THE SOUTH AFRICAN NATIONAL COUNCIL FOR THE BLIND

(Registration number: NPO 001-422)
Annual financial statements
for the year ended March 2021

These financial statements were prepared by:
SJ Le Roux (Hons.BCompt)
Financial Manager

The financial statements have been audited in compliance with the applicable requirements of the Non-Profit Organisations Act 71 of 1997 and the constitution of the Council.

Published 15 November 2021

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The Council operates and raises funds to assist blind and partially sighted persons in the Republic of South Africa
Registered office	514 White Street Baileys' Muckleneuk Pretoria, 0181
Postal address	PO Box 11149 Hatfield, 0028
National Management Committee	Lesibana Movundlela Allan Small Jan Mokoala Sandra Dreyer Mncedisi Mdunyelwa
Bankers	The Standard Bank of South Africa
Auditors	Balushi Incorporated Registered Auditors & Chartered Accountants (SA) 1185 Park Street Parkfield Court, Building 8 Hatfield, 0083
Preparer	The annual financial statements were internally prepared by Mr. SJ Le Roux (Hons.BComp).
Secretary	Thapelo Mogoboya
NPO Registration number	NPO 001-422
Income tax reference number	9759669147
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Non-Profit Organisations Act 71 of 1997 and the constitution of the Council.
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Index

The South African National Council for the Blind
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Annual financial statements for the year ended 31 March 2021

National Executive Director's Report

Covid-19 lock down regulations

South Africa was placed in level 5 lock down from the 26th of March 2020 to the 31st of May 2020 due to the impending threat associated with the Covid-19 virus. Thereafter the level was decreased to level 4 and lower during the rest of the financial year. For the first two months of the financial year there was no activity taking place in terms of external service delivery and operations were limited to planning, strategy and administration.

The impact of the lock down was evident in the 11% decrease in overall revenue, the biggest impact however was in the activities of those divisions within Council that serves the community at large, with a 49% revenue decrease in cataract surgery revenue.

Donors and other interested partners kept supporting Council during this trying time, income from donations and fund raising decreased by only 2% from the previous year. It is also worthy to note that income from the bequest programme contributed R5million during the year, which contributed significantly to the good results.

Management of the turnaround process

Council embarked on an aggressive turnaround process early in the 2019 financial year with the strategic purpose of ensuring the sustainability of Council, in essence the goal was to turn the organisation into an operating surplus position after 24 months, which was delayed by the impact of the Covid-19 lock down. For management purposes operating results are measured before income from bequests and the resulting operating deficit for the current year was R0.4million, compared to the R2million of the previous year. It is clear that the process is making a significant contribution to the results, also taking into account that operating expenses decreased by 27% during the year.

The process is managed on an ongoing basis through careful resource planning, strict cost control measures maintained at all levels of management and prudent financial management.

Stakeholder relations

The focus from the NED's office during the first year in office was to strengthen stakeholder relations at all levels, both from a donor and funder point of view and also brining stability and renewed commitment to our affiliated organisations, groups and management structures.

Our beneficiaries ultimately are the blind- and partially sighted communities at large, however they which to organise themselves, our role is to secure their interest through intelligent advocacy and retention in our structures.

Governance

During the National Executive Committee meeting that took place during the year much emphasis was placed on the role governance structures plays in the organisation and also the real impact it has on the SANCB and the value it adds when measured against the requirements of the King IV report.

Lewis Nzimande
National Executive Director
15 November 2021

The South African National Council for the Blind
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Annual financial statements for the year ended 31 March 2021

National Executive Committee's Responsibilities and Approval

The National Executive Committee are required in terms of the Non-Profit Organisations Act 71 of 1997 and the constitution 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 the committee's responsibility to ensure that the annual financial statements fairly presents the state of affairs of the Council 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 and opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standards 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 National Executive Committee acknowledges that it is ultimately responsible for the system of internal financial control established by the Council and places considerable importance on maintaining a strong control environment. To enable the National Executive Committee to meet these responsibilities, the committee sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include proper delegation of duties to ensure an acceptable level of risk. The controls are monitored throughout the Council and all employees are required to maintain the highest ethical standards in ensuring the Council's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Council is on identifying, assessing, managing and monitoring all known forms of risk across the Council. While operating risk cannot be fully eliminated, the Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The National Executive Committee is of the opinion, based on the information and explanations given by management, 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 National Executive Committee have reviewed the Council's cash flow forecast for the year ended 31 March 2021 and, in light of its review and the current financial position, it is satisfied that the Council has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Council's annual financial statements. The annual financial statements have been examined by the Council's external auditors and their report is presented on page 8 to 10.

