

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

ANNUAL REPORT 2016/2017

A year in review

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.

Registrations:

- Welfare Organisation (WO) (Act 100/1978)
- Non-profit Company (Act 71 of 2008 - As amended) Registration number: 1995/008030/08.
- Non-profit Organisation (NPO) (Act 71/1997 - As amended). Registration number: 002-059 NPO.
- Public Benefit Organisation (PBO) (Section 30 Act 58/1962). Registration number: PBO 930 003 679.
- Designated Child Protection Organisation (CPO) (Act 38/2005).

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



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NG WELSYN
NG WELFARE

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



The past year was the proverbial 'best of times, and the worst of times' for NG Welfare. Fortunately NG Welfare has proven to be a tenacious organisation with the most experienced staff and support from the broad community and of her mother the Dutch Reformed Church.

This financial year was challenging, but a good one. In our structuring we were folded in the arms of the State treasury, the community and the Church. NG Welfare took quite a few steps nearer to the church. Or was it also the other way round? It is our privilege to be part of the Missional Diaconate of the church to the advantage of all people. We mainly focus on Family Care Services, Child and Youth Care Centres and Residential Care for Older Persons. The new steps we are now taking along with the Church are aimed at making our Community Service a very special focus point. The fact that the Church's Student Ministry at the North-West University plans to take hands with us in joint projects will expand our volunteer corps considerably. We are excited about what the future holds for us. We will indeed be able to bring more hope and to touch more lives.

Significantly important in this annual report is the talented members of staff with whom the Lord has spoilt us. We are thankful for our dedicated and proficient staff - our managers, professional staff and right through to each caregiver and volunteer - and we pray to the Lord to bless them all.

We are genuinely thankful for the material support we receive from our Churches, community organisations, the State Treasury and the NLC. The moral and trusting support brings about that we can render a distinctive act of caring. We do find ourselves in one of the best seasons of NG Welfare.

But, at the same time it also is one of our most difficult seasons. The services we render are becoming very expensive for all the role-players. The huge shortages in trained staff available for our salary slot are becoming an increasing need. South Africa also finds itself in a recession, which has brought about that donations have decreased during the past year. Some churches that have been our most generous supporters for many years now have to turn their cents themselves for their own ministries. Reserves are being used to supplement the shortages and it feels to us as though the years of abundance are now followed by the years of want. Therefore we extremely appreciate each drop of assistance we receive.

We thank the Lord that we may persist in believing during these years of want that God's summer lies ahead of us – that the best years are still to come for NG Welfare and our community.

Blessings

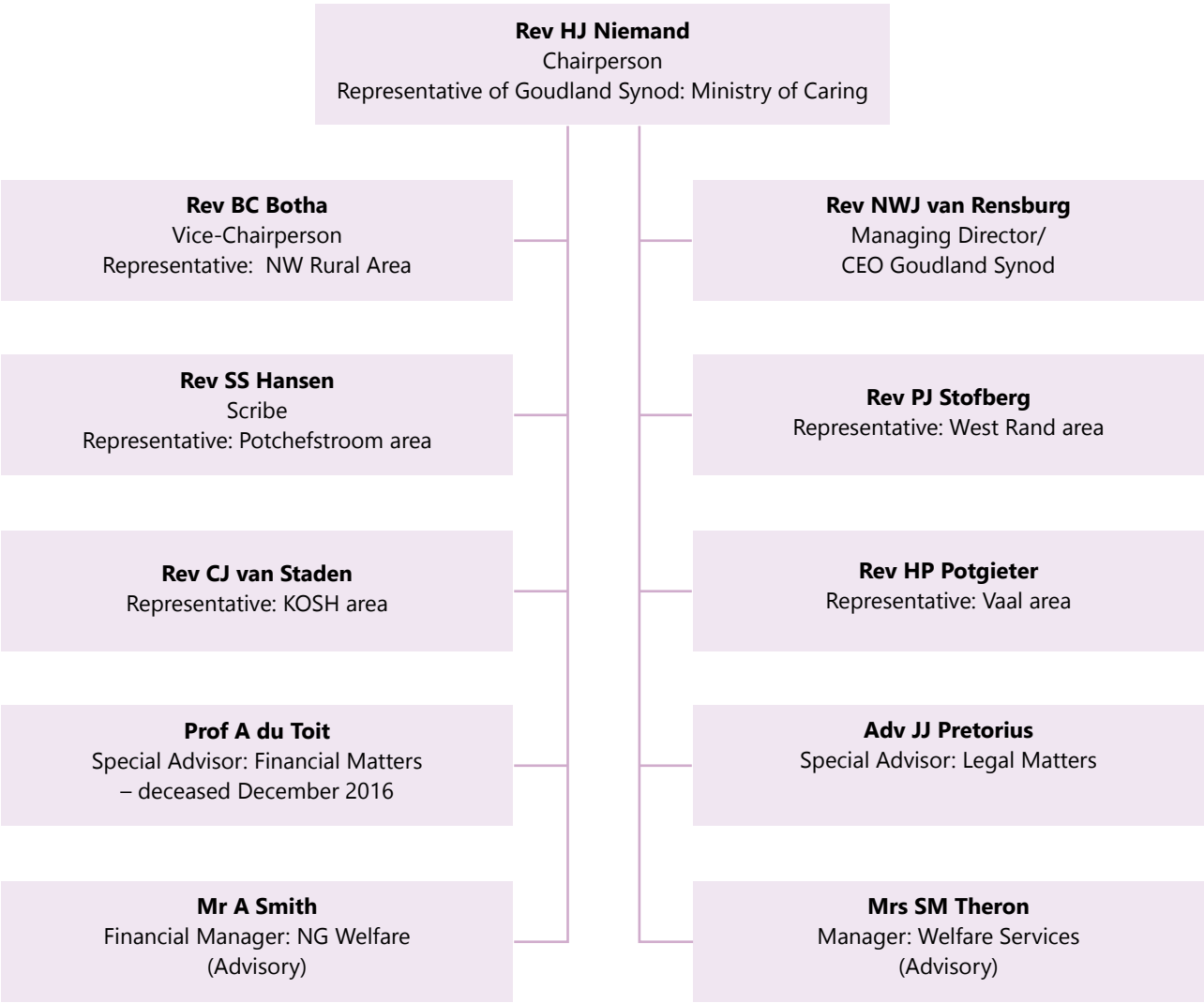
Reverend Nico van Rensburg
Managing Director

