

**INFINITE FAMILY NPC
(REGISTRATION NO. 2014/086518/08)**

(NPO REGISTRATION 091-530-NPO)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020**

**INFINITE FAMILY NPC
(REGISTRATION NO. 2014/086518/08)**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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DIRECTORS' RESPONSIBILITIES AND APPROVAL

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards for Small and Medium - sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with 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 directors acknowledge that they are ultimately responsible for the system of internal financial controls established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets out 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 employees are required to maintain the highest ethical standards in ensuring the company's business is considered 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 controls provides reasonable assurance that the financial records may be relied on for the presentation of the 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 31st December 2021 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.

Although the board of directors is primarily responsible for the financial affairs of the company, it is supported by the company's external auditors.

The external auditors are responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 2 to 4.

The financial statements set out on pages 5 to 15, which have been prepared on the going concern basis, were approved by the board of directors on the _____ and were signed on its behalf by:

_____  _____

_____  _____



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INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTORS

**INFINITE FAMILY NPC
REGISTRATION NO. 2014/086518/08)**

Opinion

We have audited the financial statements of the Infinite Family NPC set out on pages 6 to 15, which comprise the statement of financial position as at 31 December 2020, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the financial year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements fairly present, in all material respects, the financial position of Infinite Family as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with its accounting policies, International Financial Accounting Standards for Small and Medium - sized Entities and 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), together with the ethical requirements that are relevant to our audit of financial statements in South Africa. We have fulfilled our other ethical requirements in accordance with these requirements and the IRBA Code. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Part 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 board of directors is responsible for the other information. The other information comprises the Report of the Directors set out on page 5. 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 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 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 Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with their accounting policies, the International Financial Reporting Standards for Small and Medium - sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as management determines 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company'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 judgment 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 management
- conclude on the appropriateness of management'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 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
- obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 have communicated with those charged with governance on all relationships and other matters, which may reasonably be thought to bear on our independence and, where applicable, related safeguards.



**DC Douglas RA
Douglas & Velcich
Chartered Accountants (S.A.)**

**Johannesburg
24 August 2021**

**INFINITE FAMILY NPC
(REGISTRATION NO. 2014/086518/08)**

**DIRECTORS' REPORT FOR THE
YEAR ENDED 31 DECEMBER 2020**

The directors present their report, together with the financial statements of the company for the financial year ended 31 December 2020.

GENERAL

The principal object of Infinite Family is to inspire Black South African teens to overcome apartheid-era barriers and prepare for careers in the 21st century workplace. Global volunteer Video Mentors motivate teens in high school to create their own life-changing opportunities thru decisions, actions and targeted skill development in education, career preparation, technology literacy, life skills and communication. Exceeding expectations, since 2013 more than 96% of our video mentored 12th grade students are among 'first in family' to attain college, then jobs not previously available to their parents. Our volunteer Video Mentors fill the void as "one supportive adult" that guide South Africa's teens to build resilience while transforming toxic stress into life-long coping strength.

The results of the company's activities and the state of its affairs are set out in the attached financial statements.

SHARE CAPITAL AND DIVIDENDS

The company has no share capital and its memorandum of incorporation prohibits the payments of dividends to members.

POST FINANCIAL POSITION EVENTS

There were no material facts or circumstances which have occurred in the company's operations between the financial position date and the date of this report.

EQUIPMENT

During the year under review, the company acquired no equipment. (2019: RNil)

DIRECTORS

The following directors served during the year under review:-

A C Stokes (American)
R A Dannhauser
B J Kun

INFINITE FAMILY NPC
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STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2020

	Note	2020 R	2019 R
ASSETS		835 230	853 334
Non - current assets		586 011	726 037
Equipment	2	586 011	726 037
Current assets		249 219	127 297
Accounts receivable	3	10 944	10 944
Accrued income		-	-
Cash and cash equivalents	4	238 275	116 353
Total assets		835 230	853 334
RESERVES AND LIABILITIES		835 230	853 334
Reserves		827 476	853 334
Accumulated fund		827 476	853 334
Current liabilities		7 754	-
Accounts payable		7 754	-
Total reserves and liabilities		835 230	853 334

