

NASCEE

National Association of Social Change Entities in Education

**NATIONAL ASSOCIATION OF SOCIAL CHANGE ENTITIES
IN EDUCATION (NASCEE) NPC
(Registration number: 2021/604591/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

National Association of Social Change Entities In Education NPC

Annual Financial Statements for the year ended 31 December 2021

(Registration number: 2021/604591/08)

Index

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

Contents	Page
General Information	3
Board Members' Responsibilities and Approval	4
Auditor's Report	5-7
Board Members' Report	8
Statement of Financial Position	9
Statement of Comprehensive Income	10
Statement of Changes In Equity	11
Cash Flow Statement	12
Accounting Policies	13
Notes to the Annual Financial Statements	14
Statement of Financial Performance	15

Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa, 71 of 2008.

Preparer

Kagiso Rammole
B. Compt / Post Graduate Advanced Accounting Sciences

Published

31 May 2022

National Association of Social Change Entities In Education NPC

Annual Financial Statements for the year ended 31 December 2021

(Registration number: 2021/604591/08)

General Information

Country Of Incorporation: South Africa

Nature Of Business and Principal Activities : NASCEE is a non-profit company working to maximise the collective contribution of NPOs towards achieving transformational systemic education through the fulfillment of the national targets set out in the National Development Plan as well as the global targets set out in the United Nations' Sustainable Development Goals (SDGs).

Directors:

Names	Designation	Changes
AM Barrett	Non-Executive Independent	(Appointment: 21/10/2021)
N Behardien	Non-Executive Independent	(Appointment: 21/10/2021)
HJ Benson	Non-Executive Independent	(Appointment: 21/10/2021)
G Campbell	Non-Executive Independent	(Resigned: 21/10/2021)
V Genniker	Non-Executive Independent	(Resigned: 21/10/2021)
G Gillett	Chairperson	
J Gilmour	Non-Executive Independent	
J Keevy	Non-Executive Independent	
S Khumalo	Non-Executive Independent	
NN Memela	Treasurer	(Appointment: 21/10/2021)
V Ncontsa	Deputy Chairperson	
E Nel	Non-Executive Independent	(Resigned: 21/10/2021)
S Oosthuizen	Non-Executive Independent	(Appointment: 21/10/2021)
L Zakwe	Non-Executive Independent	

Registered Office Address: The Education Hub
No. 6 Blackwood Avenue
Parktown
Johannesburg
2001

Bankers: Rand Merchant Bank

Auditors: Douglas and Velcich

Company Secretary: None

Legal Form: Non-Profit Company

Company Registration Number: 2021/604591/08

VAT Registration Number: Not registered

Income Tax Registration Number: 9563827196

Level Of Assurance: These Financial Statements have been audited in compliance with the applicable requirement of the Companies Act, 71 of 2008 South Africa.

Preparer: In compliance with the disclosure requirement of the Companies Act, 71 of 2008, the annual financial statements have been prepared by Kagiso Rammole, on behalf of National Association of Social Change Entities In Education NPC.

National Association of Social Change Entities In Education NPC

Annual Financial Statements for the year ended 31 December 2021

(Registration number: 2021/604591/08)

Board Members' Responsibilities and Approval

The board members are required by the Companies Act of South Africa, 71 of 2008, to maintain adequate accounting records and is 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 company 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 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 which are consistently applied and supported by reasonable and prudent judgements and estimates.

The board members 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 board members to meet these responsibilities, they have 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 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.

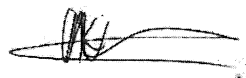
The board members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The board members have reviewed the company's cash flow forecast for the year to 31 December 2022 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on pages 7 to 14, which have been prepared on the going concern basis, were approved by the board members on 31 May 2022 and were signed by:



G Gillett
Chairperson



NN Memela
Treasurer

Independent Auditor's Report

To the Board Members

**National Association of Social Change Entities in Education
(NPO No. 231-678)**

Opinion

We have audited the accompanying financial statements of National Association of Social Change in Education (NASCEE) NPO set out on pages 8 to 15, which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive come, statement of changes in reserves and statement cash flows for the financial year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements fairly present, in all material respects, the financial position of the National Association of Social Change in Education (NASCEE) NPO as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the Association's Constitution.

Basis for 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 Association in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code), together with the ethical requirements that are relevant to our audit of financial statements in South Africa. We have fulfilled our other ethical requirements in accordance with these requirements and the IRBA Code. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Part A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information, which comprises the Board Members' Report and the Detailed Income Statement, set out on pages 7 and 14.

