation of distribution and use

The abridged annual financial statements were prepared to assist the company in providing summarised financial information to the members. Due to this, these abridged financial statements may not be suitable for other purposes.

To better understand the scope of our audit and the financial position of the company, the abridged annual financial statements should be read in conjunction with our complete audit report, accounting policy and explanatory notes, included in the audited annual financial statements.

Philip Miller & Co.

27 August 2018

Per: G.M Smuts
Partner
Registered Auditors

12 Holtzhausen Road
Baillie Park
Potchefstroom
2531

F.J. BEKKER

PROFESSIONAL ACCOUNTANT (S.A.)

SAIPA NO. 22318

(B.Com Acc, Hons B.Com Fin Acc)

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0140

Cell: 0835144585

Fax: 0862329568

Email: frik@fjbekkerco.za



REPORT OF THE COMPILER

To the Members of NG WELFARE NORTH WEST NPC

We have compiled the accompanying abridged annual financial statements of NG WELFARE NORTH WEST NPC based on information you have provided. These abridged annual financial statements comprise the statement of financial position of NG WELFARE NORTH WEST NPC as at 28 February 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These abridged annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these abridged financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

Per: F.J. Bekker
Professional Accountant (SA)

16 August 2018

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)

Abridged Annual Financial Statements for the year ended 28 February 2018

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the South African Companies Act 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 company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company and supported by reasonable and prudent judgements and estimates.

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

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

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

The abridged annual financial statements are consistent, in all material respects, with the complete audited annual financial statements, from which it was derived.

The abridged annual financial statements as set out on pages 6 to 10 were approved by the board on 16 August 2017 and were signed on their behalf by:

Director

Director

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)
Abridged Annual Financial Statements for the year ended 28 February 2018

Statement of Financial Position as at 28 February 2018

Figures in R	2018	2017
Assets		
Non-Current Assets		
Property, plant and equipment	36,520,587	39,297,710
Loans receivable	181,737	181,737
	36,702,324	39,479,447
Current Assets		
Inventories	622,266	322,526
Investments	32,705,363	30,666,238
Trade and other receivables	6,303,659	6,159,067
Cash and cash equivalents	4,511,759	4,907,869
	44,143,047	42,055,700
Total Assets	80,845,371	81,535,147
Equity and Liabilities		
Equity		
Special trust funds and reserves	18,302,352	24,664,153
Retained earnings	13,914,756	9,881,422
	32,217,108	34,545,575
Non-Current Liabilities		
Borrowings	41,599,851	41,558,426
Current Liabilities		
Trade and other payables	7,028,412	5,431,146
Total Equity and Liabilities	80,845,371	81,535,147

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)
Abridged Annual Financial Statements for the year ended 28 February 2018

Statement of Comprehensive Income

Figures in R	2018	2017
Revenue	94,557,789	96,349,911
Operating costs	(98,877,058)	(99,859,003)
Operating deficit	(4,319,269)	(3,509,092)
Investment income	1,735,577	1,188,067
Finance costs	(1,492)	(1,649)
Deficit for the year	(2,585,184)	(2,322,674)

Statement of Changes in Equity

Figures in R	Special Trust Funds & Reserves	Retained earnings	Total
Balance at 1 March 2016	29,168,236	7,842,674	37,010,910
Loss for the year	-	(2,322,674)	(2,322,674)
Total comprehensive income for the year	-	(2,322,674)	(2,322,674)
Transfer from reserves and funds	(4,361,422)	4,361,422	-
Transfer to / (utilising of) reserves and funds	(145,904)	-	-
Adjustments - Transfer to / (utilising of) reserves and funds - special projects and community development incentives	3,243	-	3,243
Balance at 28 February 2017	24,664,153	9,881,422	34,691,479
Balance at 1 March 2017	24,664,153	9,881,422	34,545,575
Loss for the year	-	(2,585,184)	(2,585,184)
Total comprehensive income for the year	-	(2,585,184)	(2,585,184)
Transfer from reserves and funds	(6,618,518)	6,618,518	-
Transfer to / (utilising of) reserves and funds	818,709	-	-
Adjustments - Transfer to / (utilising of) reserves and funds - special projects and community development incentives	(561,992)	-	(561,992)
Balance at 28 February 2018	18,302,352	13,914,756	31,398,399

