

**BRIGHT START EDUCATIONAL SUPPORT PROGRAMME NPC
(REGISTRATION NUMBER 2008/013050/08)**

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Bright Start Educational Support Programme NPC

(Registration number: 2008/013050/08)

Annual Financial Statements for the year ended 31 December 2018

General Information

| | |
|--|--|
| Country of incorporation and domicile | South Africa |
| Nature of business and principal activities | Co-ordinates, manages and facilitates fund-raising and donations worldwide so as to provide an education to selected previously disadvantaged children |
| Directors | S. Freeman R.E. Kruger N. Dube K.U. Bach S.J. Eriksson B.A. Jacobs B.G. Moyo K.C. Richardson S. Whitford |
| Registered office | 20C Earl Street Hout Bay Cape Town Western Cape 7800 |
| Business address | 20C Earl Street Hout Bay Cape Town Western Cape 7800 |
| Postal address | Postnet Suite 291 Private Bag x4 Hout Bay 7872 |
| Bankers | Nedbank Limited |
| Auditors | BDV Platinum Chartered Accountants (SA) Registered Auditors |
| Company registration number | 2008/013050/08 |
| Tax reference number | 9140/433/17/9 |
| PAYE registration number | 7100/777/92/1 |
| PBO registration number | 930030374 |
| Level of assurance | These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008. |

Bright Start Educational Support Programme NPC

(Registration number: 2008/013050/08)

Annual Financial Statements for the year ended 31 December 2018

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

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Level of assurance

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

Bright Start Educational Support Programme NPC

(Registration number: 2008/013050/08)

Annual 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 annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies 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 of directors 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 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.

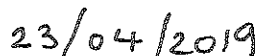
The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 4.

The annual financial statements set out on pages 7 to 15, which have been prepared on the going concern basis, were approved by the board of directors and were signed on its behalf by:

Approval of annual financial statements



Director



Date

Independent Auditors' Report

To the directors of Bright Start Educational Support Programme NPC

Qualified opinion

We have audited the annual financial statements of Bright Start Educational Support Programme NPC set out on pages 7 to 15, 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 annual financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the basis for qualified opinion section of our report, the annual financial statements present fairly, in all material respects, the financial position of Bright Start Educational Support Programme NPC as at 31 December 2018, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for qualified opinion

In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections prior to the initial entry of collections in the accounting records. Accordingly, it was impractical for us to extend our examinations beyond the receipts actually recorded.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of matter

We draw attention to Note 15 to the annual financial statements which indicates that the company had accumulated losses of R 221,959 and that the company's total liabilities exceed its assets by R (221,959). Our opinion is not modified in respect of this matter.

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 annual financial statements and our auditors' report thereon.

Our opinion on the annual 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 annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual 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.

BDV Platinum Professional Services Incorporated

Company Reg No: 2014/122739/21 | **VAT No:** 4140194244

Physical Address: 48 Bell Crescent, Westlake Business Park | Westlake 7945

Postal Address: PO Box 31406 | Tokai 7966 | **Email:** admin@bdvplatinum.com

Telephone: 021 701 7620 | **Fax:** 086 639 9572 | **Web:** www.bdvplatinum.com

Directors: Carel Bream de Vries, Mark Dawson, Imtiaz Anthony, Jaime Nicholas Werner

Practice No: 803104

Independent Auditors' Report

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the 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 annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual 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.

Auditors' responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 annual 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 annual 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 annual 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 annual financial statements, including the disclosures, and whether the annual 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.



BDV Platinum
Director - Braam De Vries
Chartered Accountants (SA)
Registered Auditors

23/4/2014

Date

BDV Platinum Professional Services Incorporated

Company Reg No: 2014/122732/21 | VAT No: 4140194244

Physical Address: 49 Bell Crescent, | Westlake Business Park | Westlake 7945

Postal Address: PO Box 31408 | Tokai 7966 | Email: admin@bdvplatinum.com

Telephone: 021 701 7620 | Fax: 086 639 9572 | Web: www.bdvplatinum.com

Directors: Carel Braam de Vries, Mark Dawson, Imtiaaz Anthony, Jaime Nicholas Werner

Practice No: 903104

Bright Start Educational Support Programme NPC

(Registration number: 2008/013050/08)

Annual Financial Statements for the year ended 31 December 2018

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Bright Start Educational Support Programme NPC for the year ended 31 December 2018.