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 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 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 Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with their accounting policies, the International Financial Reporting Standards for Small and Medium - sized Entities and the requirements of the Association's Constitution, and for such internal control as management determines 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, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

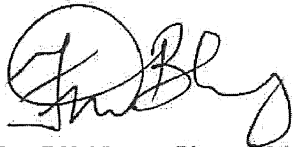
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgment 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Association'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 Association to cease to continue as a going concern.

Independent Auditor's Report

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Association to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Association's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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. We also communicate with those charged with governance regarding all relationships and other matters that may reasonably be brought to bear on our independence, and where applicable, related safeguards.



**Rev F.M. Vincent Bhengu CA(SA),RA
Douglas & Velcich
Chartered Accountants (S.A.)**

**Johannesburg
2 August 2022**

National Association of Social Change Entities In Education NPC

Annual Financial Statements for the year ended 31 December 2021

(Registration number: 2021/604591/08)

Board Members' Report

The board members present their annual report of the organisation for the period ended 31 December 2021.

1 Nature of business

National Association of Social Change Entities In Education was incorporated and operates in South Africa.

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 and the requirements of the Companies Act 71 of 2008.

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

3 Board Members

The board members of the organisation during the accounting period were:

Names	Designation	Changes
AM Barrett	Non-Executive Independent	(Appointment: 21/10/2021)
N Behardien	Non-Executive Independent	(Appointment: 21/10/2021)
HJ Benson	Non-Executive Independent	(Appointment: 21/10/2021)
G Campbell	Non-Executive Independent	(Resigned: 21/10/2021)
V Genniker	Non-Executive Independent	(Resigned: 21/10/2021)
G Gillett	Chairperson	
J Gilmour	Non-Executive Independent	
J Keevy	Non-Executive Independent	
S Khumalo	Non-Executive Independent	
NN Memela	Treasurer	(Appointment: 21/10/2021)
V Ncontsa	Deputy Chairperson	
E Nel	Non-Executive Independent	(Resigned: 21/10/2021)
S Oosthuizen	Non-Executive Independent	(Appointment: 21/10/2021)
L Zakwe	Non-Executive Independent	

4 Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the annual financial statements.

5 Going concern

We draw attention to the fact that at 31 December 2021 the organisation had accumulated losses of R217 498 and that the organisation's total liabilities exceed its assets by R217 498.

The board members believe that the organisation 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 board members have satisfied themselves that the organisation is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The board members are not aware of any new material changes that may adversely impact the organisation. Board members 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 organisation.

6 Auditors

Douglas and Velcich, continued in office as auditors in accordance with section 90 of the Companies Act of South Africa.

7 Secretary

The organisation had no secretary during the year under review.

National Association of Social Change Entities In Education NPC
Annual Financial Statements for the year ended 31 December 2021
(Registration number: 2021/604591/08)

Statement of Financial Position

Figures in Rand	Note(s)	31 Dec 2021	31 Dec 2020
Assets			
Current Assets			
Cash and cash equivalents	2	303 574	517 236
Trade and other receivables	3	295 500	67 000
		599 074	584 236
Total Assets		599 074	584 236
Equity and Liabilities			
Equity			
Accumulated deficit		(217 498)	(97 856)
		(217 498)	(97 856)
Liabilities			
Non-Current Liabilities			
Other financial liabilities	4	208 754	574 063
		208 754	574 063
Current Liabilities			
Trade and other payables	5	607 818	108 029
		607 818	108 029
Total Liabilities		816 572	682 092
Total Equity and Liabilities		599 074	584 236

National Association of Social Change Entities In Education NPC

Annual Financial Statements for the year ended 31 December 2021

(Registration number: 2021/604591/08)

Statement of Comprehensive Income

Figures in Rand	Note(s)	31 Dec 2021	31 Dec 2020
Revenue		1 807 344	981 210
Operating expenses		(1 926 986)	(777 560)
Surplus (deficit) before taxation		(119 642)	203 650
Taxation	6	-	-
Surplus (deficit) for the year		(119 642)	203 650

National Association of Social Change Entities In Education NPC
Annual Financial Statements for the year ended 31 December 2021
(Registration number: 2021/604591/08)

Statement of Changes in Equity

Figures in Rand	Accumulated Deficit	Total Equity
Balance at 01 January 2020	(301 506)	(301 506)
Surplus for the year	203 650	203 650
Other comprehensive income	-	-
Total comprehensive income for the year	203 650	203 650
Balance at 01 January 2021	(97 856)	(97 856)
Deficit for the year	(119 642)	(119 642)
Other comprehensive income	-	-
Total comprehensive income for the year	(119 642)	(119 642)
Balance at 31 December 2021	(217 498)	(217 498)