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)
Abridged Annual Financial Statements for the year ended 28 February 2018

Statement of Cash Flows

Figures in R	2018	2017
Cash flows (used in) / from operating activities		
Loss for the year	(2,585,184)	(2,322,674)
Adjustments for:		
Finance costs	1,492	1,649
Depreciation of property, plant and equipment	3,396,967	3,547,402
Investment income	(1,735,577)	(1,188,067)
Operating cash flow before working capital changes	(922,302)	38,310
Working capital changes		
(Increase)/Decrease in financial asset	(2,039,125)	2,564,518
(Increase)/Decrease in inventories	(299,740)	20,722
Increase in trade and other receivables	(144,592)	(3,492,456)
Increase in trade and other payables	1,597,266	1,640,273
Net cash flows (used in) / from operations	(1,808,493)	771,367
Investment income	1,570,494	1,053,779
Finance costs	(1,492)	(1,649)
Dividends received	165,083	134,288
Net cash flows (used in) / from operating activities	(74,408)	1,957,785
Cash flows from investing activities		
Property, plant and equipment acquired less adjustments	(1,056,287)	(4,464,093)
Property, plant and equipment transfers and adjustments	418,460	485,329
Proceeds on disposals of property, plant and equipment	17,983	140,754
Net cash flows in investing activities	(619,844)	(3,838,010)
Cash flows from financing activities		
Loans raised	41,425	2,142,445
Transfer to reserves and funds	256,717	(142,661)
Net cash flows from financing activities	298,142	1,999,784
Net (decrease) / increase in cash and cash equivalents	(396,110)	119,559
Cash and cash equivalents at beginning of the year	4,907,869	4,788,310
Cash and cash equivalents at end of the year	4,511,759	4,907,869

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)
Abridged Annual Financial Statements for the year ended 28 February 2018

Notes to the Abridged Annual Financial Statements

Abridged Annual Financial Statements

The abridged annual financial statements have been derived from the audited annual financial statements. The complete audited annual financial statements, together with a copy of the unqualified audit report issued by the independent auditor will be available for inspection at the registered offices of the company or on the website of the company (<http://www.ngwelfare.co.za>).

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

NGW BRANCHES

FAMILY CARE OFFICES

NGW Carletonville	018 787 4038
Fochville Social Services	018 771 3773
NGW Klerksdorp	018 462 9887
NGW Krugersdorp	011 660 3183
NGW Lichtenburg	018 632 4347
NGW Meyerton	016 362 0864
NGW Potchefstroom	018 297 7347
NGW Randfontein	011 412 1036
NGW Roodepoort	011 955 6924
NGW Schweizer-Reneke	053 963 1156
NGW Vanderbijlpark	016 981 1044
NGW Vereeniging	016 421 4044
Verwes Social Services Wolmaransstad	018 596 1318
NGW Zeerust	018 642 1312

INSTITUTIONS:

HOMES FOR THE ELDERLY

Huis Meyerton	016 362 0045
Japie Kritzinger Home for the Elderly, Bloemhof	053 433 1403
Jeugland Home for the Elderly, Vanderbijlpark	016 933 3995
Huis Delarey, Delareyville	053 948 1928
Klerksdorp Home for the Elderly	018 462 5638
Koster Home for the Elderly	014 543 2052
Luipaardsvlei Home for the Elderly, Krugersdorp	011 955 2108
Silwerjare Home for the Elderly, Schweizer-Reneke	053 963 1330
Wolmaransstad Home for the Elderly	018 596 1159

SERVICE CENTRE

Jeugland, Vanderbijlpark	016 933 3995
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CHILD AND YOUTH CARE CENTRES

Abraham Kriel Child and Youth Care Centre, Potchefstroom	018 294 5347
Catherine Robson Child and Youth Care Centre, Vereeniging	016 455 1733

COMMUNITY CARE CENTRES

Emanang Nokeng	083 268 3660
Community Work service points:	
• Vereeniging	
• Polokong (Vanderbijlpark)	
• Magaliesburg & Kagiso (Krugersdorp)	
• Princess, Davidsonville and Soul City (Roodepoort)	
• Jabulani (Randfontein)	
• Utlwanang (Christiana)	
• Khutsong (Carletonville)	