1. Nature of business

Bright Start Educational Support Programme NPC was incorporated in South Africa and co-ordinates, manages and facilitates fund-raising and donations worldwide so as to provide an education to selected previously disadvantaged children. 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 annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. 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 annual financial statements.

3. Directors

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

Directors

| | |
|-----------------|-------------|
| S. Freeman | Chairperson |
| R.E. Kruger | Treasurer |
| N. Dube | |
| K.U. Bach | |
| S.J. Eriksson | |
| B.A. Jacobs | |
| B.G. Moyo | |
| K.C. Richardson | |
| S. Whitford | |

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 annual 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

BDV Platinum continued in office as auditors for the company for 2018.

At the AGM, the board of directors will be requested to reappoint BDV Platinum as the independent external auditors of the company and to confirm Mr Braam De Vries as the designated lead audit partner for the 2019 financial year.

Bright Start Educational Support Programme NPC

(Registration number: 2008/013050/08)

Annual 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 | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 2 | 144,052 | 212,602 |
| Current Assets | | | |
| Trade and other receivables | 3 | 63,904 | 68,764 |
| Current tax receivable | | 1,472 | 1,472 |
| Cash and cash equivalents | 4 | 337,728 | 245,061 |
| | | 403,104 | 315,297 |
| Total Assets | | 547,156 | 527,899 |
| Equity and Liabilities | | | |
| Equity | | | |
| Accumulated funds | | (221,959) | 342,007 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| Loans from directors | 5 | 144,650 | - |
| Other financial liabilities | 6 | 200,000 | - |
| | | 344,650 | - |
| Current Liabilities | | | |
| Trade and other payables | 7 | 424,465 | 185,892 |
| Total Liabilities | | 769,115 | 185,892 |
| Total Equity and Liabilities | | 547,156 | 527,899 |

Bright Start Educational Support Programme NPC

(Registration number: 2008/013050/08)

Annual Financial Statements for the year ended 31 December 2018

Statement of Comprehensive Income

| Figures in Rand | Note(s) | 2018 | 2017 |
|----------------------------------|---------|------------------|------------------|
| Revenue | | | |
| Contributions from parents | | 189,160 | 198,370 |
| Donations received | | 568,153 | 477,542 |
| Funding received | | 654,005 | 969,213 |
| | | 1,411,318 | 1,645,125 |
| Other income | | | |
| Interest received | 8 | 10,060 | 39,777 |
| Operating expenses | | | |
| Accounting fees | | 16,509 | 17,111 |
| Advertising | | 1,000 | 2,403 |
| Aftercare | | 199,431 | 235,434 |
| Assets less than R7,000 | | 1,000 | 9,346 |
| Auditors remuneration | 11 | 11,500 | 10,260 |
| Bad debts | | 17,484 | 7,885 |
| Bank charges | | 6,143 | 5,503 |
| Birthday parties | | - | 240 |
| Cleaning | | 1,279 | 290 |
| Consulting | | - | 52,000 |
| Cultural enrichment | | 16,386 | 6,226 |
| Depreciation | | 68,550 | 71,374 |
| Donations | | - | 1,305 |
| Employee costs | | 657,122 | 472,731 |
| Entertainment | | 2,474 | 2,029 |
| Fundraising activities | | 1,932 | 6,836 |
| IT expenses | | 4,966 | 4,093 |
| Insurance | | 21,316 | 18,708 |
| Lease rentals on operating lease | | 91,042 | 78,336 |
| Motor vehicle expenses | | 43,610 | 40,195 |
| Municipal expenses | | 8,474 | 6,042 |
| Photographs | | 518 | 240 |
| Printing and stationery | | 30,973 | 13,414 |
| Repairs and maintenance | | 716 | 14 |
| School fees | | 737,507 | 735,916 |
| Special intervention | | 6,825 | 5,615 |
| Staff welfare | | 1,537 | 5,679 |
| Subscriptions | | 3,106 | 3,848 |
| Telephone and fax | | 16,981 | 15,632 |
| Training | | 255 | 1,260 |
| Transport and freight | | - | 242 |
| Travel - local | | 42 | 211 |
| Uniforms | | 16,666 | 17,862 |
| | | 1,985,344 | 1,848,280 |
| Operating deficit | | | |
| Finance costs | 9 | (563,966) | (163,378) |
| | | - | (2,533) |
| Deficit for the year | | | |
| | | (563,966) | (165,911) |