The annual financial statements set out on pages 8 to 32, which have been prepared on the going concern basis, were approved and signed on behalf of the National Executive Committee on
15 November 2021.

Jan Mokoala - Treasurer	Lesibana Movundlela - Chairperson

The National Management Committee have pleasure in submitting their report on the annual financial statements of The South African National Council for the Blind for the year ended 31 March 2021

1. Incorporation

The South African National Council for the Blind was registered as a non-profit organisation on 4 February 2000.

2. Nature of business

The South African National Council for the Blind serves as the umbrella body, combining the work of the Provincial Elective Committees and a number of related organisations in South Africa. The Council raises funds from the general public, government, trusts, foundations and corporates. The funds are used to assist blind and visually impaired persons in South Africa, through advocacy, support and development of member organisations, facilitation of inclusion of the blind and visually impaired persons, promotion of the prevention of blindness and the provision of assistive equipment.

The Council also assists government in its blindness prevention strategy by performing cataract surgery, mostly in rural areas, to patients who cannot afford it.

3. Review of financial results

The annual financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities and the requirements of the Non-Profit Organisations Act 71 of 1997 and the Constitution of the Council. 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 Council is set out in these financial statements.

4. National Management Committee

The National Management Committee in office at the date of this report are as follows:

Member	Office	Designation	Appointed
Lesibana Movundlela	Chairperson	Non-executive	16 October 2015
Allan Small	Deputy chairperson	Non-executive	20 April 2018
Jan Mokoala	Treasurer	Non-executive	16 October 2017
Sandra Dreyer	Member	Non-executive	16 October 2017
Mncedisi Mdunyelwa	Member	Non-executive	16 October 2017
Elza-Lynne Kruger	Member	Non-executive	30 October 2020

5. Member's interests in contracts

During the financial year, no contracts were entered into which members of the National Management Committee of The South African National Council for the Blind had an interest in and which significantly affected the business of the Council.

Management Committee's Report (Continued)

6 Events after the reporting date

The National Management Committee is aware of certain material events that occurred after the reporting date and up to the date of this report.

Covid-19 Pandemic:
During the period after year end South Africa was placed under various alert levels due to ongoing threats from the Covid-19 virus, these alert levels ranged from level 1 to an adjusted level 4. Although the impact of the partial lock-down regulations were minimal in comparison to the previous year, it did have an impact on the activities of Council, especially in as far as cataract surgery is concerned. Actual revenue attributed to cataract surgery was only 51% of what was budgeted for the period 1 April 2021 to date of approval of the financial statements.
Revaluation of investment property:
Investment property situated at 47 Nicolson Street, Bailey's Muckleneuk, Pretoria, was revalued on 30 September 2021 by an independent valuator to expected open market value of R3 150 000. The previous valuation was at 3 April 2018 at R3 500 000.

7. Going concern

The National Management Committee, based on its assessment of the current and forecast cash flow resources, is of the opinion that Council will be able to meet its cash requirements for the foreseeable future and that it will be able to operate as a going concern in the foreseeable future.

The National Management Committee is not aware of any new material changes that may adversely impact on the organisation. The National Management Committee is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Council.

8. Auditors

Balushi Incorporated Chartered Accountants was appointed as auditors for the Council, with Mr. RE Hlakudi as the lead engagement partner, in accordance with the constitution of the Council.

Management Committee's Report (Continued)

9. National Executive- and National Management Committee

9.1 National Executive Committee

The National Executive Committee members are nominated by the Provincial Plenary Councils and are appointed at the provincial meetings of affiliates. Additional members are co-opted with various bodies each nominating a representative. The National Chairman, Deputy Chairman and Treasurer are elected from amongst its membership.

The National Executive Committee is responsible for approving the policies and procedures of the organisation as prescribed in the constitution of the South African National Council for the Blind. The National Executive Committee meets twice a year to review the strategy and operations of the Council as well as its financial performance.

9.2 National Management Committee

The National Management Committee comprises members elected by the National Executive Committee from amongst its own membership to fulfil and discharge National Executive Committee responsibilities for the operational management of the Council.

Key members of the Committee include the Chairman, Deputy Chairman and Treasurer, while the Executive Director attends in an ex officio capacity and divisional national management as necessary and on invitation.

The National Management Committee meets at least bi-annually to discharge its duties. In order for the Committee to discharge its responsibilities, management has developed and continue to maintain a system of internal control and review of its operations.

10. Secretary

The secretary is Ms. Thapelo Mogoboya.

11. Date of authorisation for issue of the annual financial statements

The annual financial statements have been authorised for issue by the National Management Committee on 15 November 2021.

