

THE JOHANNESBURG HERITAGE FOUNDATION
(Formerly The Parktown and Westcliff Heritage Trust)

Registration Number: 001-346 NPO

Annual Financial Statements
For the year ended 31 March 2020

THE JOHANNESBURG HERITAGE FOUNDATION
(Formerly The Parktown and Westcliff Heritage Trust)

ANNUAL FINANCIAL STATEMENTS

Year ended 31 March 2020

Trustees

Munro, Prof K A; Bird, Mrs F; McDougall, Mr B; Adam, Mr D I; Barrow, Mr C; Bath, Mr V; Marais, Mr A; Mokhele, Mr T; Moriarty, Mr M; Pingle, Ms I; Prins, Mr H; Savage, Mrs M A; Viljoen, Dr N

Registration number

Non profit organisation No: 001 -346 NPO

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THE JOHANNESBURG HERITAGE FOUNDATION

TRUSTEES' RESPONSIBILITIES AND APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

Year ended 31 March 2020

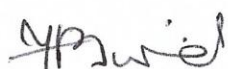
The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements present the state of affairs of the trust 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 basis of accounting as set out in Note 1 to the financial statements.

The annual financial statements are prepared in accordance with the basis of accounting as set out in Note 1 to the financial statements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

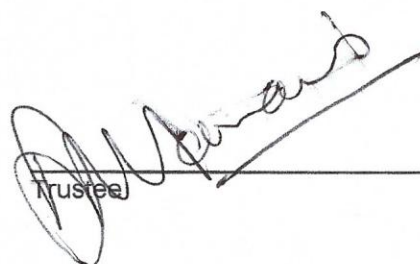
The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board of trustees sets standards 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 trust and all employees are required to maintain the highest ethical standards in ensuring the trust's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the trust is on identifying, assessing, managing and monitoring all known forms of risk across the trust. While operating risk cannot be fully eliminated, the trust endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees 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 annual financial statements set out on pages 5 to 12, which have been prepared on the going concern basis, were approved by the board of trustees on 28 June 2023 and signed on their behalf by:



Trustee



Trustee

Independent Auditor's Report

To the trustees of

The Johannesburg Heritage Foundation

Qualified Opinion

We have audited the financial statements of The Johannesburg Heritage Foundation (the company) set out on pages 7 to 12, which comprise the statement of financial position as at 31 March 2020, and the revenue and expenditure account, for the year then ended, and notes to the 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 financial statements present fairly, in all material respects, the financial position of The Johannesburg Heritage Foundation as at 31 March 2020, and its financial performance for the year then ended in accordance with the basis of accounting as described in note 1 to the financial statements and the requirements of the Trust Deed.

Basis for Qualified Opinion

Cash donations are a significant source of fundraising revenue for The Johannesburg Heritage Foundation. The trustees have determined that it is impracticable to establish internal controls over the collection of cash donations prior to the initial entry into its financial records. We were therefore unable to confirm whether all cash donations were recorded.

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 sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "The Johannesburg Heritage Foundation Annual Financial Statements for the year ended 31 March 2020, which includes the Trustees' report as required by the Trust Deed. 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. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate evidence about whether all cash donations were recorded. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of the trustees for the Financial Statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the basis of accounting as described in note 1 to the financial statements and the requirements of the Trust Deed, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the entity'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 trustees either intend to liquidate the entity 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, 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 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 entity'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 entity 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 trustees 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 Incorporated

BDO South Africa Incorporated (Jun 29, 2023 14:33 GMT+2)

BDO South Africa Incorporated
Registered Auditors

K A Luck
Director
Registered Auditor

29 June 2023

Wanderers Office Park
52 Corlett Drive
Illovo, 2196

THE JOHANNESBURG HERITAGE FOUNDATION

REPORT OF THE TRUSTEES

Year ended 31 March 2020

Objectives of the Foundation

To ensure that the valuable cultural heritage of Johannesburg is retained for future generations by:

1. Increasing public awareness of the heritage by creating opportunities for people to become familiar with this heritage and its special significance.
2. Engaging with authorities as advocates for Johannesburg's heritage.
3. Identifying significant sites and areas and motivating the protection of such heritage through the application of the National Heritage Resources Act and measures in the Town Planning legislation.
4. Restoring buildings, gardens and sites and marking them appropriately with heritage plaques.
5. Offering tours and other activities to ensure that interested adults and all other learners get to know the city and take pride in its heritage.
6. Researching and publishing in print and on the world-wide web information on the many aspects of Johannesburg's heritage.

