



cutting through complexity

Association for the Physically Disabled –  
Greater Johannesburg

Financial Statements

for the year ended 31 March 2013



# **Association for the Physically Disabled – Greater Johannesburg**

## **Financial Statements**

*for the year ended 31 March 2013*

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# **Association for the Physically Disabled – Greater Johannesburg**

(Reg. No. 000865 - NPO)

## **Executive Board's report** *for the year ended 31 March 2013*

The Executive Board is responsible for the preparation and fair presentation of the financial statements of the Association for the Physically Disabled – Greater Johannesburg comprising the statement of financial position at 31 March 2013, and the statements of comprehensive income, changes in reserves and funds and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with the International Financial Reporting Standards.

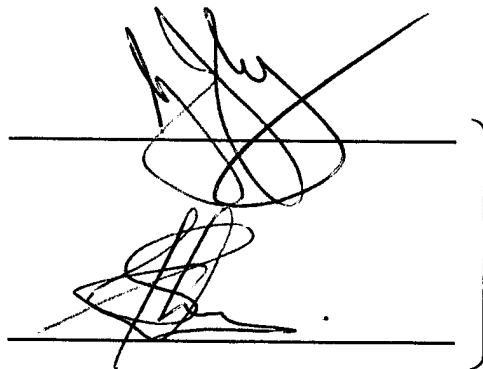
The Executive Board is also responsible for such internal control as the Executive Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these financial statements.

The Executive Board has made an assessment of the Association's ability to continue as a going concern and have no reason to believe the Association will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

### **Approval of the financial statements**

The financial statements of the Association for the Physically Disabled – Greater Johannesburg, as identified in the first paragraph, were approved by the Executive Board on 2 August 2013 and are signed on their behalf by –



**For and on behalf of the Executive Board**



**KPMG Inc**  
KPMG Crescent  
85 Empire Road, Parktown, 2193  
Private Bag 9, Parkview, 2122, South Africa

Telephone +27 (0)11 647 7111  
Fax +27 (0)11 647 8000  
Docex 472 Johannesburg

## Independent auditor's report

### To the members of the Association for the Physically Disabled – Greater Johannesburg

We have audited the financial statements of the Association for the Physically Disabled – Greater Johannesburg, which comprise the statement of financial position at 31 March 2013, and the statements of comprehensive income, changes in reserves and funds and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 19.

#### *Executive Board's responsibility for the financial statements*

The Executive Board is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as the Executive Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### *Basis for qualified opinion*

It is not feasible for the Association to institute accounting controls over cash collections from certain donations, events, sales and street collections prior to the initial entry of the receipts in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts actually recorded.

#### *Qualified opinion*

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the Association for the Physically Disabled – Greater Johannesburg at 31 March 2013, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### *Other matter*

The supplementary schedules set out on pages 20 to 27 do not form part of the financial statements and are presented as additional information. We have not audited these schedules and accordingly do not express an opinion on them.

**KPMG Inc.**

Per: ML Watson  
*Chartered Accountant (SA)*  
*Registered Auditor*  
Director  
2 August 2013

KPMG Inc is a company incorporated under the South African Companies Act and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity

KPMG Inc is a Registered Auditor, in public practice, in terms of the Auditing Profession Act, 26 of 2005.

Registration number 1999/021543/21

Policy Board:  
Chief Executive: RM Kgosana

Executive Directors: T Fubu, A Hari, E Magondo, JS McIntosh, CAT Smit, D van Heerden

Other Directors: DC Duffield, LP Fourie, N Fubu, TH Hoole, A Jaffer, M Letsitsi, A Masemola, AM Mokgabudi, Y Suleman (Chairman of the Board), A Thunstrom

The company's principal place of business is at KPMG Crescent, 85 Empire Road, Parktown, where a list of the directors' names is available for inspection