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BALUSHI CHARTERED ACCOUNTS INC Registration Number: K2011/113692/21

Draft Independent Auditor's Report

To the National Executive Committee of the South African National Council for the Blind

Opinion

We have audited the financial statements of the South African National Council for the Blind set out on pages 11 to 31, which comprise the statement of financial position as at 31 March 2021, 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 and other explanatory information.

In our opinion, except for the possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the accompanying financial statements present fairly, in all material respects, the financial position of the South African National Council for the Blind as at 31 March 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Non-Profit Organisation Act, 1997 (Act 71 of 1997).

Basis for Qualified Opinion

Donations and fundraising

The financial statements include revenue from cash donations and fundraising activities amounting to R9 149 192 over which limited controls exist prior to the cash received being recorded in the financial reporting system as donations and fundraising income were recorded to the extent of cash received in the bank account. We were unable to perform alternative audit procedures to obtain sufficient appropriate audit evidence regarding completeness of revenue. Consequently, we were unable to determine whether any adjustments relating to revenue as disclosed in Note 12 to the financial statements was necessary.

Revenue- assistive technology centre

Included in Note 12 to the financial statements is revenue from assistive technology centre stated at R3 015 266 of which no proper controls exist to ensure that all goods that have been ordered by customers and left the premises for delivery have been accounted for and recognised as revenue. We were unable to perform alternative audit procedures to obtain sufficient appropriate audit evidence regarding completeness of revenue generated from the assistive technology centre. Consequently, we were unable to determine whether any adjustments relating to revenue from assistive technology centre was necessary.

MR RAMPHELANE.E.HLAKUDI
B.Compt, B.Compt Hons (CTA), Mcom (UP), MDP BBBEE (UNISA) CA (SA)

DIRECTOR
BALUSHI Inc.
CHARTERED ACCOUNTANTS (SA)
REGISTERED AUDITORS

Loan to Optima College

As stated in Note 7 to the financial statements, Council's loan to Optima College is carried in the statement of financial position at cost. Management did not assess the loan for impairment considering that as of the date of our report, the College was experiencing severe financial difficulties. Failure by management to impair the loan constitutes departure from International Financial Reporting Standards for Small and Medium-sized Entities. The Council 's records indicate that, had management impaired the loan, an amount of R 1, 257, 214 would have been required to write down the loan to fair value. Accordingly, operating expenses would have been increased by R1 257 214 and assets would have reduced by the same amount.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the South African National Council for the Blind 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter- Subsequent Events

COVID 19 pandemic

We draw attention to Note 24 to the financial statements, which describes the effects of COVID 19 pandemic on the cataract surgical operations of the Council. Our opinion is not modified in respect of this matter.

Revaluation of investment property

We draw attention to Note 24 to the financial statements, which describes the effects of the revaluation of investment property to fair value on 30 September 2021. Our opinion is not modified in respect of this matter.

Other information

The National Executive Committee (NEC) is responsible for the other information. The other information comprises the General Information, the National Executive Director's Report, the National Executive Committee's Responsibilities and Approval, and the National Executive Committee's Report. Other information does not include the financial statements and our auditor's report thereon.

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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 National Executive Committee for the Financial Statements

The NEC is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities, and the requirements of the Non-Profit Organisation Act, 1997 (Act No.71 of 1997) and for such internal control as the NEC determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the NEC is responsible for assessing the organisation '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 NEC either intends to liquidate the organisation or to cease operations, or have no realistic alternative but to do so. The NEC is responsible for overseeing the organisation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatements 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, misrepresentation, 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 organisation's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the NEC's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation's ability 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 NEC regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the NEC with a statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be brought to bear on our independence, and where applicable, related safeguards.

Balushi Inc

Per R.E Hlakudi

Chartered Accountant (S.A)

Registered Auditor

Pretoria

903960

15 November 2021

The South African National Council for the Blind
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Annual financial statements for the year ended 31 March 2021

Statement of Financial Position as at 31 March 2021

	Notes	2021 R	2020 R
Assets			
Non-Current Assets		**8 715 659**	**7 899 946**
Property, plant and equipment	2	1 870 964	2 647 071
Investment property	3	3 150 000	3 500 000
Other financial assets	4	3 694 695	1 752 875
Current Assets		**13 338 616**	**10 575 439**
Inventories	5	1 800 568	1 924 294
Trade and other receivables	6	1 323 690	4 302 410
Loans to group companies	7	1 257 214	537 122
Cash and cash equivalents	8	8 957 144	3 811 613
Total Assets		**22 054 275**	**18 475 385**
Funds and Liabilities			
Funds		**19 551 763**	**15 426 262**
Accumulated surplus			
Current Liabilities		**2 502 512**	**3 049 123**
Deferred income	9	1 327 012	1 647 623
Trade and other payables	10	1 020 528	1 243 509
Loans from group companies	11	154 972	157 991
Total Funds and Liabilities		**22 054 275**	**18 475 385**