Membership 2020: 380 (2019: 340)

Review of activities

The results for the year showed a profit of R222 420 as against a deficit of R35 628 in 2019. The total assets were R2 266 825 compared to R2 044 405 in 2019. The financial position is therefore very sound, and although certain funds have been committed for future projects, the Foundation does not enter into any commitments until there is assurance that the funds are already in the Bank.

The revenue and expenditure is fully detailed in the Revenue and Expenditure Account and the supporting notes thereto.

In general, the Foundation is in strong position, which should enable it to meet its objectives well into the future.

THE JOHANNESBURG HERITAGE FOUNDATION

REPORT OF THE TRUSTEES

Year ended 31 March 2020

Trustees

Munro, Prof K A (Chairman)
Bird, Mrs F (Vice Chairman)
McDougall, Mr B (Treasurer)
Adam, Mr D I (ex Officio)
Barrow, Mr C
Bath, Mr V
Marais, Mr A
Mokhele, Mr T
Moriarty, Mr M
Pingle, Ms I
Prins, Mr H
Savage, Mrs M A
Viljoen, Dr N

Committee: Board of Management

Munro, Prof K A (Chairman)
Bird, Mrs F (Vice-Chairman)
McDougall, Mr B (Treasurer)
Bond, Mrs E (Minute Secretary)
Adam, Mrs B
Adams, Mr D I
Forrest, Mr D
Gaul, Mr W
Jefferson-MacDonald, Mrs M
Matubatuba, Rev T
Noble, Mrs N
Parker, Dr A
Steele, Mrs D

THE JOHANNESBURG HERITAGE FOUNDATION

STATEMENT OF FINANCIAL POSITION

Year ended 31 March 2020

	2020 R	2019 R
Assets		
<i>Current assets</i>		
Deposit and current bank accounts	1 413 920	1 081 249
Share Investment at Market Value	851 649	959 549
Cash on hand	1 256	3 607
Total assets	<u>2 266 825</u>	<u>2 044 405</u>
Funds employed		
<i>Accumulated funds</i>	2 266 825	2 044 405
Balance at the beginning of the year	2 044 405	2 080 033
Surplus / (Deficit) for the year	222 420	(35 628)
Liabilities		
<i>Current liabilities</i>		
Accounts payable	-	-
Total funds employed and liabilities	<u>2 266 825</u>	<u>2 044 405</u>

THE JOHANNESBURG HERITAGE FOUNDATION

REVENUE AND EXPENDITURE ACCOUNT

Year ended 31 March 2020

	Notes	2020 R	2019 R
Revenue		1 894 687	1 637 154
Membership subscriptions	2	120 336	98 043
Sale of publications		164 373	144 190
Tour income	3	302 078	317 331
Sale of plaques		105 870	16 450
Interest		91 436	101 453
Distributions Income		31 380	18 293
Grants received	4.1	1 031 264	931 295
Advertising income		3 000	1 200
Research fees and donations	5	44 950	8 899
Expenditure		1 672 267	1 672 782
Administration costs	6	247 808	236 210
Rent		30 000	-
Publications		92 408	69 322
Tour costs	3	97 162	115 713
Plaques		77 880	58 310
Grants paid	4.2	895 879	1 036 433
Research centre	5	91 720	97 899
Investment administration charges	7	14 888	24 770
Loss on share investment	7	124 522	34 125
Surplus / (Loss) for the year		222 420	(35 628)

THE JOHANNESBURG HERITAGE FOUNDATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Year ended 31 March 2020

1. Accounting policy

The financial statements have been prepared on the historical cost basis, except where otherwise stated. The principal policies are set out below and are consistent in all material respects with those applied in the previous year. Income received in advance to cover certain projects which will only be done in future years is treated as a current liability until the commencement of the project.

1.1 Revenue

Revenue comprises membership subscriptions, grants, income from tours and other sundry amounts. Subject to the above, income is recognised on receipt thereof.

	2020 R	2019 R
2. Membership subscriptions		
The breakdown is as follows:		
Corporate	8 400	7 950
Family	32 105	29 660
Ordinary	46 818	34 618
Pensioner	31 648	25 815
Country	165	-
Residents Association	1 200	
	<u>120 336</u>	<u>98 043</u>

3. Tour income

	Income		Expenditure		Profitability	
	2020	2019	2020	2019	2020	2019
Members	225 305	267 714	71 422	107 754	153 883	159 960
Commercial	52 150	15 195	22 504	3 750	29 646	11 445
Heritage weekend	24 623	34 422	3 236	4 209	21 387	30 213
	<u>302 078</u>	<u>317 331</u>	<u>97 162</u>	<u>115 713</u>	<u>204 915</u>	<u>201 618</u>

Tour profitability increased by 2%, even though tour income decreased by 5%. This was a result of careful cost management. Tour attendance continued to decline due to a weakening economy and increased competition from commercial tour operators.