## Association for the Physically Disabled – Greater Johannesburg

### Statement of financial position

at 31 March 2013

<b>Assets</b>	<i>Note</i>	<b>2013 R</b>	<b>2012 R</b>
<b>Non-current assets</b>			
Equipment and vehicles	5	301 941	417 881
<b>Current assets</b>		<b>2 557 096</b>	<b>2 891 716</b>
Inventories		54 618	58 642
Trade and other receivables		132 645	72 330
Investments	6	1 844 625	2 624 995
Deposits on call	7	393 899	48 547
Cash and cash equivalents		131 309	87 202
<b>Total assets</b>		<b>2 859 037</b>	<b>3 309 597</b>
<b>Reserves, funds and liabilities</b>			
		<b>2 143 636</b>	<b>2 729 211</b>
General fund		1 357 735	1 941 042
Investment reserve		785 901	788 169
<b>Non-current liabilities</b>			
Interest bearing borrowings	8	26 293	39 972
<b>Current liabilities</b>		<b>689 108</b>	<b>540 414</b>
Trade and other payables		515 929	427 378
Donations and funds for specific purposes	9	159 501	101 252
Short term portion of interest bearing borrowings	8	13 678	11 784
<b>Total reserves, funds and liabilities</b>		<b>2 859 037</b>	<b>3 309 597</b>



## Association for the Physically Disabled – Greater Johannesburg

### Statement of comprehensive income

for the year ended 31 March 2013

	Note	2013		2012	
Revenue		R	R	R	R
National Lottery					
Distribution Trust fund			604 200		–
Subsidies for social work services and protective workshops			578 164		610 462
Events, sales and street collections – commercial services			151 291		103 654
Fees for services – social work services/home based care			56 213		53 160
Grants for home based care			756 187		854 382
Appeals, donations and corporate grants – commercial services			272 307		225 878
Legacies – commercial services			535 603		84 482
Business Ventures – commercial services			1 327 009		1 256 700
Sundry revenue					
– Interest received from cash and cash equivalents			6 149		1 412
			<u>4 287 123</u>		<u>3 190 130</u>
<b>Operating expenditure</b>					
Attendant care services		1 496 627		1 328 413	
Commercial services		2 850 384		2 858 501	
Governance		126 178		100 756	
Social work services		858 007		761 729	
Workshops		20 844		77 138	
Other		–		923	
			<u>5 352 040</u>		<u>5 127 460</u>
<b>Operating loss</b>	10		<u>(1 064 917)</u>		<u>(1 937 330)</u>
<b>Income/(expenditure) from investments</b>					
Fair value of held for trading investments		(2 268)		(32 921)	
Profit on disposal of held for trading investments		393 443		382 382	
Interest received		47 163		32 191	
Dividends received		41 004		52 569	
			<u>479 342</u>		<u>434 221</u>
<b>Loss and total comprehensive income for the year</b>			<u>(585 575)</u>		<u>(1 503 109)</u>



## Association for the Physically Disabled – Greater Johannesburg

### Statement of changes in reserves and funds

for the year ended 31 March 2013

	General fund R	Investment reserve R	Total R
<b>Balance at 31 March 2011</b>	3 411 230	821 090	4 232 320
Loss/total comprehensive income for the year	(1 503 109)		(1 503 109)
Transfer of fair value adjustment on held for trading investments	32 921	(32 921)	–
<b>Balance at 31 March 2012</b>	1 941 042	788 169	2 729 211
Loss/total comprehensive income for the year	(585 575)		(585 575)
Transfer of fair value adjustment on held for trading investments	2 268	(2 268)	–
<b>Balance at 31 March 2013</b>	<b>1 357 735</b>	<b>785 901</b>	<b>2 143 636</b>



## Association for the Physically Disabled – Greater Johannesburg

### Statement of cash flows

for the year ended 31 March 2013\

	Note	2013 R	2012 R
<b>Cash flows from operating activities</b>			
Cash utilised in operations	14.1	(914 533)	(1 520 143)
Interest received on investments		47 163	32 191
Interest received on bank balances		6 149	1 412
Dividends received on investments		41 004	52 569
<b>Net cash outflow from operating activities</b>		<b>(820 217)</b>	<b>(1 433 971)</b>
<b>Cash flows from investing activities</b>			
To maintain operations			
– additions to property, equipment and vehicles		(8 333)	(17 255)
– additions to investments		(229 218)	(1 227 141)
– proceeds on disposal of investments		1 400 763	2 000 674
– proceeds on disposal of property, equipment and vehicles		–	63 302
<b>Net cash inflow from investing activities</b>		<b>1 163 212</b>	<b>819 580</b>
<b>Cash flows from financing activities</b>			
Net increase/(decrease) in donations and funds for specific purposes		58 249	(196 078)
Net decrease in interest bearing borrowings		(11 785)	(19 060)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>46 464</b>	<b>(215 138)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>389 459</b>	<b>(829 529)</b>
Cash and cash equivalents at beginning of year	14.2	135 749	965 278
<b>Cash and cash equivalents at end of year</b>	14.2	<b>525 208</b>	<b>135 749</b>