GOVERNANCE AND MANAGEMENT

NG Welfare North West is governed by a Board of Directors. The quarterly meetings of 2016/17 took place on the following dates: 16th May 2016, 15th August 2016 (annual general meeting), 14th November 2016 and 13th February 2017.

Each of the 27 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 15.

BOARD OF DIRECTORS



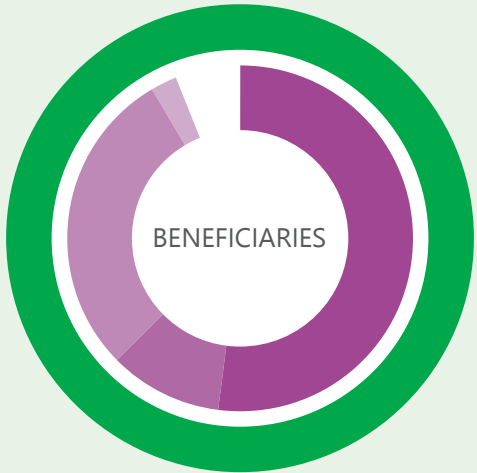
IN MEMORIAM

Prof Anton du Toit, special advisor on financial matters, passed away on 20 December 2016. He served on the Board since 11 November 2009. His guidance regarding governance & financial matters will be sadly missed.



BENEFICIARIES

FAMILY CARE SERVICES (WELFARE OFFICES)	16 778
SERVICES TO OLDER PERSONS	3 409
EMANANG NOKENG COMMUNITY WORK SERVICES	9 316
CHILD & YOUTH CARE CENTRES	791
TOTAL NUMBER OF BENEFICIARIES	32 246



BENEFACTORS, SUPPORTERS AND CO-WORKERS

Acknowledgement: A special word of thank you to our loyal benefactors and supporters; Thank you for your continuous support. Your financial contributions greatly strengthen our hands to protect the vulnerable.



Thank you to all the extremely dedicated, loyal and efficient staff in all the affiliations for their sustained hard work. Special thanks to our volunteers; giving their time and talents without any compensation.



661
staff



1,051
volunteers



2,030
foster parents



Individual
sponsors



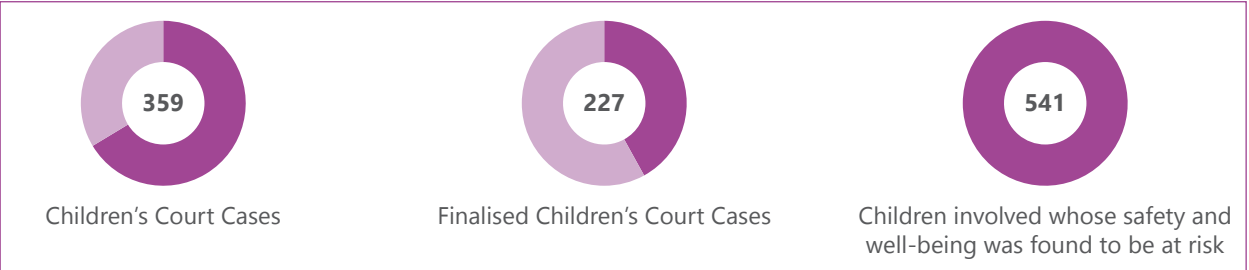
FAMILY CARE SERVICES

Socrates, at his wisest, notes this:

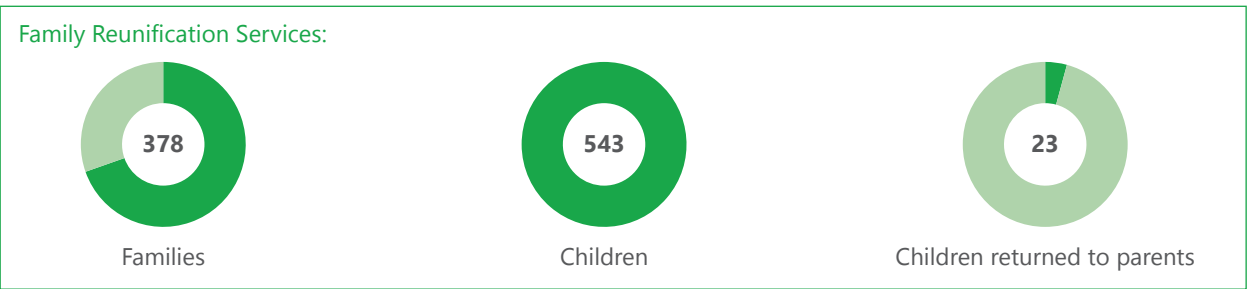
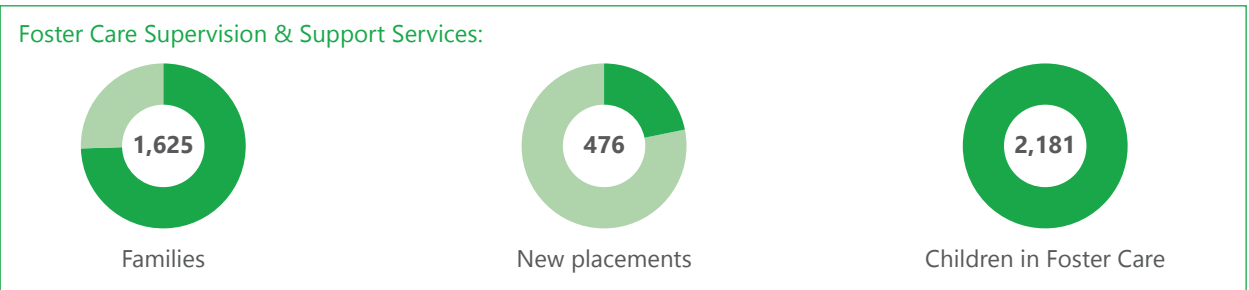
“ If I could get to the highest place in Athens, I would lift my voice and say, “What mean ye, fellow citizens, that ye turn every stone to scrape wealth together and take so little care of your children to whom ye must one day relinquish all?” ”

OBJECTIVES & ACCOMPLISHMENTS

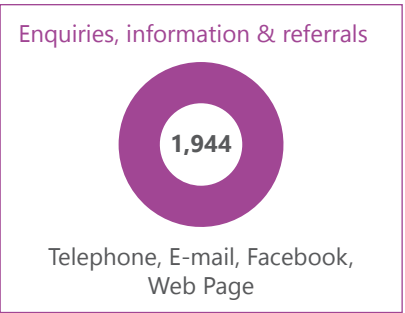
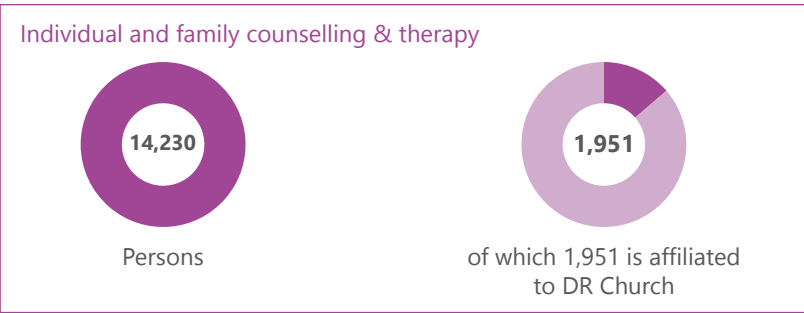
- Strengthen family life & improve the general well-being of dysfunctional families:
 - Provide Child Protection Services to children whose safety and well-being is possibly endangered.



- Monitor placements of children in alternative care.



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





GROUP- & COMMUNITY WORK SERVICES

Carl Sandberg:

“ There is only one child in the world and the child’s name is **All children....**
This child speaks our name. ”

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.

Community & Group Work with Clients:

Life Skills with Adolescents, Training of Foster Parents, Grief counselling with orphans, Parenting Skills, Fatherhood Programme, Support Groups, Holiday programmes, Handcrafts, Information sessions.

27 projects –
involving 826 clients

Emanang Nokeng:

Community & Group Work with non-Clients

Early Childhood Development, Vegetable gardens, Holiday programmes, Mentorships, Life Skills, Awareness Campaigns.

54 projects –
9,316 persons



TRENDS

- Deficient parental skills/guidance
- Disintegration of family life
- Moral decay
- Violence & sexual abuse
- Deterioration of social fibre
- Exploitation of/through social media
- Poverty
- Drug abuse

CHALLENGES

- 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



CHILD AND YOUTH CARE CENTRES

Anon:

“Children are our most important resource and our future. The fate of one child today can be the fate of all children. Nothing can equal the importance of the work of helping to ensure that our children are safeguarded and protected.”