THE JOHANNESBURG HERITAGE FOUNDATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Year ended 31 March 2020

	2020 R	2019 R
A breakdown of the total tour expenses appears below		
Bus hire	44 775	45 401
Computicket	5 746	7 932
Entrance fees	1 250	4 957
Equipment hire and guide	340	299
Gratuities	3 800	1 243
Guides	15 151	13 700
Meals and refreshments	21 910	37 241
Printing, stationery and sundry	4 190	4 940
	<u>97 162</u>	<u>115 713</u>
4.1 Grants received		
Architectural Legacy	50 731	17 156
Neil Fraser - Bez Valley War Memorial and JHT	338 000	-
Digitisation - Oppenheimers and others	-	120 000
Walmart Foundation	138 675	-
Education programme	185 155	69 235
- Income from school tours	21 555	29 235
- Grants received - CoJ and Joel Trust	163 600	40 000
The Wilds	298 453	696 839
- Mackenzie Foundation	45 000	45 000
- Yellowwoods		500 000
- St John's College		25 000
- Roedean Class of '81		21 310
- YPO		10 000
- Munro		80 000
- Thundafund	104 598	
- William Kentridge	50 000	
- Plato	25 000	
- M Tindall	25 000	
- Andrew Hamlet	16 435	
- Susan Krause	6 500	
- Pippa Smith	6 000	
- Brett McDougall	6 000	
- Other	13 920	15 529
Parktown East Ridge Conservancy	-	19 018
Friends of Johannesburg Cemeteries	20 250	9 048
	<u>1 031 264</u>	<u>931 295</u>

Included in the above are grants received for expenditure that will only start after year end.

In terms of the agreement for The Wilds a 5% administration fee is earned from gross donations on The Wilds project. The total administration fee income is R14 923 for the 2020 financial period.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Year ended 31 March 2020

	2020 R	2019 R
4.2 Grants and restoration projects - expenditure	895 879	1 036 433
Holy Family College Bursary	36 300	33 000
Architectural legacy	100 123	93 588
- Events	-	-
- Archivist, printing, data capture and other	100 123	93 588
Restoration	438 962	616 283
- SS Mendi Memorial plans	-	20 781
- Bez Valley War Memorial	65 838	-
- Hilson Bridge	4 720	-
- Orlando High School honours boards	19 803	-
- Braamfontein Cemetery	6 276	-
- Holy Trinity Church	-	6 240
- The Wilds	304 926	493 281
- St John the Divine	37 400	62 671
- Friedenskirche	-	33 310
Digitisation Project	164 693	202 491
- Printing, stationery, IT support and postage	44	11 786
- Furniture and equipment	-	7 070
- Salaries	164 649	183 635
Education Programme	155 802	91 071
- Bus Hire	89 030	32 260
- Marketing	10 350	9 900
- Printing and stationery	5 166	4 519
- Set-up costs and laundry	2 700	3 800
- Teachers expenses	47 014	39 948
- Sundry	1 542	645
5. Research Centre	91 720	97 899
Printing and stationery	10 552	10 455
Equipment	9 670	-
Guides and wages	55 790	57 210
Travelling expenses	13 449	25 606
Book binding	495	1 810
Library books	988	1 800
Other	776	1 018
Less: Research fees and donations received	(44 950)	(8 899)
Net cost	<u>46 770</u>	<u>89 000</u>

THE JOHANNESBURG HERITAGE FOUNDATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Year ended 31 March 2020

	2020 R	2019 R
6. Administration costs		
Bank charges	4 590	3 701
Computer processing	26 149	4 134
Gratuities and gifts	9 753	2 228
Insurance	5 421	5 308
Meetings	2 293	1 307
Postage	347	260
Printing and stationery	11 978	10 848
Sundry	2 475	6 055
Telephone	11 544	15 605
Website	9 870	8 800
Consulting	11 081	-
Salaries	152 307	177 964
	<u>247 808</u>	<u>236 210</u>
7. Share investment		
Market value as at beginning of period	959 549	1 000 000
Interest received	129	-
Distributions received	31 380	18 444
Administration charges	(14 887)	(24 770)
Decrease in market value for period	<u>(124 522)</u>	<u>(34 125)</u>
Market value as at end of period	<u>851 649</u>	<u>959 549</u>

8. Taxation

The trust is registered as a Public Benefit Organisation in terms of section 30 of the Income Tax Act.