# **Association for the Physically Disabled – Greater Johannesburg**

## **Notes to the financial statements**

*for the year ended 31 March 2013*

### **1. Reporting entity**

The Association for the Physically Disabled – Greater Johannesburg is a entity domiciled in South Africa.

### **2. Basis of preparation**

#### **2.1 Statement of compliance**

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

#### **2.2 Basis of measurement**

The financial statements are prepared on the historical cost basis, except for certain financial instruments which are measured at fair value as stated below.

#### **2.3 Functional and presentation currency**

These financial statements are presented in South African Rands (R), which is the entities functional currency.

#### **2.3 Use of estimates and judgements**

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

## Association for the Physically Disabled – Greater Johannesburg

### Notes to the financial statements

for the year ended 31 March 2013 (continued)

#### 3. Significant accounting policies

##### 3.1 Equipment and vehicles

Items of equipment and vehicles are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each item of property, equipment and vehicles.

The estimated useful lives are as follows –

- Wheelchairs 3 years
- Motor vehicles 5 years
- Furniture and equipment 10 years
- Computer equipment 3 years
- Leased assets 5 years

Surpluses (deficits) on the disposal of equipment and vehicles are credited (charged) to profit or loss. The surplus or deficit is the difference between the net disposal proceeds and the carrying amounts of the asset.

##### 3.2 Impairment

The carrying amounts of the Association's equipment and vehicles are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. The recoverable amount is its net selling price. An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount.

##### 3.3. Investments

Investments are held for trading and are classified as current assets. They are stated at fair value with any resultant gain or loss recognised in profit or loss. The resultant gain or loss is then transferred to the investment reserve via the statement of changes in reserves and funds.

The fair value of financial instruments classified as held for trading is their quoted traded price at the reporting date.

##### 3.4 Inventories

Inventories are carried at the lower of cost and net realisable value. The cost of inventories comprises costs of purchase. Obsolete, redundant and slow moving inventories are identified on a regular basis and are written down to their estimated net realisable values.



## Association for the Physically Disabled – Greater Johannesburg

### Notes to the financial statements

for the year ended 31 March 2013 (continued)

#### 3 Significant accounting policies (continued)

##### 3.5 Leases

###### *Finance leases*

Leases that transfer substantially all the risks and rewards of ownership of the underlying assets to the Association are classified as finance leases. Assets acquired in terms of finance leases are capitalised as equipment and vehicles at the lower of fair value and the present value of the minimum lease payments at inception of the lease, and depreciated over the useful life of the asset. The capital element of future obligations under the leases is included as a liability in the statement of financial position. Lease payments are allocated using the effective interest rate method to determine the lease finance cost, which is recognised in profit or loss over the lease period, and the capital repayment, which reduces the liability of the lessor.

###### *Operating leases*

Leases are classified as operating leases where the lessor retains the risks and rewards of ownership of the underlying asset. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the period of the lease.

##### 3.6 Revenue

Revenue comprises subsidies and grants received, income from events, sales and donations, service fees, investment income and other non-operating income. Subsidies, grants, fund raising income and service fees are recognised when the cash has been received. Investment income and other non-operating income are recognised on the accrual basis of accounting.

##### 3.7 Employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service. The provisions for employee entitlements to wages, salaries and annual leave represent the amount which the Association has a present obligation to pay as a result of employees' service provided to the reporting date. The provisions have been calculated at undiscounted amounts based on current wage and salary rates.

Obligations for contributions to defined contribution pension plans are recognised as an expense when they are due.

##### 3.8 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments, net of bank overdrafts all of which are available for use by the Association unless otherwise stated.