Provide safe & caring environment

These children had been removed from their parents’ homes by means of a Children’s Court Order due to various reasons and often because of traumatic circumstances, such as serious neglect or abuse.

Accommodation • Provision in basic needs • Counselling • Therapy • Spiritual guidance	357 children involved	Education • Formal education in local schools • Extra classes • Skills Development • Sport • Recreation
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Outreach initiatives

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

Social Integration • Clothing donations to needy children in community • Food parcels to families/hosts during school holidays • Transport to children visiting families in neighbouring towns and settlements	Social Responsibility • 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 internship opportunities
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 TRENDS • Victims of sexual abuse • Drug abuse • Acting-Out Behaviour • Psychiatric disorders	 CHALLENGES • Appropriately trained staff • Peer Group pressure • Insufficient resources for children with special needs • Parents unconcerned			
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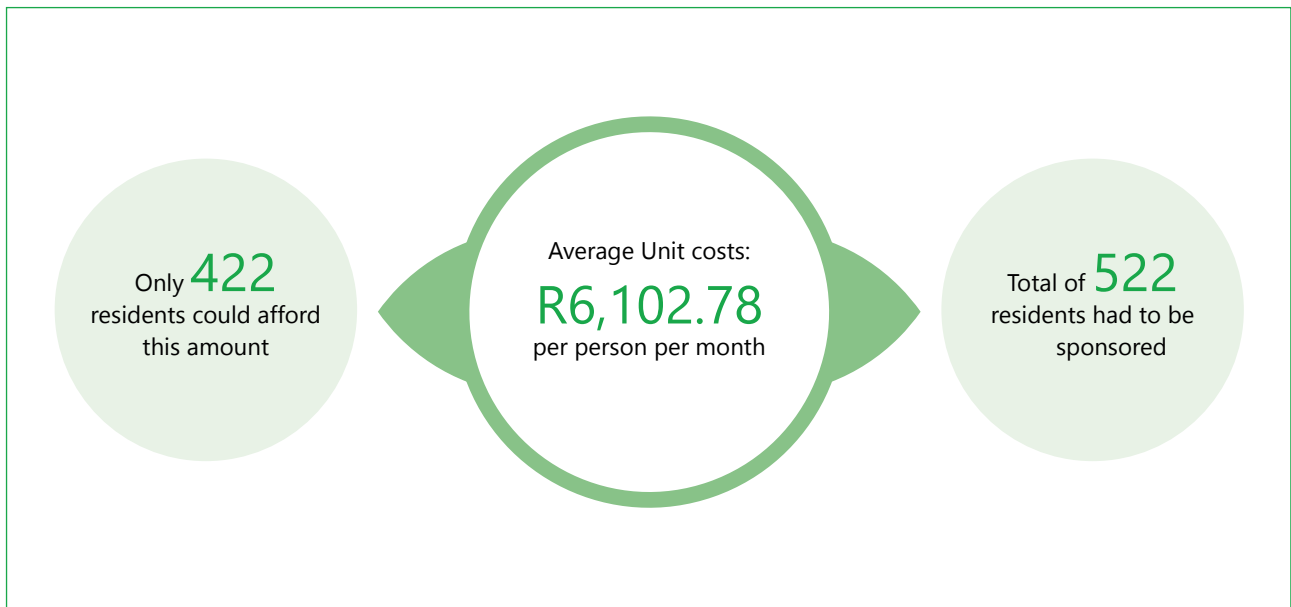
FACILITIES AND SERVICES FOR OLDER PERSONS

John Agyekum Kufuor:

“There has been enough suffering in our country, there have been enough of children whose dreams die before they have a chance to grow and there have been enough of elders who, having served their nation, are forced into indignity in their old age.”

Provide safe & caring environment to frail & debilitated Older Persons

Residential Frail Care: • 24/7 nursing care	979 Older Persons	Assisted Living: • Active Aging programmes	678 Older Persons
Residential Care for persons with special needs: • 24/7 care & support	68 Disabled Adults	Outreach to community: • Day & Home Based Care, material assistance, wheel chairs/walking aids	1,752 Older Persons reached



TRENDS

- Frailty & Vulnerability
- Increased number are victims of crime, neglect & exploitation
- Poverty/insufficient financial support
- Older persons abandoned by families

CHALLENGES

- Shortage of trained staff willing to work in NPO-sector
- Financial sustainability of service
- Difficult balance between affordability & quality of services

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 nr 71 of 2008 (the New Act), was applicable from 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 Risk Committee met on **21 February 2017**. During the meeting it was decided that the audit and risk committee will be merged. Finances remain the organisation's largest challenge. The Company budget for a deficit of R3 688 487.36 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. A further risk is the fact that several management members of the company, as well members of the Board of Directors, will retire within the next 4 years. This risk has to be taken into consideration timeously and planning already needs to be done now.

All risk management processes (currently managed informally) will also be formalised in the foreseeable future for general risks as well as IT control risks. No unusual or unexpected risks were taken while executing the company's activities; thus neither was any accompanying material losses incurred.