**INFINITE FAMILY NPC
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 R	2019 R
INCOME		1 807 198	1 791 547
Grants and donations	5	996 819	805 811
Transfer from USA		367 289	605 495
Donation in kind		437 629	378 189
Interest received	6	5 461	2 052
EXPENDITURE		1 833 056	1 915 632
Bank charges		4 752	5 416
Bookkeeping		2 824	2 505
Computer /IT services		60 000	60 000
Depreciation	2	140 026	140 026
Office supplies		11 418	43 584
NGO and Net Blazer stipends	7	79 400	73 850
Postage and delivery		656	735
Programme costs		204 985	93 081
Regulator administration		2 850	1 050
Salaries and contributions		853 610	1 021 245
Technology		8 456	
Telephone and fax		5 447	19 268
Travel and accommodation		21 003	76 683
In kind expenditure - Internet technology		437 629	378 189
(DEFICIT) FOR THE YEAR		(25 858)	(124 085)

**INFINITE FAMILY NPC
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**STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Accumulated Fund R	Total R
Balance at 31 December 2018	977 419	977 419
(Deficit) for the year	(124 085)	(124 085)
Balance at 31 December 2019	853 334	853 334
Surplus for the year	(25 858)	(25 858)
Balance at 31 December 2020	827 476	827 476

**INFINITE FAMILY NPC
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**STATEMENT OF CASH FLOWS FOR
THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 R	2019 R
Cash received from donors		1 801 737	1 789 495
Cash expended on programmes, suppliers and employees		(1 685 276)	(1 720 039)
Cash generated from operations	8	116 461	69 456
Interest received		5 461	2 052
Net cash inflow from operating activities		121 922	71 508
Cash flows (utilised in) investing activities		-	-
Acquisition of equipment		-	-
Cash flows generated from/(utilised in) financing activities		-	-
Net increase in cash and cash equivalents		121 922	71 508
Cash and cash equivalents at beginning of year		116 353	44 845
Cash and cash equivalents at end of period	4	238 275	116 353

**INFINITE FAMILY NPC
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

ACCOUNTING POLICIES

1. The financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium - sized Entities and the Companies Act of South Africa. The financial statements have been prepared on the historical cost basis, except for financial instruments, and incorporate the following principal accounting policies set out below.

1.1 SIGNIFICANT JUDGEMENTS

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

1.2 EQUIPMENT

The cost of an item of tangible assets 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.

Costs include costs incurred initially to acquire or construct an item of tangible assets 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 tangible assets, the carrying amount of the replaced part is derecognised.

Tangible assets are carried at cost less accumulated depreciation and any impairment losses.

Depreciation is provided on all tangible assets other than freehold land, to write down the cost, less residual value, by equal instalments over their useful lives as follows:

Item	Useful life
Container LaunchPad	10 years

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

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE ENDED 31 DECEMBER 2020 (Continued)**

ACCOUNTING POLICIES (Continued)

1.3 FINANCIAL INSTRUMENTS

Measurement

Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to initial recognition, these instruments are measured as set out below:

Accounts receivable

Accounts receivables and accrued income are stated at cost less provision for impairment losses.

Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

Accounts payable

Accounts payable which are short - term obligations, are stated at their nominal value.

1.4 IMPAIRMENT

The carrying amounts of assets are reviewed at financial position date to determine whether there is any indication of impairment. If there is such indication, the assets are written down to the estimated recoverable amounts. The recoverable amount is the higher of the net selling price and the value in use.

1.6 PROVISIONS

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

1.7 INCOME RECOGNITION

Income from grants is generally brought to account in the period to which it relates.

All other income is brought to account as and when received.

1.8 INTEREST INCOME

Interest is brought to account as and when received.