## Association for the Physically Disabled – Greater Johannesburg

### Notes to the financial statements

for the year ended 31 March 2013 (continued)

#### 4. Financial risk management

##### 4.1 Overview

The Association has exposure to the following risks from its use of financial instruments –

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Association's exposure to each of the above risks, the Association's objectives, policies and processes for managing risk, and the Association's management of reserves and funds. Further quantitative disclosures are included throughout these financial statements.

Risk management is carried out in line with directives received from the executive committee, in close co-operation with the central accounting department of the Association. Management, however, have the overall responsibility for the establishment and oversight of the Association's risk management framework.

The Association's risk management policies are established to identify and analyse the risks faced by the Association, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Association's activities.

##### 4.2 Credit risk

Credit risk is the risk of financial loss to the Association if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Association's receivables from customers and investments.

###### *Trade and other receivables*

The Association's exposure to credit risk is influenced mainly by the individual characteristics on each customer.

As the Association has not had a problem with the recoverability of its trade receivables, no impairment allowance has been raised for either the 2013 or 2012 financial years.

###### *Investments*

The Association limits its exposure to credit risk by only investing in liquid securities.



## Association for the Physically Disabled – Greater Johannesburg

### Notes to the financial statements

*for the year ended 31 March 2013 (continued)*

#### 4. Financial risk management *(continued)*

##### 4.3 Liquidity risk

Liquidity risk is the risk that the Association will not be able to meet its financial obligations as they fall due. The Association's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Association's name.

##### 4.4 Market risk

Market risk is the risk that changes in market prices, such as interest rates and traded quoted share prices, will affect the Association's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Borrowings are generally at a rate linked to the prime bank overdraft rate.

## Association for the Physically Disabled – Greater Johannesburg

### Notes to the financial statements for the year ended 31 March 2013 (continued)

#### 5. Property, equipment and vehicles

	Cost R	Accumulated depreciation R	Net book value R
<b>2013</b>			
Wheel chairs	48 450	(48 448)	2
Motor vehicles – owned	679 544	(470 576)	208 968
Furniture and equipment – owned	192 848	(142 539)	50 309
– leased	67 881	(36 204)	31 677
Computer equipment	223 752	(212 767)	10 985
	<b>1 212 475</b>	<b>(910 534)</b>	<b>301 941</b>
<b>2012</b>			
Wheel chairs	48 450	(48 448)	2
Motor vehicles – owned	679 544	(391 490)	288 054
Furniture and equipment – owned	187 415	(131 895)	55 520
– leased	67 881	(22 627)	45 254
Computer equipment	220 852	(191 801)	29 051
	<b>1 204 142</b>	<b>(786 261)</b>	<b>417 881</b>

Net book value	Wheel chairs R	Motor vehicles R	Furniture and equipment R	Computer equipment R	Total R
<b>2013</b>					
At beginning of year	2	288 054	100 774	29 051	417 881
Additions	–	–	5 433	2 900	8 333
Depreciation	–	(79 086)	(24 221)	(20 966)	(124 273)
At end of year	<b>2</b>	<b>208 968</b>	<b>81 986</b>	<b>10 985</b>	<b>301 941</b>
<b>2012</b>					
At beginning of year	2	463 977	127 414	42 411	633 804
Additions	–	–	8 011	9 244	17 255
Depreciation	–	(113 058)	(33 291)	(22 604)	(168 953)
Disposals	–	(62 865)	(1 360)	–	(64 225)
At end of year	<b>2</b>	<b>288 054</b>	<b>100 774</b>	<b>29 051</b>	<b>417 881</b>

In 1993, Erf 5582 Eldorado Park Ext 7 was donated to The Association for the Physically Disabled by the City Council of Johannesburg. The contractual terms of the donation was that the Association should use the property for purposes of assisting the physically disabled or the property will revert to the donor. The Association currently uses this property for purposes as stipulated in the agreement.