GENERAL TRENDS, RISKS AND CHALLENGES



MANAGEMENT

- Turnover in Board members due to retirement/health reasons
- Retirement of several members in Senior Management within 2 years- loss of expertise
- Recruitment of willing and available Board or Advisory Board members to serve without compensation



SERVICE DELIVERY

- Depopulation of rural areas
- Limited resources
- Sustainability of services due to financial constraints/staff turnover
- Termination of services –closure of small offices in rural towns
- Increased need for *Pro Bono* services of legal experts for social casework management



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
- Need for specialised HR manager to handle staff issues and deliberations with trade unions
- Absence of formal Staff Support Programme



FUNDS

- Financial planning & budgeting complicated by:
 - Decreased funding from Dutch Reformed Church due to decline in members
 - Delayed payments of government funding
 - Sporadic funding from NLC
- 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.



INFRASTRUCTURE

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

SOCIAL AND ETHICAL ASPECTS

A Social and Ethics meeting was held on **28 February 2017**. During the meeting, good corporate governance was discussed, with openness and accountability as a sustainable goal for the company. The company strives to ensure good governance in all social and ethical aspects.

Due to the nature of its activities and its non-commercial nature, the Board of Directors does not feel the need to rotate directors regularly; consequently it also does not need a Nomination Committee. No remuneration is paid, except the salary of the Managing Director and top officials; hence there is no remuneration committee and the remuneration policy or performance bonuses are not under discussion. The remuneration of the Managing Director and top officials is not disclosed due to the non-profit aspect of the welfare services rendered.

Informal training takes place regularly during Board meetings. No formal training programme for directors is available as yet and also no formal performance assessment exists. Attention will be given to these aspects in the coming year. Once again, since the company is involved in charity, funds are limited and are rather spent on the core business.

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.

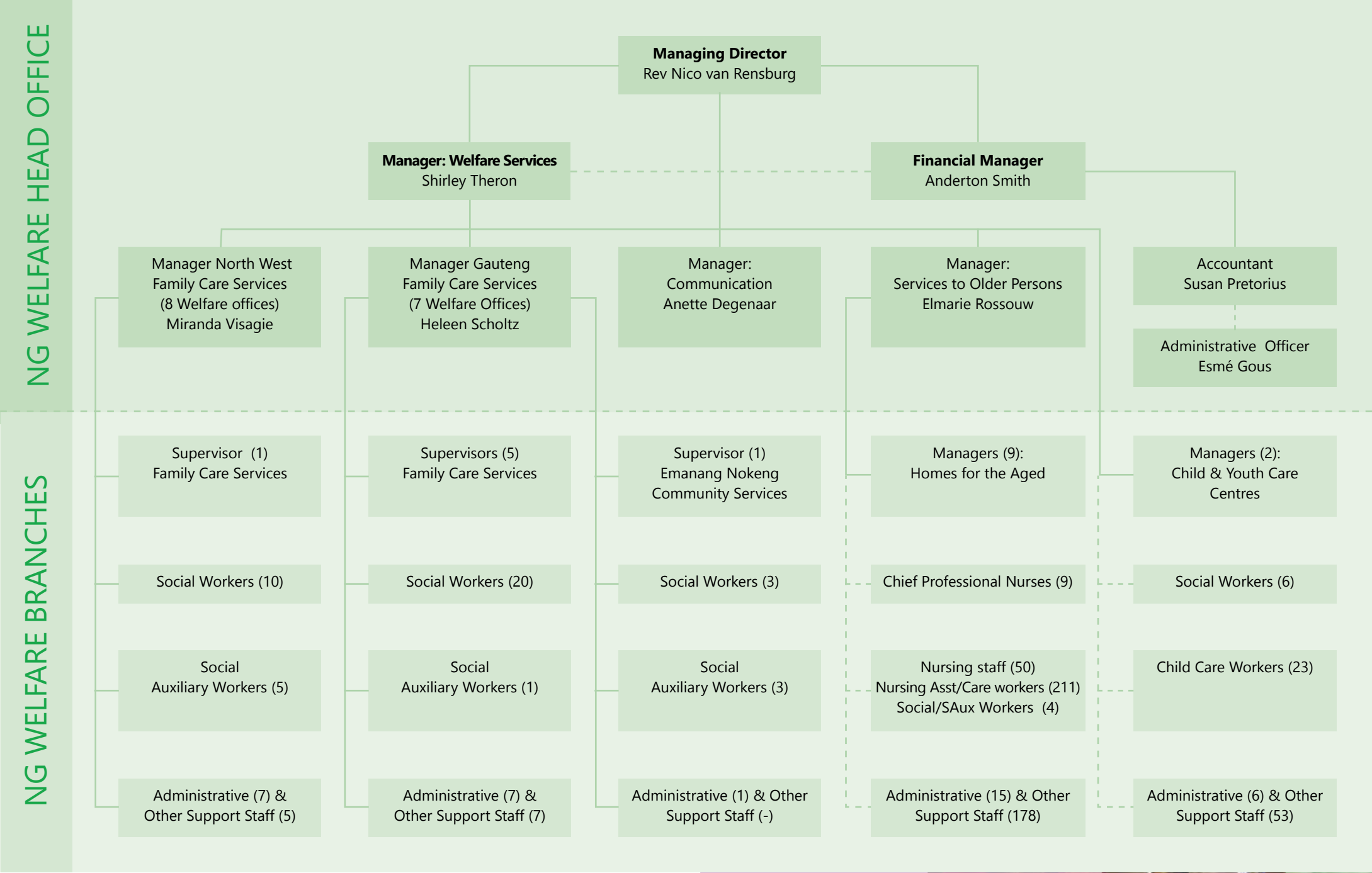
None of the sustainability aspects are subject to an audit or assurance engagement, because of costs involved and the focus on the spending of funds on welfare work.