The South African National Council for the Blind
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Annual financial statements for the year ended 31 March 2021

Statement of Surplus or Deficit and other comprehensive income

	Notes	2021 R	2020 R
Revenue	12	17 922 066	21 967 802
Cost of sales	13	(7 310 869)	(9 753 146)
Gross surplus		**10 611 197**	**12 214 656**
Other operating income	14	6 071 322	4 881 513
Profit on disposal of assets		-	155 661
Other operating expenses		(4 852 499)	(6 467 568)
Employee benefit expenses	15	(7 558 075)	(10 384 819)
Operating surplus	16	**4 271 945**	**339 443**
Finance income	17	203 556	56 194
Surplus before income tax		**4 475 501**	**455 637**
Income tax expense	18	-	-
Surplus for the year		**4 475 501**	**455 637**
Other comprehensive income/(loss)	20	(350 000)	-
Comprehensive surplus for the year		**4 125 501**	**455 637**

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Annual financial statements for the year ended 31 March 2021

Statement of Changes in Equity

	Notes	Accumulated Surplus R	Total R
Balance at 1 April 2018		**19 974 152**	**19 974 152**
Correction of error prior to 2018	23	(163 043)	(163 043)
Correction of current year error	23	(64 113)	(64 113)
Deficit for the year		(4 776 371)	(4 776 371)
Balance at 31 March 2019		**14 970 625**	**14 970 625**
Surplus for the year		455 637	455 637
Balance at 1 April 2020		**15 426 262**	**15 426 262**
Surplus for the year		4 475 501	4 475 501
Other comprehensive income/(loss)		(350 000)	(350 000)
Balance at year end		**19 551 763**	**19 551 763**

Statement of Cash Flows

	Notes	2021 R	2020 R
Cash flows from operating activities			
Cash generated / (used in) operations	19	2 083 764	(2 031 535)
Finance income		203 556	56 194
Bequest income		5 059 085	2 504 236
Net cash from operating activities		**7 346 405**	**528 895**
Cash flow from investing activities			
Purchase of property, plant and equipment		(97 535)	(43 862)
Proceeds from disposal of property, plant and equipment		-	392 001
Purchase of financial assets		(1 606 650)	-
Net cash from investing activities		**(1 704 185)**	**348 139**
Cash flow from financing activities			
Loans repaid by / (advanced) to group and related companies		(496 689)	2 659 212
Net cash from financing activities		**(496 689)**	**2 659 212**
Total cash movement for the year		**5 145 531**	**3 536 246**
Cash at the beginning of the year		3 811 613	275 367
Cash at the end of the year		**8 957 144**	**3 811 613**

Accounting Policies

1. Significant accounting policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below:

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards for Small and Medium-Sized Entities and the Constitution of the Council. The annual financial statements have been prepared on the historical cost convention except for investment properties that is carried at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rand.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and source of estimation uncertainty

The preparation of annual financial statements in conformity with for International Financial Reporting Standards Small and Medium-sized Entities requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key sources of estimation uncertainty

Trade receivables, held to maturity investments and loans receivable

The Council assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recognised in profit or loss, the Council makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from financial assets.

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to estimated loss emergence period.

Allowance for slow moving, damaged and obsolete stock

An allowance for stock to write stock down to the lower of cost and net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the surplus before taxation note.

Impairment of financial assets
The Council reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

Provisions
Provisions are inherently based on assumptions and estimates using the best information available.

1.3 Investment property
Investment property is recognised as an asset when, and only when, it is probable that future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement and is subsequently adjusted to fair value.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

1.4 Property, plant and equipment
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 Council and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost, cost include 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 of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obliged to incur such expenditure, and, where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Accounting Policies

1.4 Property, plant and equipment (Continued)

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

Item	Depreciation Method	Average useful life
Land	Straight line	Indefinite
Buildings	Straight line	44 years
Leasehold property	Straight line	44 years
Furniture and fittings	Straight line	5 years
Motor vehicles	Straight line	5 years
IT Equipment	Straight line	3 years

The residual value, useful live and depreciation method of each asset is reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

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

The gain or loss arising from derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.5 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when the Council becomes a party to the contractual provisions of the instrument.

The Council classifies financial instruments, or their component parts, or initial recognition as a financial asset, a financial liability or an equity instrument in accordance with substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Transaction costs on financial instruments at fair value through profit or loss are recognised in profit or loss.

Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Accounting Policies

1.5 Financial instruments (Continued)

Net gains or losses on the financial instruments at fair value through profit or loss exclude dividends and interest.

Dividend income is recognised in profit or loss as part of other income when the Council's right to receive payment is established.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investment have expired or have been transferred and Council has transferred substantially all risks and rewards of ownership.

Impairment of financial assets

At each reporting date the Council assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

Impairment losses are recognised in profit and loss.

Impairment losses are reversed when an increase in the financial asset's recovery amount can be related objectively to an event occurring after impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversal of impairment losses are recognised in profit or loss except for equity investments classified as available-for-sale.

Loans to/(from) group companies

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Loans to group companies are classified as loans and receivables.

Loans from group companies are classified as financial liabilities measured at amortised cost.

Loans to directors, managers and employees

These financial assets are classified as loans and receivables.

1.6 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessor

Operating lease income is recognised as an income on a straight line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying value of the leased assets and recognised as an expense over the lease term on the same basis as the lease income.

Income for leases is disclosed under revenue in profit or loss.

Operating leases – lessee

Operating lease payments are recognised as an expenses on a straight line basis over the lease term. The difference between the amounts recognised as a expense and the contractual payments are recognised as an operating lease asset. This liability in not discounted.

Any contingent rents are expenses in the period they are incurred.

1.7 Inventories

Inventories are measured at the lower of cost and net realisable value on the weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

1.8 Impairment of assets

The Council assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Council estimates the recoverable amount of the assets.

If the recoverable amount of an asset is less that its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

Accounting Policies

1.9 Employee benefits

Short term employee benefits

The cost of short term employee benefits (those payable within 12 months after the service is rendered, such as paid vacation leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and not discounted.

The expected cost of compensated absence is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as a expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.10 Provisions and contingencies

Provisions are recognised when the Council has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation

The amount of a provision is the present value of expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that the reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as separate assets. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in a note.

1.11 Government grants

Government grants are recognised when there is reasonable assurance that the Council will comply with the conditions attaching to them and that the grant will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no further related costs is recognised as income of the period in which it becomes receivable.

Accounting Policies

1.11 Government grants (Continued)

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are deducted from the related expenses.

1.12 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the Council has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Council retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that economic benefits associated with the transaction will flow to the Council; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

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

Notes to the annual financial statements

2. Property, plant and equipment

	2021			2020		
	Cost or valuation	Accumulated depreciation	Carrying value	Cost or valuation	Accumulated depreciation	Carrying value
Buildings	3 655 675	(2 996 608)	659 067	3 655 675	(2 913 506)	742 169
Furniture & fixtures	4 252 527	(3 611 639)	640 888	5 404 590	(4 253 435)	1151 155
Motor vehicles	2 415 424	(1 877 117)	538 307	2 415 424	(1 685 351)	730 073
IT Equipment	1 187 156	(1 154 454)	32 702	1 159 938	(1 136 264)	23 674
	11 510 782	(9 639 818)	1 870 964	12 635 627	(9 988 556)	2647 071

Reconciliation: 2021	Opening balance	Additions	Disposals	Residual value gain	Depreciation	Total
Buildings	742 169	-	-	-	(83 102)	659 067
Furniture & fixtures	1151 155	78 917	(246 209)	-	(342 975)	640 888
Motor vehicles	730 073	-	-	-	(191 766)	538 307
IT Equipment	23 674	27 218	-	-	(18 190)	32 702
	2 647 071	106 135	(246 209)	-	(636 033)	1870 964

Reconciliation: 2020	Opening balance	Additions	Disposals	Residual value gain	Depreciation	Total
Buildings	825 252	-	-	-	(83 083)	742 169
Furniture & fixtures	1724 218	29 683	-	-	(602 746)	1151 155
Motor vehicles	1170 063	-	(10)	(236 331)	(203 649)	730 073
IT Equipment	42 832	14 179	-	-	(33 337)	23 674
	3 762 365	43 862	(10)	(236 331)	(922 815)	2647 071

There was no capitalised borrowing cost related to the acquisition of property, plant and equipment during the year.

Registers with details of land and buildings are available for inspection by The National Executive Committee or the duly authorised representative at the registered office of the Council.

Furniture and fittings with a net book value of R237 609 was transferred to Optima College during the year at no cost due to operational re-arrangements.

Land with a cost price of R163 043 was restated as investment property retrospective from the 2014 financial year, refer note 23 on correction of errors.