## Association for the Physically Disabled – Greater Johannesburg

### Notes to the financial statements for the year ended 31 March 2013 (continued)

	2013 R	2012 R
<b>6. Investments</b>		
<i>Held for trading</i>		
Listed investments		
– ordinary shares	1 364 234	1 453 513
– offshore investments	480 391	1 171 482
	<u>1 844 625</u>	<u>2 624 995</u>
<b>7. Deposits on call</b>		
Settlement account for investments	<u>393 899</u>	<u>48 547</u>
<b>8. Interest bearing borrowings</b>		
Finance lease liabilities	<u>39 971</u>	<u>51 756</u>
<b>Reflected as</b>		
Non-current liabilities	26 293	39 972
Current liabilities	<u>13 678</u>	<u>11 784</u>

Finance lease liabilities are payable as follows –

	Future minimum lease payments R'000	Interest expense R'000	Present value of future minimum lease payments R'000
<b>2013</b>			
Less than one year	18 759	5 081	13 678
Between one and five years	29 702	3 409	26 293
	<u>48 461</u>	<u>8 490</u>	<u>39 971</u>
<b>2012</b>			
Less than one year	18 759	6 975	11 784
Between one and five years	48 462	8 490	39 972
	<u>67 221</u>	<u>15 465</u>	<u>51 756</u>



## Association for the Physically Disabled – Greater Johannesburg

### Notes to the financial statements

for the year ended 31 March 2013 (continued)

<b>9. Donations and funds for specific purposes</b>	<b>2013</b>	<b>2012</b>
	<b>R</b>	<b>R</b>
Balance at beginning of year	101 252	297 330
Receipts during the year	454 450	15 000
Utilised during the year	<u>(396 201)</u>	<u>(211 078)</u>
Balance at end of year	<b>159 501</b>	<b>101 252</b>
<b>10. Operating loss</b>		
Operating loss is arrived at after taking into account -		
Audit fees	69 000	65 000
Depreciation	124 273	168 953
Profit on disposal of property, equipment and vehicles	–	923
Rent paid	23 422	30 123
Salaries and wages	<u>3 970 186</u>	<u>3 452 196</u>

### 11. Taxation

The Association is exempt from income tax in terms of Section 10(1)(cN) of the Income Tax Act.

### 12. Defined contribution fund

Pension fund contributions are made on behalf of all employees to the Association for the Physically Disabled Pension Fund. The Fund is a defined contribution fund and is governed by the Pension Funds Act.

	<b>2013</b>	<b>2012</b>
	<b>R</b>	<b>R</b>
Contributions paid	<u>476 742</u>	<u>428 460</u>

### 13. Financial risk management

#### 13.1 Exposure to credit risk

The carrying amount of financial assets represent the maximum credit exposure.

The maximum exposure to credit risk at the reporting date was –

	<b>Carrying amount</b>	
	<b>2013</b>	<b>2012</b>
	<b>R</b>	<b>R</b>
Trade and other receivables *	108 374	72 330
Cash and cash equivalents	525 208	135 749
Held for trading financial assets	<u>1 844 625</u>	<u>2 624 995</u>
	<b>2 478 207</b>	<b>2 833 074</b>

\* excluding VAT and prepayments.

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## Association for the Physically Disabled – Greater Johannesburg

### Notes to the financial statements

for the year ended 31 March 2013 (continued)

#### 13. Financial risk management (continued)

##### 13.2 Liquidity risk

The following are the contractual maturities of financial liabilities agreements –

2013	Carrying amount R	Contractual cash flows R	Within 1 year R	2 to 5 years R
<b>Non-derivative financial liabilities</b>				
Interest bearing borrowings	39 971	48 461	18 759	29 702
Trade and other payables	515 929	515 929	515 929	–
	<b>555 900</b>	<b>564 390</b>	<b>534 688</b>	<b>29 702</b>
<b>2012</b>				
<b>Non-derivative financial liabilities</b>				
Interest bearing borrowings	51 756	67 221	18 759	48 462
Trade and other payables	427 378	427 378	427 378	–
	<b>479 133</b>	<b>494 598</b>	<b>446 137</b>	<b>48 462</b>

##### 13.3 Fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows -

	2013		2012	
	Carrying amount R	Fair value R	Carrying amount R	Fair value R
Trade and other receivables	108 374	108 374	72 330	72 330
Investments	1 844 625	1 844 625	2 624 995	2 624 995
Cash and cash equivalents	525 208	525 208	135 749	135 749
Trade and other payables	(515 929)	(515 929)	(427 378)	(427 378)
Interest bearing borrowings	(39 971)	(39 971)	(51 756)	(51 756)
	<b>1 923 307</b>	<b>1 923 307</b>	<b>2 281 611</b>	<b>2 281 611</b>



## Association for the Physically Disabled – Greater Johannesburg

### Notes to the financial statements

for the year ended 31 March 2013 (continued)

#### 13. Financial risk management (continued)

*Basis for determining fair values*

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments.

