

The Lunchbox Fund South Africa (NPC)
(Registration number 2012/168298/08
NPO number: 136-386 NPO)
Financial statements
for the year ended 31 December 2018

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08)

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Charitable literary, scientific and educational projects and also for non-profit and non-partisan purposes
Directors	T.T. Page-Green G.B. Wilkinson V.C. van Dyk S. Wildish
Registered office	3 Guildford Road Rosebank Cape Town 7700
Postal address	3 Guildford Road Rosebank Cape Town 7700
Bankers	FirstRand Bank Limited
Auditors	Crowe JHB Registered Auditors
Company registration number	2012/168298/08 NPO number: 136-386 NPO
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The financial statements were independently compiled by: G. Phillips Professional Accountant (SA)
Issued	16 April 2019

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08)

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

Contents

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

	Page
Directors' Responsibilities and Approval	3
Directors' Report	4
Independent Auditor's Report	5 - 6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11
Notes to the Financial Statements	12 - 13
The following supplementary information does not form part of the financial statements and is unaudited:	
Detailed Income Statement	14

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the 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 external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2019 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 external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 5 to 6.

The financial statements set out on pages 4 to 13, which have been prepared on the going concern basis, were approved by the board on 16 April 2019 and were signed on its behalf by:



Director



Director

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08)

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

Directors' Report

The directors have pleasure in submitting their report on the financial statements of The Lunchbox Fund South Africa (NPC) for the year ended 31 December 2018.

1. Nature of business

The Lunchbox Fund South Africa (NPC) was incorporated in South Africa with interests in the Non-profit industry. The company operates in South Africa.

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

2. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

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

3. Directors

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

Directors

T.T. Page-Green

G.B. Wilkinson

V.C. van Dyk

S. Wildish

There have been no changes to the directorate for the period under review.

4. Events after the reporting period

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

5. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors 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 company.

6. Auditors

Crowe JHB continued in office as auditors for the company for 2018.

7. Liquidity and solvency

The directors have reviewed the liquidity and solvency of the company as required in terms of Section 4 of the Companies Act No 71 of 2008 and are satisfied that the required provisions have been complied with.

Independent Auditor's Report

To the management of The Lunchbox Fund South Africa (NPC)

Opinion

We have audited the financial statements of The Lunchbox Fund South Africa (NPC) set out on pages 7 to 13, which comprise the statement of financial position as at 31 December 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Lunchbox Fund South Africa (NPC) as at 31 December 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditor's report thereon.

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

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

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 International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, 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.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 company'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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Crowe JKB

C.S. George
Partner
Registered Auditor

16 April 2019
Sandton

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08)

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

Statement of Financial Position as at 31 December 2018

Figures in Rand	Note(s)	2018	2017
Assets			
Current Assets			
Trade and other receivables	2	1 030	249 491
Cash and cash equivalents	3	5 304 464	3 949 878
		5 305 494	4 199 369
Total Assets		5 305 494	4 199 369
Equity and Liabilities			
Equity			
Retained income		5 282 307	4 193 616
Liabilities			
Current Liabilities			
Trade and other payables	4	23 187	5 753
Total Equity and Liabilities		5 305 494	4 199 369

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08)

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

Statement of Comprehensive Income

Figures in Rand	Note(s)	2018	2017
Revenue	5	14 026 251	11 733 216
Operating expenses		(13 189 987)	(9 607 339)
Operating profit	6	836 264	2 125 877
Investment revenue	7	252 429	145 440
Finance costs		(2)	-
Profit for the year		1 088 691	2 271 317
Other comprehensive income		-	-
Total comprehensive income for the year		1 088 691	2 271 317

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08)

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 January 2017	1 922 299	1 922 299
Profit for the year	2 271 317	2 271 317
Other comprehensive income	-	-
Total comprehensive income for the year	2 271 317	2 271 317
Balance at 01 January 2018	4 193 616	4 193 616
Profit for the year	1 088 691	1 088 691
Other comprehensive income	-	-
Total comprehensive income for the year	1 088 691	1 088 691
Balance at 31 December 2018	5 282 307	5 282 307

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08)

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

Statement of Cash Flows

Figures in Rand	Note(s)	2018	2017
Cash flows from operating activities			
Cash generated from operations	9	1 102 159	1 884 053
Interest income		252 429	145 440
Finance costs		(2)	-
Net cash from operating activities		1 354 586	2 029 493
Total cash movement for the year			
Total cash movement for the year		1 354 586	2 029 493
Cash at the beginning of the year		3 949 878	1 920 385
Total cash at end of the year	3	5 304 464	3 949 878

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08)

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

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 financial statements.

Key sources of estimation uncertainty

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.3 Revenue

Donations and grants received are accounted for on the receipt basis.

Interest is recognised, in profit or loss, based on the interest earned on credit balances on account balances.

1.4 Borrowing costs

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

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08)

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
2. Trade and other receivables		
VAT	1 030	249 491
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	5 304 464	3 949 878
4. Trade and other payables		
Trade payables	1 910	5 753
Payroll accruals	21 277	-
	23 187	5 753
5. Revenue		
Donations received	13 740 350	11 733 216
Albany "in kind" donation	285 901	-
	14 026 251	11 733 216
6. Operating profit		
Operating profit for the year is stated after accounting for the following:		
Employee costs	1 211 304	1 260 517
7. Investment revenue		
Interest revenue		
Bank	252 429	145 440
8. Taxation		
No provision has been made for 2018 tax as the company is an association not for gain in terms of the Companies Act of South Africa and the Receiver of Revenue has granted exemption from taxation in terms of section 10(1)(cN) and section 56(1) of the Act. No provision has been made for 2018 tax as the company has no taxable income.		
9. Cash generated from operations		
Profit before taxation	1 088 691	2 271 317
Adjustments for:		
Interest received	(252 429)	(145 440)
Finance costs	2	-
Changes in working capital:		
Trade and other receivables	248 461	(178 663)
Trade and other payables	17 434	(63 161)
	1 102 159	1 884 053

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08)

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
10. Directors' remuneration		
Executive		
2018		
	Emoluments	Total
For services as a director	480 000	480 000
2017		
	Emoluments	Total
For services as a director	520 000	520 000

The Lunchbox Fund South Africa (NPC)

(Registration number: 2012/168298/08)

NPO number: 136-386 NPO)

Financial Statements for the year ended 31 December 2018

Detailed Income Statement

Figures in Rand	Note(s)	2018	2017
Revenue			
Donations received		13 740 350	11 733 216
Albany "in kind" donation		285 901	-
	5	14 026 251	11 733 216
Other income			
Interest received	7	252 429	145 440
Operating expenses			
Bank charges		13 247	10 439
Consulting fees		518	-
Employee costs		1 211 304	1 260 517
Entertainment		327	702
Finance, Governance and Legal fees		51 720	51 932
Food packages		8 468 446	6 721 017
IT expenses		14 350	3 141
Marketing expenses - information packs		17 091	712
Monitoring and Evaluation expenses		1 108 722	936 703
Postage		3 852	4 792
Printing and stationery		3 935	2 028
Program materials / Designer fees		28 777	44 170
Telephone and fax		33 871	37 370
Training		41 643	19 000
Transport and freight		1 631 470	-
Travel - local		9 779	57 364
Volunteer Stipends		550 935	457 452
		13 189 987	9 607 339
Operating profit	6	1 088 693	2 271 317
Finance costs		(2)	-
Profit for the year		1 088 691	2 271 317