Notes to the annual financial statements

		2021 R	2020 R
3.	**Investment property**		
	Carrying value at year end-at fair value:	3 500 000	3 500 000
	Revaluation during the year	(350 000)	-
		3 150 000	3 500 000
	Details of property:		
	Erf 619, 47 Nicolson Street, Bailey's Muckleneuk, Pretoria		
	-Cost price of land – 27 February 1989	163 043	163 043
	-Cost price of buildings – 27 February 1989	286 957	286 957
	-Capitalised expenditure subsequent to purchase	174 541	174 541
	Total cost price	624 541	624 541

Investment property is not valued on a periodic basis, a professional external valuation is performed when the directors are of the opinion that there have been a significant change in market value, taking into account prevailing conditions.

Investment property was revalued as at 30 September 2021, refer note 24, the value of the property showed a R350 000 decrease in value due to market conditions prevailing.

Registers with details of investment property are available for inspection by The National Executive Committee or the duly authorised representative at the registered office of the Council.

4.	**Other financial assets**		
	At fair value through profit or loss – designated		
	Listed investment portfolio	3 634 520	1 695 446
	Local unit trust investment	60 175	57 429
		3 694 695	1 752 875
	Non-current assets		
	-At fair value through profit or loss	3 694 695	1 752 875

A total of 15 415 listed shares, with a market value of R1 606 650, was transferred from a deceased estate to the investment portfolio in March 2021 as part of a bequest in favour of The South African National Council for the Blind.

Notes to the annual financial statements

		2021 R	2020 R
5.	**Inventories**		
	Merchandise	1 800 568	1 924 294

No inventories have been pledged as security for borrowings.

		2021 R	2020 R
6.	**Trade and other receivables**		
	Trade receivables	1 054 531	3 729 534
	Prepayments	76 746	194 819
	PAYE Receivable	-	55 525
	VAT receivable	131 671	236 090
	Operating lease receivables	60 742	86 442
		1 323 690	4 302 410
	Ageing of trade receivables		
	30 days	805 673	1 299 522
	60 days	37 190	193 696
	90 days	47 800	77 206
	120 days and over	163 868	2 159 110
		1 054 531	3 729 534

No trade and other receivables have been pledged as security for borrowings.

		2021 R	2020 R
7.	**Loans to group companies**		
	Unsecured loans:		
	-SANCB Optima College	1 257 214	537 122

The loan relates to distributions from the SANCB which is dependent on the financial requirements of the related party as determined by the Council, No interest is charged on the loan and no repayment terms have been agreed to.

8. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	16 544	6 475
Bank balances	8 940 600	3 805 138
	8 957 144	3 811 613
Current assets	8 957 144	3 811 613

9. Deferred income

Deferred income arose from unutilised Government grants and project funding provided to Council during the year as part of furthering the cause of the visually impaired.

Grant and project income is recognised subject to fulfilment of terms and conditions and other contingencies attached to such grant and project agreements.

	2021 R	2020 R
Prepaid receipts from Assistive Technology Centre	592 550	636 702
Unutilised conditional funds	734 462	1 010 921
	1 327 012	1 647 623

Income received in advance arose as a result of the following transactions:

- Money received from customers for items of assistive devices not yet invoiced and delivered at year end.
- Government grants received for cataract outreach programmes from which Council has directly benefited which a portion remains unutilised at year end in respect of operations not yet performed.
- Corporate project contributions received for social development projects from which Council benefited for which a portion remains unutilised at year end in respect of projects in progress.

10. Trade and other payables

Accrued leave pay	489 586	460 967
Accrued operating expenses	84 039	354 079
Accrued payroll expenses	7 432	-
Other payables	5 877	-
Trade payables	433 594	428 463
	1 020 528	1 243 509

The carrying value of trade and other payables are considered to be the same as their fair values due to their short-term nature.

Notes to the annual financial statements

		2021 R	2020 R
11.	**Loans from group companies**		
	Unsecured loans:		
	The SANCB Trust	(154 972)	(157 991)

The loan bears no interest and no repayment terms have been agreed to.

12.	**Revenue**		
	Donations and fundraising	9 149 192	9 146 062
	Government grants	3 301 715	6 916 536
	Project revenue	709 846	1 509 766
	Sales – Assistive Technology Centre	3 015 266	2 252 193
	Sales – Cataract surgery – corporate grants	1 746 047	2 143 245
		17 922 066	21 967 802

The amounts included in revenue arising from donations and fundraising, corporate cataract grants and project revenue include contribution from the following funders who require that their contributions are disclosed:

Donations and fundraising	**9 149 192**	**9 146 062**
DEC Trust	2 580 000	2 520 000
Internal direct mail programme	3 849 210	3 355 043
John & Esther Ellerman Trust	-	87 744
Ostlund Will Trust	7 008	18 389
Norman Wevell Trust	59 784	87 700
Wilfred Metje Trust	721 106	1 078 177
SA Schonegevel Trust	-	391 133
David Tabatznik Trust	61 500	-
Olas Trust	60 000	-
Atterbury Trust	43 084	-
Charles Scorer Trust	43 238	-
Other trust and foundations	1 117 620	875 664
Other fundraising initiatives	606 642	732 212
Sales – Cataract surgery – corporate grants	**1 746 047**	**2 143 245**
Glencore Mining	-	747 805
Discovery Foundation	536 107	660 440
JTG Development Trust	-	153 000
Novartis SA	50 000	-
SIOC	635 152	-
Nestle	133 216	-
Rotary Club	-	100 000
Vodacom Foundation	360 000	440 000
Spectacle and medical consumables sales	31 572	42 000

Notes to the annual financial statements

		2021 R	2020 R
12.	**Revenue (continued)**		
	Project revenue	**709 846**	**1 509 766**
	John & Esther Ellerman Trust	72 718	-
	Northern Cape CBR	27 161	-
	Braille Cup	-	112 350
	Bi-annual conference	-	1 173 886
	AECI Foundation	333 779	-
	Road Accident Fund	276 188	223 530
13.	**Cost of sales**		
	Sales of goods	2 296 797	1 664 868
	Rendering of services	4 327 147	6 341 224
	Project activities	686 925	1 747 054
		7 310 869	9 753 146
14.	**Other operating income**		
	Bequests received	5 059 085	2 504 236
	Bad debts recovered	-	111 371
	Increase in fair value of equity investments	323 983	210 646
	Rental income	688 254	2 055 260
		6 071 322	4 881 513
15.	**Employee benefit expenses**		
	-Including directors		
	Salaries and wages	6 587 016	8 102 656
	Defined contribution provident fund cost	482 835	566 595
	Group life contributions	267 151	313 495
	Severance payments	80 330	1 281 436
	Service awards	27 088	111 777
	Short term non-monetary benefits	6 161	8 860
	COIDA Contribution	107 494	-
		7 558 075	10 384 819
16.	**Operating surplus**		
	Operating surplus/(deficit) for the year is stated after charging/(crediting) the following items:		
16.1	**Auditors remuneration - external**		
	Audit fees	247 609	186 396
16.2	**Directors' Emoluments**		
	Directors remuneration	592 868	855 310

Notes to the annual financial statements

		2021 R	2020 R
16.	**Operating surplus (continued)**		
16.3	**Fair value adjustments**		
	Listed investments	323 983	210 646
16.4	**Leases**		
	Operating lease charges – premises	281 499	328 605
16.5	**Depreciation and amortisation**		
	Depreciation of property, plant and equipment	636 033	922 815
17.	**Finance income**		
	Other financial assets	203 556	56 194
18.	**Income tax expense**		
	SA Normal income tax	-	-

No provision was made for income tax in the financial statements because the Council is exempt from income tax in terms of section 10(1)(CN) of the Income Tax Act, 58 of 1962.

		2021 R	2020 R
19.	**Cash generated/(utilised) in operations**		
	Surplus/(deficit) for the year before income tax	4 475 501	455 637
	Adjusted for:		
	-Bequest income	(5 059 085)	(2 504 236)
	-Finance income	(203 556)	(56 194)
	-Provision for bad debts	156 093	(10 228)
	-Fair value adjustment of equity investments	(323 983)	(210 646)
	-Profit on disposal of property, plant and equipment	-	(155 661)
	-Depreciation	636 033	(1 558 513)
	Sub Total	(318 997)	(1 558 513)
	Changes in working capital	**2 402 761**	**(473 022)**
	-Trade and other receivables	2 982 103	401 630
	-Trade and other payables	(229 278)	(769 232)
	-Deferred income	(473 790)	319 817
	-Inventories	123 726	(425 237)
		2 083 764	**(2 031 535)**
20.	**Other comprehensive income/(loss)**		
	Revaluation impairment of investment property	350 000	-

Decrease in market value of investment property at
47 Nicolson Street, Bailey's Muckleneuk, Pretoria

Notes to the annual financial statements

	2021 R	2020 R

21. Related parties

Relationships:

Sharing common key management personnel
The SANCB Trust
SANCB Optima College
Key management personnel

- National Executive Committee
- National Management Committee

Related party balances – Dr/(Cr)		
Loan account – The SANCB Trust	(154 972)	(157 991)
Loan account – SANCB Optima College	1 257 214	537 122

The loan accounts are included in current assets.