*Non-derivative financial liabilities*

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

*Trade and other receivables*

The fair value of trade and other receivables approximates their carrying amounts due to their short term nature.

*Trade and other payables*

The fair value of trade and other payables approximates their carrying amounts due to their short term nature.

*Investments*

The fair value is their quoted traded price at reporting date.

*Fair value hierarchy*

The different levels have been defined as follows –

Level 1	quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2	inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly;
Level 3	inputs for the asset or liability that are not on observable market data.

The following financial instruments are carried at fair value by valuation method –

	<b>2013</b>	2012
	<b>Level 1</b>	Level 1
Investments	<b>1 844 625</b>	2 624 995





## Association for the Physically Disabled – Greater Johannesburg

### Notes to the financial statements

for the year ended 31 March 2013 (continued)

	2013	2012
	R	R
<b>14. Notes to the statement of cash flows</b>		
14.1 Cash utilised in operations		
Operating loss	(1 064 917)	(1 937 330)
Adjustments for		
– profit on disposal of equipment and vehicles	–	923
– interest received from cash and cash equivalents	(6 149)	(1 412)
– depreciation	124 273	168 953
Working capital changes		
– decrease in inventories	4 024	8 774
– (increase)/decrease in trade and other receivables	(60 315)	135 682
– increase in trade and other payables	88 551	104 267
	<u>(914 533)</u>	<u>(1 520 143)</u>
14.2 Cash and cash equivalents		
Cash and cash equivalents comprise -		
Cash and cash equivalents	393 899	87 202
Deposits on call	131 309	48 547
	<u>525 208</u>	<u>135 749</u>
<b>15. Going concern</b>		

The Association's continued existence is dependent on future support, subsidies, donations and sponsorship from donors.



## Association for the Physically Disabled – Greater Johannesburg

### Notes to the financial statements

for the year ended 31 March 2013 (continued)

#### 16. Standards and interpretations not yet effective

At the date of authorisation of the financial statements of the Association for the Physically Disabled – Greater Johannesburg for the year ended 31 March 2013, the following applicable Standards and Interpretations were in issue but not yet effective:

##### Effective for the financial year commencing 1 April 2013

- IFRS 7 amendment *Disclosures – Offsetting Financial Assets and Financial Liabilities*
- IFRS 13 *Fair Value Measurement*

##### Effective for the financial year commencing 1 April 2014

- IAS 32 *Offsetting Financial Assets and Financial Liabilities*

##### Effective for the financial year commencing 1 April 2015

- IFRS 9 *Financial Instruments*

All Standards and Interpretations will be adopted at their effective date.

#### 17. Related parties

The director of the Association, the Office Manager and the Commercial Service Managers have been identified as key management personnel of the Association.

Remuneration of key management personnel was R1 821 315 for the year.

#### 18. Contingent liability

Erf 5582 Eldorado park Ext 7 is currently occupied by St Raphael Workshop for the Physically Disabled, who is responsible for the municipal charges related to this property. Should the Association dispose of this property to a third party, APD would be liable for all unsettled municipal charges related to that property. At 31 March 2013, the unsettled municipal charges amounted to R201 023.

## Association for the Physically Disabled – Greater Johannesburg

### Schedule of income

*for the year ended 31 March 2013*

2013

Income	Social work R	Home based care R	Commercial services R	Support Services R	Total R
Subsidies					578 164
Grants – DOSD,/DOH/Anglo/ De Beers		711 603	44 584		756 187
Dividends				41 004	41 004
Interest				53 312	53 312
Profit on disposal of held for trading investments				393 443	393 443
Fair value adjustment of held for trading investments				(2 268)	(2 268)
Fees for services	3 556	45 157		7 500	56 213
Donations			162 307		162 307
Street collections			2 480		2 480
Events			76 390		76 390
Sales			72 421		72 421
Appeals – Corporate			714 200		714 200
Legacies			535 603		535 603
Business Ventures			1 327 009		1 327 009
New projects					–
<b>Total income</b>	<b>581 720</b>	<b>756 760</b>	<b>2 934 994</b>	<b>492 991</b>	<b>4 766 465</b>