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



Key

— Line Authority

- - - Staff Authority

REPORT OF THE AUDIT COMMITTEE

We hereby present our report for the financial year ended February 28, 2017 to the Board of Directors. The Audit Committee is an independent committee, appointed by the Board of Directors, which 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 six independent Non-Executive Directors:

Members:

Chairperson (Vacant)
Rev. Ben Botha
Rev. Cobus Niemand
Rev. Fanus Hansen
Rev. Philipp Potgieter
Rev. CJ van Staden

The committee meets at least twice per annum, as required by the charter. The Audit Committee met on 12 September 2016 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 not yet filled at the end of the 2016/2017 financial year. Professor du Toit served on the Board since 11 November 2009 and his guidance regarding governance & financial matters will be sadly missed.

Training of Board of Directors

During the training provided at the meeting of the Board of Director held on the 15th of August: Prof du Toit sketched the background to the new King report, which will be King IV and will be released on 1 November. In the meantime a draft King IV report has been distributed with a view to gather comments from the public. A huge difference between King III and King IV is that for the first time addenda will be attached to the King report, which will give guidance to other entities other than listed companies with regard to how they can apply the principles and procedures that appear in the main report. There are addenda (also still only in draft form) for small companies (SMMEs), the public sector and non-profit organisations (NPOs).

Highlights in the report:

- NPOs must attempt to put in place functions that take into consideration the size of the undertaking. In doing so the task such as risk management or IT control, can be carried into effect by a senior officer and it can even be executed part-time. The task can also be contracted out.
- In cases where the establishment of a committee is recommended, the control board (in our case the board of directors) can perform that function itself.
- Some matters do indeed need to be addressed, in spite of the nature and size of a company. The legal duties are applicable to the directors, regardless of whether they are paid for their services or not. Conflicts of interest remain to be of critical importance and need to be dealt with correctly; even in small companies – nepotism must for instance be avoided. Conflicts of interest (for which we all have to sign a declaration at each meeting) have to be made public and if necessary, approved by the board of directors.
- The Memorandum of Incorporation (MOI) is of the utmost importance and should also address environmental, social and public interests. Likewise, the board of directors needs to reach clarity on the company's strategy and to develop a business mode. It must ensure that the community's interests are served, that a sustainable support base exists to perform the work, and lastly, to make resources and procedures available to ensure the solicitous and justifiable management of all the resources and programs of the company. Hence NG Welfare will have to continue with our strategic planning sessions.

- Other reporting standards also need to be taken into consideration, over and above the Company Act and King III or King IV. It is for instance the GRI that also specifically provides for NPOs as well as the requirements of the new International Integrated reporting Framework issued by the HRX in 2013.
- Further to this there is the Independent Code for NPOs (sent to everyone on the board via email) which contains the core areas on which a board of directors needs to focus so as to demonstrate the exercising of effective leadership, being:
 - A clearly defined vision, objectives and values;
 - Commitment to accountability (justifiability) and transparency;
 - The monitoring of fundraising and ensuring that sustainability and risk are indeed monitored;
 - Constructive cooperation and synergy;
 - Maintenance of the board of directors and other control structures; and
 - The maintenance or In procedural governance.
- In addition to this, there are the functional areas of management which the board of directors should constantly attend to:
 - Risk management;
 - IT control and –management;
 - Adherence to acts, rules management codes and standards;
 - Fare remuneration so as to ensure value creation in a sustainable manner; and
 - Efficient management environment and integrity of reports for better decision making.
- Parties concerned need to be taken into consideration consistently. The entire process of strategic planning, risk and the management environment often is initiated by liaison with the various parties concerned.

Responsibilities of Audit Committee

- 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 and collaboration with the Risk Committee to ensure that an active overview and monitoring process is in place;
- 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 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.

