



**Malamulele Onward NPC  
(Registration number 2006/032287/08)  
Annual financial statements  
for the year ended March 31, 2018**

# Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Non profit company incorporated in terms of Companies Act 2008
<b>Directors</b>	GM Saloojee JA Snyman T Ralintja W Slemming - Chairperson PH Baloyi P Chiba - Executive Director MKL MacChambers
<b>Registered office</b>	12A Rhodes Avenue Parktown Johannesburg 2193
<b>Business address</b>	Gate 10 Children's Memorial Institute 13 Joubert Street Ext Braamfontein 2193 Johannesburg
<b>Postal address</b>	P O Box 52641 Saxonwold 2132
<b>Company registration number</b>	2006/032287/08
<b>Tax reference number</b>	9414944158
<b>Non Profit Organisation Registration Number</b>	056-807-NPO
<b>Public Benefit Organisation Number</b>	930025084
<b>Website</b>	<a href="http://www.malamuleleonward.org">www.malamuleleonward.org</a>

# **Malamulele Onward NPC**

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

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

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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.

### **Preparer**

Heemal Bhaga Muljee  
CA(SA)

### **Published**

August 18, 2018

## Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

### Directors' Responsibilities and Approval

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The directors are required in terms of 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 International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the 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 March 31, 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 5.

The annual financial statements set out on pages 4 to 16, which have been prepared on the going concern basis, were approved by the board on 18 August 2018 and were signed on its behalf by:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

Parktown

Saturday, August 18, 2018

# Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

## Directors' Report

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The directors have pleasure in submitting their report on the annual financial statements of Malamulele Onward NPC for the year ended March 31, 2018.

### 1. Review of activities

The company is a registered non profit company incorporated in terms of the Companies Act 2008 and operates principally in South Africa and occasionally in other Southern African countries.

The company is engaged in meeting the rehabilitation needs of under-served children with cerebral palsy and their families living in rural areas in South Africa and other African countries. This is achieved mainly through the provision of specialised therapy services (physio, occupational and speech therapy), equipment and caregiver training where children severely disabled by cerebral palsy have little or no access to rehabilitation therapy and equipment.

Details of the company's programmes and activities during the year under review are contained in the company's annual report.

The operating results and state affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

### 2. Directorate

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

#### Directors

GM Saloojee

JA Snyman

T Ralintja

W Slemming - Chairperson

PH Baloyi

P Chiba - Executive Director

Appointed Saturday, March 3,  
2018

MKL MacChambers

Appointed Saturday, November  
11, 2017

JC Whitter

Resigned Saturday, March 3,  
2018

### 3. 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.

### 4. Going concern

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 company is dependant on grants from donors. The directors are of the opinion that donors will continue their support in the foreseeable future and have accordingly continued to apply the going concern basis of accounting.



Tel: +27 011 488 1700  
Fax: +27 011 488 1701  
www.bdo.co.za

22 Wellington Road  
Parktown, 2193  
Private Bag X60500  
Houghton, 2041  
South Africa

## Independent Auditor's Report

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### *To the Members of Malamulele Onward NPC*

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the financial statements of Malamulele Onward NPC set out on pages 7 to 16 which comprise the statement of financial position as at 31 March 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of Malamulele Onward NPC as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

##### **Basis for Opinion**

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 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 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 opinion.

##### **Other Information**

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

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

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

##### **Responsibilities of the Directors for the Financial Statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

BDO South Africa Incorporated  
Registration number: 1995/002310/21  
Practice number: 905526  
VAT number: 4910148685

National Executive: S Dansie • H Bhaga-Muljee • BJ de Wet • M McGarrigle • HCS Lopes (Johannesburg Office Managing Director) • B Lovell • Dr FD Schneider • I Skosana (Non-Executive Chairman) • ME Stewart (Chief Executive) • S Fisher  
Office Managing Director: HCS Lopes

The company's principal place of business is at 22 Wellington Road, Parktown, Johannesburg, where a list of directors' names is available for inspection. BDO South Africa Incorporated, a South African personal liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



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

#### ***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, can 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 misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO South Africa Inc.*

**BDO South Africa Incorporated**  
**Director: Stephen Shaw**  
**Registered Auditor**  
**18 August 2018**

## Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

### Statement of Financial Position as at March 31, 2018

Figures in Rand	Note(s)	2018	2017
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	64,526	65,677
Intangible assets	3	36,333	59,035
		<b>100,859</b>	<b>124,712</b>
<b>Current Assets</b>			
Inventories	4	25,000	25,000
Receivables	5	59,394	6,250
Cash and cash equivalents	6	521,268	414,346
		<b>605,662</b>	<b>445,596</b>
<b>Total Assets</b>		<b>706,521</b>	<b>570,308</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Designated Income Reserves		397,510	362,706
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	7	309,011	207,602
<b>Total Equity and Liabilities</b>		<b>706,521</b>	<b>570,308</b>



## Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

### Statement of Comprehensive Income

Figures in Rand	Note(s)	2018	2017
Revenue	8	3,876,930	2,109,469
Other income		57,534	172,070
Operating expenses		(3,940,888)	(3,397,923)
<b>Operating (deficit) surplus</b>		<b>(6,424)</b>	<b>(1,116,384)</b>
Investment revenue - interest received		41,228	34,996
Finance costs		-	(907)
<b>(Deficit) Surplus for the year</b>		<b>34,804</b>	<b>(1,082,295)</b>
Other comprehensive income		-	-
<b>Total comprehensive (deficit) surplus for the year</b>		<b>34,804</b>	<b>(1,082,295)</b>

## Malamulele Onward NPC

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Annual Financial Statements for the year ended March 31, 2018

### Statement of Changes in Equity

<b>Figures in Rand</b>	<b>Designated Income Reserves</b>	<b>Total equity</b>
<b>Balance at April 1, 2016</b>	<b>1,445,001</b>	<b>1,445,001</b>
Deficit for the year	(1,082,295)	(1,082,295)
Other comprehensive income	-	-
<b>Total comprehensive deficit for the year</b>	<b>(1,082,295)</b>	<b>(1,082,295)</b>
<b>Balance at April 1, 2017</b>	<b>362,706</b>	<b>362,706</b>
Deficit for the year	34,804	34,804
Other comprehensive income	-	-
<b>Total comprehensive deficit for the year</b>	<b>34,804</b>	<b>34,804</b>
<b>Balance at March 31, 2018</b>	<b>397,510</b>	<b>397,510</b>

## Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

### Statement of Cash Flows

Figures in Rand	Note(s)	2018	2017
<b>Cash flows from operating activities</b>			
Cash generated from (used in) operations	10	92,189	(1,020,500)
Interest income		41,228	34,996
Finance costs		-	(907)
<b>Net cash flow from operating activities</b>		<b>133,417</b>	<b>(986,411)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(26,494)	(46,729)
Purchase of other intangible assets	3	-	(40,869)
<b>Net cash from investing activities</b>		<b>(26,494)</b>	<b>(87,598)</b>
<b>Total cash movement for the year</b>		<b>106,923</b>	<b>(1,074,009)</b>
Cash at the beginning of the year		414,346	1,488,354
<b>Total cash at end of the year</b>	6	<b>521,269</b>	<b>414,345</b>

# Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

## Accounting Policies

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### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, 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.

#### 1.1 Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation.

The cost of 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.

Depreciation is provided on the straight line basis so as to write down cost to residual value over the items estimated. Useful lives for this purpose are:

Item	Average useful life
Furniture and Fixtures	5 years
Office Equipment	5 years
IT Equipment	3 years
Motor vehicles	4 years

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

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 the 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.

#### 1.2 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software	3 years

# **Malamulele Onward NPC**

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

## **Accounting Policies**

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### **1.3 Financial instruments**

#### **Initial recognition and measurement**

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

Financial assets and financial liabilities are recognised on the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive the cash flow have expired or are transferred.

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

#### **Receivables**

Receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method.

#### **Trade and other payables**

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and deposit, and have been classified as loans and receivables. These are initially recognised at fair value and subsequently measured at amortised cost.

### **1.4 Impairment of non-financial assets (Inventories)**

The company assesses at the end of each reporting period whether there is any indication that an asset may be impaired and if so the company estimates the recoverable amount of the asset. An impairment loss is recognised immediately in profit or loss.

### **1.5 Income**

Income comprises of grants received or receivable in terms of a contract from donors and undesignated donations from various sources.

Donated and volunteer services are recognised when received or performed.

Donations of funds are recognised when received.

## Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

### Notes to the Annual Financial Statements

Figures in Rand 2018 2017

#### 2. Property, plant and equipment

	2018			2017		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	45,189	(22,591)	22,598	34,689	(16,656)	18,033
Motor vehicles	29,037	(7,864)	21,173	29,037	(605)	28,432
Office equipment	25,129	(16,689)	8,440	23,168	(12,833)	10,335
IT equipment	87,589	(75,274)	12,315	73,556	(64,679)	8,877
<b>Total</b>	<b>186,944</b>	<b>(122,418)</b>	<b>64,526</b>	<b>160,450</b>	<b>(94,773)</b>	<b>65,677</b>

#### Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	18,033	10,500	(5,935)	22,598
Motor vehicles	28,432	-	(7,259)	21,173
Office equipment	10,335	1,961	(3,856)	8,440
IT equipment	8,877	14,033	(10,595)	12,315
	<b>65,677</b>	<b>26,494</b>	<b>(27,645)</b>	<b>64,526</b>

#### Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	10,971	10,500	(3,438)	18,033
Motor vehicles	-	29,037	(605)	28,432
Office equipment	6,192	7,192	(3,049)	10,335
IT equipment	27,318	-	(18,441)	8,877
	<b>44,481</b>	<b>46,729</b>	<b>(25,533)</b>	<b>65,677</b>

#### 3. Intangible assets

	2018			2017		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	81,738	(45,405)	36,333	81,738	(22,703)	59,035

#### Reconciliation of intangible assets - 2018

	Opening balance	Amortisation	Total
Computer software	59,035	(22,702)	36,333

#### Details of computer software

Computer software relates to a data management system that allows for the update, recording and monitoring of activities.

## Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

### Notes to the Annual Financial Statements

Figures in Rand	2018	2017
<b>4. Inventories</b>		
Inventories comprise used equipment donated as gifts-in-kind, at directors valuation	25,000	25,000
Balance at start of year	25,000	50,000
Less: equipment distributed during the year - at valuation	-	(15,000)
Impairment loss reversed / (raised)	-	(10,000)
	<b>25,000</b>	<b>25,000</b>
<b>5. Receivables</b>		
Trade receivables	59,394	2,650
VAT	-	3,600
	<b>59,394</b>	<b>6,250</b>
<b>6. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	2,000	2,000
Bank balances	519,268	412,346
	<b>521,268</b>	<b>414,346</b>
<b>7. Trade and other payables</b>		
VAT	2,679	-
Payroll Accrual	45,071	26,304
Employee reimbursive costs payable/(paid in advance)	(10,200)	-
Training fees received in advance	225,660	123,000
Accrued Expenses	45,801	58,298
	<b>309,011</b>	<b>207,602</b>

## Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

### Notes to the Annual Financial Statements

Figures in Rand	2018	2017
<b>8. Revenue</b>		
Anglo American	350,000	-
Apex Hi Trust	200,000	150,000
Astrea	-	100,000
Australian Community Support	95,400	-
Blue Label	70,000	70,000
Clyde and Co	143,883	-
Charles Robert Trust	40,000	35,000
DG Murray Trust	400,000	-
Donated and volunteer services	272,022	226,623
Gatehouse Commercials	-	70,000
Gifts in Kind	82,489	73,078
Insight Actuaries and Consultants	100,000	-
International Development and Relief Foundation	149,883	292,364
Malamulele Onward Canada	98,650	-
Modular Mining	225,000	120,000
National Lottery Fund	511,775	-
Other designated grants and general donations	167,828	35,185
RB Hagart Trust	250,000	-
Rocbolt Technologies	120,000	-
St Mary's DSG	50,000	40,000
Telkom	-	100,000
The Elma Foundation	550,000	550,000
Unifor Social Justice Fund	-	247,219
	<b>3,876,930</b>	<b>2,109,469</b>

### 9. Taxation

No provision for taxation has been provided for as the company is a Public Benefit Organisation in terms of section 30 of the Income Tax Act and is exempt from income tax in terms of Section 10(1)(cN) of the Income Tax Act.

### 10. Cash generated from operations

(Deficit) Surplus before taxation	34,804	(1,082,295)
Adjustments for:		
Depreciation and amortisation	50,348	48,235
Interest received - investment	(41,228)	(34,996)
Finance costs	-	907
Impairment of inventory	-	25,000
Changes in working capital:		
Receivables	(53,144)	7,430
Trade and other payables	101,409	15,219
	<b>92,189</b>	<b>(1,020,500)</b>

### 11. Risk management

The company's activities expose it to certain financial and other risk. Risk management is carried out by management under policies approved by the Board.

#### Interest rate risk

The company's surplus cash earns interest at variable rates. Cash flow will therefore vary with changes in the level of interest rates. However, the effect of a change in the level of interest rates of a reasonably expected magnitude (eg 1%) is not material.



# Malamulele Onward NPC

(Registration number 2006/032287/08)

Annual Financial Statements for the year ended March 31, 2018

## Notes to the Annual Financial Statements

Figures in Rand

2018

2017

### 11. Risk management (continued)

#### Credit risk

Credit risk arises mainly on cash deposits. The company only deposits cash with major banks with high quality credit standing.

#### Critical accounting estimates and assumptions

Estimates and assumptions are continually evaluated and are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances.