## Association for the Physically Disabled – Greater Johannesburg

### Schedule of income

*for the year ended 31 March 2013*

2012

Income	Social work R	Attendant care R	Workshops R	Commercial services R	Support Services R	Total R
Subsidies	578 962					578 962
Grants – DOSD,/DOH/Anglo/ De Beers		854 382	31 500	20 698		875 080
Dividends					52 569	52 569
Interest					33 603	33 603
Profit on disposal of held for trading investments					382 382	382 382
Fair value of held for trading investments					(32 921)	(32 921)
Loss on disposal of fixed assets					(923)	(923)
Fees for services		50 760		2 400		53 160
Donations				182 681		182 681
Street collections				4 710		4 710
Events				60 386		60 386
Sales				38 558		38 558
Appeals– Corporate				22 500		22 500
Legacies				84 482		84 482
Business Ventures				937 466		937 466
New projects				319 234		319 234
<b>Total income</b>	<b>578 962</b>	<b>905 142</b>	<b>31 500</b>	<b>1 673 114</b>	<b>434 710</b>	<b>3 623 428</b>

## Association for the Physically Disabled – Greater Johannesburg

### Schedule of expenses

*for the year ended 31 March 2013*

2013 Expenses	Social work R	Attendant care R	Governance R	Protective Workshops R	Commercial Services R	Support services R	Total R
Uniforms and clothing		9 405				1 500	10 905
Salaries and wages– VIP	439 301	665 125			1 208 817	1 317 634	3 630 878
Salaries and wages – casual		35 010				7 238	42 248
Salaries and wages – merit bonus	33 463	48 099			87 897	94 246	263 705
Long service awards	295	1 000			948	2 338	4 580
Service awards	1 010						1 010
Medical aid	5 400	5 400			5 400	14 850	31 050
Staff welfare	2 602	3 298			6 687	14 398	26 986
Staff training	1 500				250	2 611	4 361
Workmens compensation						14 156	14 156
Depreciation						124 274	124 274
Motor vehicle expenses– fuel and oil	11 091	7 520			23 060	39 309	80 980
Motor vehicle expenses– repairs and maintenance	3 693	3 422			6 081	14 875	28 071
Travel allowance					19 200		19 200
Travelling expenses	8 333	139 238			379	12 649	160 599
Courier and postage	147				829	2 317	3 294
Telephone and fax	21 213	22 512			39 247	26 703	109 675
Web costs	1 257	200			4 845	7 648	13 950
Affiliation fees						650	650

## Association for the Physically Disabled – Greater Johannesburg

### Schedule of expenses

*for the year ended 31 March 2013*

**2013**

Expenses	Social work R	Attendant care R	Governanc e R	Protective Workshop R	Commercial services R	Support services R	Total R
Audit fees			69 000				69 000
Professional fees					260	18 020	18 280
Golf day					40 405		40 405
Casual day					44 808		44 808
Christmas cards					14 158		14 158
Business ventures					182 178		182 178
Capacity building			3 285		60 445		3 285
Sales – projects					28 191		60 445
APD products						9 610	28 191
Annual report						8 905	9 610
Annual general meeting			9 665		7 057		9 665
Bank charges	3 285	10 933					30 180
Interest paid						9 022	9 022
Management fees investments						12 244	12 244
PR/marketing					2 591		2 591
Cleaning	991	5 989				150	7 129