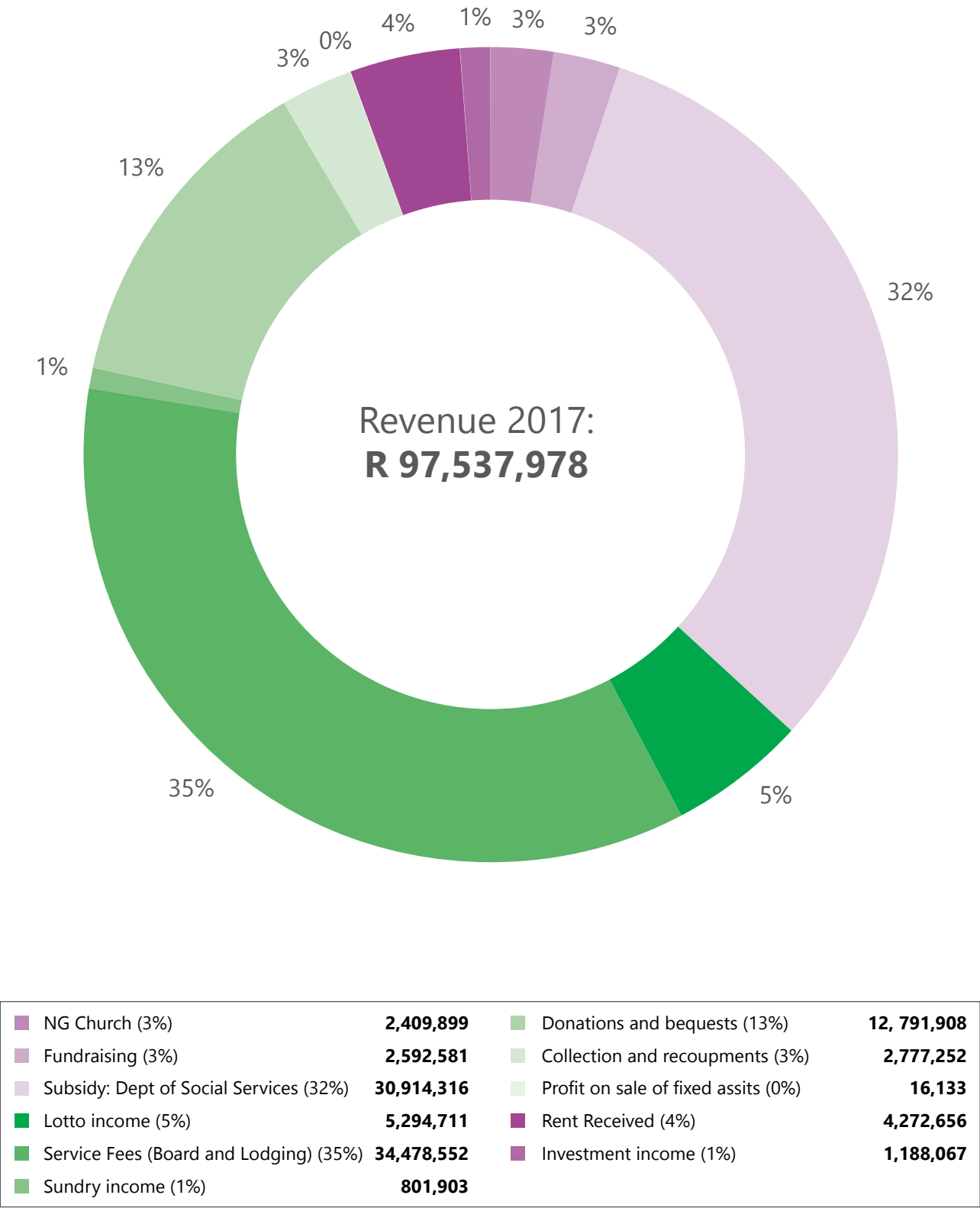
No violations of the law or material ethical issues have come to light during the period under review.



Acting Chairperson of the Audit Committee
Rev HJ Niemand

28-08-2017

Date





NG WELFARE NORTH WEST NPC

Translated Name
NG WELSYN NOORDWES MSW
(Registration Number 1995/008030/08)
Abridged Annual Financial Statements
for the year ended 28 February 2017

Abridged Annual Financial Statements
Extract of the audited annual financial statements
Prepared: F.J. Bekker
Position: Independent Compiler
Reviewed: Philip Miller & Co.
Position: Registered Auditors

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)

Abridged Annual Financial Statements for the year ended 28 February 2017

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. Hansen, S.S. Stofberg, P.J.
REGISTERED OFFICE / BUSINESS ADDRESS	104 Peter Mokaba Avenue Potchefstroom 2531
BANKERS	ABSA
AUDITORS	Philip Miller & Co. 12 Holtzhausen Road Baillie Park Potchefstroom 2531
WEBSITE	www.ngwelsyn.co.za
DATE PUBLISHED	16 August 2017



PHILIP MILLER & CO.

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INDEPENDENT AUDITOR'S REPORT

To the Members of NG WELFARE NORTH WEST NPC

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 2017, 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.

16 August 2017

Per: Dr. K. van der Walt
 Partner
 Registered Auditors

12 Holtzhausen Road
 Baillie Park
 Potchefstroom
 2531

REPORT OF THE COMPILER

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 2017, 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.

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.