Bright Start Educational Support Programme NPC

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Statement of Changes in Equity

| Figures in Rand | Accumulated funds | Total equity |
|------------------------------------|-------------------|------------------|
| Balance at 01 January 2017 | 507,918 | 507,918 |
| Deficit for the year | (165,911) | (165,911) |
| Balance at 01 January 2018 | 342,007 | 342,007 |
| Deficit for the year | (563,966) | (563,966) |
| Balance at 31 December 2018 | (221,959) | (221,959) |

Bright Start Educational Support Programme NPC

(Registration number: 2008/013050/08)

Annual 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 used in operations | 12 | (262,043) | (573,447) |
| Interest income | | 10,060 | 39,777 |
| Finance costs | | - | (2,533) |
| Tax paid | | - | (1,472) |
| Net cash from operating activities | | (251,983) | (537,675) |
| Cash flows from investing activities | | | |
| Cash flows from financing activities | | | |
| Net movement in other financial liabilities | | 200,000 | - |
| Net movement in directors loan | | 144,650 | - |
| Net cash from financing activities | | 344,650 | - |
| Total cash movement for the year | | 92,667 | (537,675) |
| Cash at the beginning of the year | | 245,061 | 782,736 |
| Total cash at end of the year | 4 | 337,728 | 245,061 |

Bright Start Educational Support Programme NPC

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Annual Financial Statements for the year ended 31 December 2018

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual 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 annual 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 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

| Item | Depreciation method | Average useful life |
|------------------------|---------------------|---------------------|
| Furniture and fixtures | Straight line | 6 years |
| Motor vehicles | Straight line | 5 years |
| Office equipment | Straight line | 3 years |
| IT equipment | Straight line | 3 years |

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

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Annual Financial Statements for the year ended 31 December 2018

Accounting Policies

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 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

The company has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, and the receipts and accruals are exempt from income tax in terms of section 10(1)(cN) of the Income Tax Act.

1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

1.5 Revenue

Income comprises of funding received from grants and donations and are recognised on receipt.

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

1.6 Borrowing costs

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

Bright Start Educational Support Programme NPC

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Annual Financial Statements for the year ended 31 December 2018

Notes to the Annual Financial Statements

Figures in Rand 2018 2017

2. Property, plant and equipment

| | 2018 | | | 2017 | | |
|------------------------|---------------------|--------------------------|----------------|---------------------|--------------------------|----------------|
| | Cost or revaluation | Accumulated depreciation | Carrying value | Cost or revaluation | Accumulated depreciation | Carrying value |
| Furniture and fixtures | 12,078 | (11,777) | 301 | 12,078 | (10,875) | 1,203 |
| Motor vehicles | 338,238 | (194,487) | 143,751 | 338,238 | (126,839) | 211,399 |
| Office equipment | 15,189 | (15,189) | - | 15,189 | (15,189) | - |
| IT equipment | 15,315 | (15,315) | - | 15,315 | (15,315) | - |
| Total | 380,820 | (236,768) | 144,052 | 380,820 | (168,218) | 212,602 |

Reconciliation of property, plant and equipment - 2018

| | Opening balance | Depreciation | Closing balance |
|------------------------|-----------------|-----------------|-----------------|
| Furniture and fixtures | 1,203 | (902) | 301 |
| Motor vehicles | 211,399 | (67,648) | 143,751 |
| | 212,602 | (68,550) | 144,052 |