## Association for the Physically Disabled – Greater Johannesburg

### Schedule of expenses

*for the year ended 31 March 2013*

2013 Expenses	Social work R	Attendant care R	Governance R	Protective Workshops R	Commercial Services R	Support services R	Total R
Computer expenses	8 772	5 888			22 371	23 186	60 217
Entertainment					121	800	921
Electricity & water	4 802	2 204		20 844	8 741	10 866	47 458
Insurance and licences	311				985	53 463	54 759
Printing and stationery	2 145	2 029			14 849	4 588	23 611
Rent paid	4 817	3 440			11 803	3 362	23 422
Rep & maintenance	14				118	4 260	4 392
Repairs and maintenance equipment	550					3 051	3 601
Security	2 270	1 324			8 359	9 746	21 699
Subscriptions					200		200
	<b>557 261</b>	<b>972 035</b>	<b>81 951</b>	<b>20 844</b>	<b>1 851 278</b>	<b>1 868 671</b>	<b>5 352 040</b>
Re-allocation							
For distribution	<b>300 745</b>	<b>524 592</b>	<b>44 228</b>	<b>–</b>	<b>999 106</b>	<b>(1 868 671)</b>	<b>–</b>
<b>Total expenses</b>	<b>858 007</b>	<b>1 496 627</b>	<b>126 178</b>	<b>20 844</b>	<b>2 850 384</b>	<b>–</b>	<b>5 352 040</b>

## Association for the Physically Disabled – Greater Johannesburg

### Schedule of expenses

*for the year ended 31 March 2013*

**2012**

Expenses	Social work R	Attendant care R	Protective Workshops R	Commercial services R	Governance R	Support services R	Total R
Uniforms and clothing		9 300					9 300
Salaries and wages– VIP	414 686	597 744		1 227 127		1 182 962	3 422 520
Salaries and wages – casual		23 411				6 265	29 676
Salaries and wages – merit bonus	6 310	41 579					47 889
Long service awards		1 000				2 000	3 000
Service awards		1 000		500		500	2 000
Medical aid	8 136	5 100		5 001		17 226	35 463
Staff welfare	1 832	3 625		7 913		9 828	23 197
Staff training	1 650			7 612		19 939	29 201
Workmens compensation						12 033	12 033
Depreciation						168 882	168 953
Motor vehicle expenses– fuel and oil	2 952	3 074		12 702		37 987	56 715
Motor vehicle expenses– repairs and maintenance	90			9 038		24 856	33 984
Travel allowance				17 600		3 200	20 800
Travelling expenses	5 689	116 508		202		15 050	137 448
Courier and postage	135			1 397		1 649	3 180
Telephone and fax	22 307	21 162		28 919		30 552	102 940
Web costs	436			6 454		5 710	12 600
Affiliation fees						650	650

## Association for the Physically Disabled – Greater Johannesburg

### Schedule of expenses

for the year ended 31 March 2013

2012

Expenses	Social work R	Attendant care R	Protective Workshops R	Commercial services R	Governance R	Support services R	Total R
Audit fees					65 000		65 000
Legal fees						831	831
Professional fees	784	1 606		978		6 708	10 075
Shop tin collections				260			260
Golf day				38 008			38 008
Casual day				58 851			58 851
Christmas cards				15 730			15 730
Business ventures				258 387			258 387
Sales – projects				37 660			37 660
APD products				7 135			7 135
Annual report							
Annual general meeting						8 054	8 054
Bank charges	2 277	8 745		6 576		8 565	8 565
Interest paid	467			4 029		7 667	25 265
Management fees investments						15 172	19 668
PR/marketing				2 969		10 657	10 657
Cleaning	1 987	2 351				2 186	5 155
Donation CSD				150		300	4 638
							150

## Association for the Physically Disabled – Greater Johannesburg

### Schedule of expenses

for the year ended 31 March 2013

2012

Expenses	Social work R	Attendant care R	Protective Workshops R	Commercial services R	Governance R	Support services R	Total R
Computer expenses	6 733	3 367		26 934		33 106	70 140
Entertainment				660		371	1 031
Electricity and water	1 286	1 096	77 138	8 702		10 491	98 712
Insurance and licences	765	4 842		756		67 076	73 439
Printing and stationery	2 497	4 318		26 325		6 647	39 787
Rent paid	8 863	4 028		11 803		5 429	30 123
Rental of equipment				105		(12 506)	(12 506)
Repairs and maintenance – buildings		337		2 151		441	883
Repairs and maintenance – equipment				10 013		1 408	3 559
Security	783			1 431		12 841	23 637
Subscriptions	743	2 794				3 822	8 789
Donation – SAPD						63 374	63 374
Expenses	491 406	856 986	77 138	1 844 079	65 000	1 791 928	5 126 537
Re-allocation for distribution	270 322	471 427	–	1 014 424	35 756	(1 791 928)	–
Total expenses	761 729	1 328 413	77 138	2 858 501	100 756	–	5 126 537