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

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

16 August 2017

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)

Abridged Annual Financial Statements for the year ended 28 February 2017

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 2017

Statement of Financial Position as at 28 February 2017

Figures in R	2017	2016
Assets		
Non-Current Assets		
Property, plant and equipment	39,297,710	39,007,102
Loans receivable	181,737	181,737
	<u>39,479,447</u>	<u>39,188,839</u>
Current Assets		
Inventories	322,526	343,248
Investments	30,666,238	33,230,756
Trade and other receivables	6,159,067	2,666,611
Cash and cash equivalents	4,907,869	4,788,310
	<u>42,055,700</u>	<u>41,028,925</u>
Total Assets	<u>81,535,147</u>	<u>80,217,764</u>
Equity and Liabilities		
Equity		
Special trust funds and reserves	28,467,428	29,168,235
Retained earnings	6,078,147	7,842,674
	<u>34,545,575</u>	<u>37,010,909</u>
Non-Current Liabilities		
Borrowings	41,558,426	39,415,981
Current Liabilities		
Trade and other payables	5,431,146	3,790,874
Total Equity and Liabilities	<u>81,535,147</u>	<u>80,217,764</u>

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)

Abridged Annual Financial Statements for the year ended 28 February 2017

Statement of Comprehensive Income

Figures in R	2017	2016
Revenue	96,349,911	88,187,275
Operating costs	(99,859,002)	(94,866,861)
Operating deficit	(3,509,091)	(6,679,586)
Investment income	1,188,067	1,199,594
Finance costs	(1,649)	(119)
Deficit for the year	(2,322,673)	(5,480,111)

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)

Abridged Annual Financial Statements for the year ended 28 February 2017

Statement of Changes in Equity

Figures in R	Special Trust Funds & Reserves	Retained earnings	Total
Balance at 1 March 2015	30,544,082	12,085,078	42,629,160
Total comprehensive deficit for the year		(5,480,111)	(5,480,111)
Transfer to reserves and funds	(6,909,245)	1,237,707	(5,671,538)
Adjustments - Transfer to/(utilising of) reserves and funds			
- special projects and community development incentives	533,398	-	5,533,398
Balance at 29 February 2016	29,168,235	7,842,674	37,010,909
Balance at 1 March 2016	29,168,235	7,842,674	37,010,909
Total comprehensive deficit for the year		(2,322,673)	(2,322,673)
Transfer to/(utilising of) reserves and funds	(704,050)	558,146	(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	28,467,428	6,078,147	34,545,575

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)

Abridged Annual Financial Statements for the year ended 28 February 2017

Statement of Cash Flows

Figures in R	2017	2016
Cash flows from operating activities		
Deficit for the year	(2,322,673)	(5,480,111)
Adjustments for:		
Finance costs	1,649	119
Depreciation of property, plant and equipment	3,547,402	3,485,336
Investment income	(1,188,067)	(1,199,594)
Operating cash flow before working capital changes		
Working capital changes		
Decrease in financial asset	2,564,518	296,944
Decrease in inventories	20,722	58,522
(Increase)/decrease in trade and other receivables	(3,492,456)	237,546
Increase in trade and other payables	1,640,272	734,509
Cash generated by/(utilised in) operating activities	771,367	(1,866,729)
Interest received	1,053,779	1,192,558
Finance costs	(1,649)	(119)
Dividends received	134,288	7,036
Net cash from operating activities	1,957,785	(667,254)
Cash flows from investing activities		
Property, plant and equipment acquired	(4,464,093)	(1,358,574)
Proceeds on disposals of property, plant and equipment	140,754	71,784
Net cash utilised in investing activities	(4,323,339)	(1,286,790)
Cash flows from financing activities		
Loans raised	2,142,445	325,823
Transfer to reserves and funds	342,668	364,336
Net cash generated by financing activities	2,485,113	690,159
Increase/(Decrease) in cash and cash equivalents	119,559	(1,263,885)
Cash and cash equivalents at beginning of the year	4,788,310	6,052,195
Cash and cash equivalents at end of the year	4,907,869	4,788,310

NG WELFARE NORTH WEST NPC

(Registration Number 1995/008030/08)

Abridged Annual Financial Statements for the year ended 28 February 2017

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.en.ngwelsyn.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 4038/9
Fochville Social Services	018 771 2871
NGW Klerksdorp	018 462 9887/8
NGW Krugersdorp	011 660 3183/4
NGW Lichtenburg	018 632 4347
NGW Meyerton	016 362 0864
NGW Potchefstroom	018 297 7347
NGW Randfontein	011 412 1035/6
NGW Roodepoort	011 955 6924
NGW Schweizer-Reneke	053 963 1156
NGW Vanderbijlpark	016 981 1044
NGW Vereeniging	016 421 4044/5
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	018 464 1822
Koster Home for the Elderly	014 543 2052/3
Luipaardsvlei Home for the Elderly, Krugersdorp	011 955 2108/9
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 1733/93

COMMUNITY CARE CENTRES

Emanang Nokeng Wes-Rand	083 268 3660
Community Work service points:	082 451 7684
- Vereeniging	
- Polokong (Vanderbijlpark)	
- Magaliesburg & Kagiso (Krugersdorp)	
- Princess, Davidsonville & Soul City (Roodepoort)	
- Jabulani & Wheatlands (Randfontein)	
- Utlwanang (Christiana)	
- Khutsong (Carletonville)	