Reconciliation of property, plant and equipment - 2017

| | Opening balance | Depreciation | Closing balance |
|------------------------|-----------------|-----------------|-----------------|
| Furniture and fixtures | 2,105 | (902) | 1,203 |
| Motor vehicles | 279,046 | (67,647) | 211,399 |
| IT equipment | 2,825 | (2,825) | - |
| | 283,976 | (71,374) | 212,602 |

3. Trade and other receivables

| | | |
|-------------------|---------------|---------------|
| Trade receivables | 49,240 | 54,100 |
| Deposits | 14,664 | 14,664 |
| | 63,904 | 68,764 |

4. Cash and cash equivalents

Cash and cash equivalents consist of:

| | | |
|---------------|----------------|----------------|
| Cash on hand | 686 | 187 |
| Bank balances | 337,042 | 244,874 |
| | 337,728 | 245,061 |

5. Loans to (from) directors

| | | |
|-------------|-----------|---|
| S. Whitford | (144,650) | - |
|-------------|-----------|---|

The loan is unsecured, interest free and is not repayable within the following 12 months.

The director has subordinated her loan account in favour of other creditors of the company until such time that the company's assets exceeds its liabilities.

Bright Start Educational Support Programme NPC

(Registration number: 2008/013050/08)

Annual Financial Statements for the year ended 31 December 2018

Notes to the Annual Financial Statements

| Figures in Rand | 2018 | 2017 |
|---|------------------|------------------|
| 6. Other financial liabilities | | |
| At amortised cost | | |
| S. Scudamore | 200,000 | - |
| The loan is unsecured, interest free and is not repayable within the following 12 months. | | |
| The lender has subordinated her loan account in favour of other creditors of the company until such time that the company's assets exceeds its liabilities. | | |
| Non-current liabilities | | |
| At amortised cost | 200,000 | - |
| 7. Trade and other payables | | |
| Trade payables | 9,023 | 15,892 |
| Deferred income | 415,442 | 170,000 |
| | 424,465 | 185,892 |
| 8. Investment revenue | | |
| Interest revenue | | |
| Bank | 10,060 | 39,777 |
| 9. Finance costs | | |
| Late payment of tax | - | 2,533 |
| 10. Taxation | | |
| No provision has been made for 2017 tax as the company is exempt from taxation in terms of Section 30 and 10(1)(cN) of the Income Tax Act. | | |
| 11. Auditor's remuneration | | |
| Fees | 11,500 | 10,260 |
| 12. Cash used in operations | | |
| Deficit before taxation | (563,966) | (165,911) |
| Adjustments for: | | |
| Depreciation | 68,550 | 71,374 |
| Interest received | (10,060) | (39,777) |
| Finance costs | - | 2,533 |
| Changes in working capital: | | |
| Trade and other receivables | 4,860 | (24,567) |
| Trade and other payables | 238,573 | (417,099) |
| | (262,043) | (573,447) |

Bright Start Educational Support Programme NPC

(Registration number: 2008/013050/08)

Annual Financial Statements for the year ended 31 December 2018

Notes to the Annual Financial Statements

| Figures in Rand | 2018 | 2017 |
|-----------------|------|------|
|-----------------|------|------|

13. Related parties

Relationships

| | |
|----------|-------------|
| Director | S. Whitford |
|----------|-------------|

Related party balances and transactions

Related party balances

Loan accounts - Owing (to) by directors

| | | |
|-------------|-----------|---|
| S. Whitford | (144,650) | - |
|-------------|-----------|---|

14. Directors' remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

15. Going concern

We draw attention to the fact that at 31 December 2018, the company had accumulated losses of R 221,959 and that the company's total liabilities exceed its assets by R (221,959).

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

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the company and that the subordination agreements referred to in note 5 and 6 of these annual financial statements will remain in force for as long as it takes to restore the solvency of the company.