Related party transactions – Cr/(Dr)		
Rental income – SANCB Optima College	237 912	240 000
Project management fees – SANCB Optima College	78 719	116 781
Transfer of equipment – SANCB Optima College	(237 609)	-
Subsistence and travel refund - NEC	(80 800)	(100 730)
Subsistence and travel refund – NMC	(24 325)	(55 428)

22. Comparative figures

In the current year, certain comparative figures have been reclassified. The effects of the reclassification is as follows:

	Reclassified Amount R	Previous year AFS R
Loans to group companies	537 122	379 131
Loans from group companies	(157 991)	-
	379 131	379 131

23. Correction of prior period errors

During the current financial year the organisation discovered that there were errors contained in previous years' financial records as follows:

23.1 Overstatement of property, plant and equipment (land)

During the 2014 financial year, land and buildings with a net book value of R255 494 was transferred from property, plant and equipment to investment property. The portion of investment property pertaining to land of R163 043 was not transferred as such and remained included in property, plant and equipment.

During subsequent years investment property was revalued as a whole, including both land and buildings and the portion of the property still included in property, plant and equipment therefore represents an overstatement thereof.

23.2 Overstatement of VAT receivable

During the 2019 financial year SARS performed a VAT audit on the input VAT claims of the organisation, it was found that input VAT of R64 113 was not supported by required supporting documents and was disallowed. The accounting records, relating to those specific expenses in respect of which the adjustments were made, was not updated during the said financial year.

The tables below summarise the impacts on the financial statements.

Statement of financial position

	Impact of correction of error		
	Previously reported	**Adjustments**	**As restated**
	R	**R**	**R**
Property, plant and equipment	2 034 007	(163 043)	1 870 964
Trade and other receivables	1 384 420	(64 113)	1 320 307
Others	19 209 614	-	19 209 614
Total Assets	**22 628 041**	**(227 156)**	**22 400 885**
Total Liabilities	**2 434 036**	**-**	**2 434 036**
Accumulated surplus	20 285 005	(227 156)	20 057 849
Total Funds	**20 285 005**	**(227 156)**	**20 057 849**

24. Events after the reporting period

Covid-19 pandemic:

During the period after year end South Africa was placed under various alert levels due to ongoing threats from the Covid-19 virus, these alert levels ranged from level 1 to an adjusted level4. Although the impact of the partial lock-down regulations were minimal in comparison to the previous year, it did have an impact on the activities of Council, especially in as far as cataract surgery is concerned. Actual revenue attributed to cataract surgery was only 51% of what was budgeted for the period 1 April 2021 to date of approval of the financial statements.

Revaluation of investment property:

Investment property situated at 47 Nicolson Street, Bailey's Muckleneuk, Pretoria, was revaluedon30 September 2021 by an independent valuator to expected open market value of R3 150 000. The previous valuation was at 3 April 2018 at R3 500 000.

The South African National Council for the Blind
(Registration number: NPO 001-422)
Annual financial statements for the year ended 31 March 2021
Detailed income statement

	2021 R	2020 R
Revenue	**17 922 066**	**21 967 802**
Sales – Assistive Technology Centre	3 015 266	2 252 193
Sales – Cataract surgery – corporate grants	1 746 047	2 143 245
Project revenue	709 846	1 509 766
Donations and fundraising	9 149 192	9 146 062
Government grants	3 301 715	6 916 536
Less: Cost of sales	**7 310 869**	**9 753 146**
Assistive devices	2 295 566	1 562 231
Cataract outreach programme	2 362 114	4 197 872
Fundraising	1 966 264	2 245 989
Projects	686 925	1 747 054
Gross surplus	**10 611 197**	**12 214 656**
Plus: Other operating income	**6 071 322**	**5 037 174**
Rental income	688 254	2 055 260
Bad debts recovered	-	111 371
Bequests received	5 059 085	2 504 236
Increase in fair value of equity investments	323 983	210 646
Profit on disposal of assets	-	155 661
Total income	**16 682 519**	**17 251 830**
Less: Operating expenses	**12 410 574**	**16 852 387**
Audit fees	247 609	186 396
Bank charges	256 609	268 736
Bad debts	48 045	8 490
Bad debt provision	156 093	-
Consulting and legal fees	398 063	595 021
Depreciation	636 033	922 815
Electricity, rates and water	893 961	843 529
Governance and affiliation	958 532	1 536 230
Insurance and security	352 747	340 219
Marketing	28 546	121 349
Repairs and maintenance	80 395	282 127
Salaries and wages	7 558 075	10 384 819
Staff recruitment and development	147 501	63 447
Stationery, computer and courier	367 146	173 795
Telephone	154 532	453 929
Vehicle and transport	126 687	671 485
Operating surplus/(deficit)	**4 271 945**	**399 443**
Investment income	203 556	56 194
Net surplus/(deficit) for the year	**4 475 501**	**455 637**