National Association of Social Change Entities In Education NPC

Annual Financial Statements for the year ended 31 December 2021

(Registration number: 2021/604591/08)

Cash Flow Statement

Figures in Rand	Note(s)	31 Dec 2021	31 Dec 2020
Cash flows from operating activities			
Cash receipts from customers		1 807 344	914 210
Cash paid to suppliers and employees		(1 655 697)	(710 652)
Cash utilised in operations	7	151 647	203 558
Net cash from operating activities		151 647	203 558
Cash flows from financing activities			
Net movement other financial liabilities		(365 309)	272 557
Net cash flow from investing activities		(365 309)	272 557
Total cash movement for the period		(213 662)	476 116
Cash at the beginning of the period		517 236	41 120
Total cash at end of the period	2	303 574	517 236

National Association of Social Change Entities In Education NPC
Annual Financial Statements for the year ended 31 December 2021
(Registration number: 2021/604591/08)

Accounting Policies

1 - Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa, 71 of 2008. The annual financial statements have been prepared on the historical cost basis, except for the measurement of investment properties measured at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

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 Financial instruments

Financial instruments at amortised cost

Debt instruments, as defined in the standard, are subsequently measured at amortised cost using effective interest method. Debt instruments which are classified as current assets and current liabilities are measured at the discounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At the end of 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, an impairment loss is recognised.

1.3 Tax

The South African Revenue Services (SARS) has approved the application for exemption from income tax, as the organisation meets the requirements of a Public Benefit Organisation (PBO) set out in section 30(3) of the Income Tax Act no 58 of 1962.

the provisions of section 10(1)(cN) of the Act and accruals and receipts from the business activities which fall outside the parameters of section 10(1)(cN) will be subject to tax.

1.4 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Interest is recognised, in profit or loss, using the effective interest rate method.

National Association of Social Change Entities In Education NPC

Annual Financial Statements for the year ended 31 December 2021

(Registration number: 2021/604591/08)

Notes to the annual financial statements

Figures in Rand	2021	2020
2 Cash and cash equivalents		
Cash and cash equivalents consists of:		
Bank balances	303 574	517 236
	303 574	517 236
3 Trade and other receivables		
Trade debtors	295 500	67 000
	295 500	67 000
4 Other financial liabilities		
At amortised cost		
JET Education	208 754	574 063
The loan is unsecured, interest free and is repayable once the company is able to break-even.		
At amortised cost		
Non-current liabilities	208 754	574 063
5 Trade and other payables		
Trade payables	68 241	68 241
Accrued expenses	11 788	11 788
Prepayments	28 000	28 000
	108 029	108 029
6 Taxation		
National Association of Social Change Entities In Education is registered as a Public Benefit Organisation through the Tax Exemption Unit and is therefore exempted from paying Income Tax.		
7 Cash generated from operations		
Surplus (deficit) before taxation	(119 642)	203 650
Changes in working capital		
Trade and other receivables	(228 500)	(67 000)
Trade and other payables	499 789	66 909
	151 647	203 558

8 Related parties

Relationships

Member of key management

Refer to Board Members' Report

9 Going concern

We draw attention to the fact that at 31 December 2021 the organisation had accumulated losses of R217 498 and the organisation's total liabilities exceed its assets by R217 498.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities contingent obligations and commitments will occur in the ordinary course of business.

National Association of Social Change Entities In Education NPC
Annual Financial Statements for the year ended 31 December 2021
(Registration number: 2021/604591/08)

Statement of Financial Performance

Figures in Rand	Note(s)	31 Dec 2021	31 Dec 2020
Revenue			
Conference income		14 550	26 310
ETDP SETA training income		365 989	-
Grant income		1 063 405	555 200
Membership income		363 400	399 700
		1 807 344	981 210
Operating expenses			
Advertising		-	8 113
Annual conference expenses		288 188	-
Audit fees		20 867	11 788
Bank charges		4 176	2 287
Bootcamp expenses		253 000	-
Business development expenses		126 960	31 740
Catering expenses		-	4 952
Computer expenses		13 007	11 078
Consulting fees		39 450	303 354
Courier expenses		-	247
Legal fees		200	6 158
Management agency fees		829 497	341 205
Printing & stationery		9 172	6 544
Subscription fees		230	-
Training		342 240	41 400
Travel & accommodation		-	8 694
		(1 926 986)	(777 560)
Surplus (deficit) before taxation		(119 642)	203 650
Taxation	6	-	-
Surplus (deficit) for the year		(119 642)	203 650

This supplementary information does not form part of the financial statements and is unaudited.