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE ENDED 31 DECEMBER 2020 (Continued)**

ACCOUNTING POLICIES (Continued)

1.9 EXPENDITURE RECOGNITION

Expenditure is accounted for on the accrual basis.

1.10 PROJECT ACCOUNTING AND EXPENSE ALLOCATION

In terms of its contractual obligations to donors, the company's policy is to allocate project expenses that are clearly identifiable as such, directly against project funds. Indirect and shared costs are apportioned on the basis of management estimates.

Accrued and deferred grant income is based on the balance of each project or donor fund after taking into account the direct, indirect and shared costs as described above. The unexpended surplus of the project fund is deferred to the following year or the deficit is accrued in the year under review.

1.11 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 and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employee renders service that increases their entitlement or, in the case of non-accumulating absences, when the absence occurs.

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

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed retirement benefit schemes are dealt with as defined contribution plans where the company's obligation under the scheme is equivalent to those arising in a defined contribution retirement benefit plan.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE ENDED 31 DECEMBER 2020 (Continued)

2. EQUIPMENT

	Containers LaunchPad R	Total R
31 December 2020		
Net book value - 1 January 2020	726 037	726 037
Cost	1 400 257	1 400 257
Accumulated depreciation	(674 220)	(674 220)
Additions during the period	-	-
Depreciation for the period	(140 026)	(140 026)
Net book value - 31 December 2020	586 011	586 011
Cost	1 400 257	1 400 257
Accumulated depreciation	(814 246)	(814 246)
31 December 2019		
Net book value - 1 January 2019	866 063	866 063
Cost	1 400 257	1 400 257
Accumulated depreciation	(534 194)	(534 194)
Additions during the period	-	-
Depreciation for the period	(140 026)	(140 026)
Net book value - 31 December 2019	726 037	726 037
Cost	1 400 257	1 400 257
Accumulated depreciation	(674 220)	(674 220)
	2020	2019
	R	R
3. ACCOUNTS RECEIVABLE		
Rental deposit	10 944	10 944
	10 944	10 944
4. CASH AND CASH EQUIVALENTS		
Favourable balances	238 275	116 353
Standard Bank - current account	238 170	116 353
Petty cash	105	-
	238 275	116 353

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE ENDED 31 DECEMBER 2020 (Continued)

	2020 R	2019 R
5. GRANTS AND DONATIONS		
Adcock Ingram	15 000	-
BT Communications	200 000	242 000
Received	200 000	242 000
Pick'n Pay	650 000	536 885
Received	650 000	611 885
Accrued in 2018	-	(75 000)
Performanta	92 000	-
Sundry donations	39 819	26 926
	996 819	805 811
6. NET INTEREST RECEIVED		
Interest received - call account	5 461	2 052
7. NGO AND NET BLAZER STIPENDS		
Alexandra Child Care	25 800	26 550
N H Village	28 875	25 800
Velokhaya	24 725	21 500
	79 400	73 850
8. CASH GENERATED FROM OPERATIONS		
(Deficit) for the year	(25 858)	(124 085)
Adjusted for :		
Depreciation	140 026	140 026
Interest received	(5 461)	(2 052)
(Increase) in accrued income	-	75 000
(Decrease) in deferred income	-	-
Operating surplus before working capital changes	108 707	88 889
Working capital changes	7 754	(19 433)
(Increase) in accounts receivable	-	-
(Decrease) in accounts payable	7 754	(19 433)
	116 461	69 456

**INFINITE FAMILY NPC
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE ENDED 31 DECEMBER 2020 (Continued)**

9. TAXATION

No provision has been made for taxation as the Company is exempt from South African Normal tax in terms of section 10(1)(cN) as read with Section 30 of the Income Tax Act.

10. GOING CONCERN

The existence of the company is dependent on the continued support of its donors, by way of grants. Should the grants be withdrawn it is highly unlikely that the company will be able to continue as a going concern. Donors have agreed to continue supporting the company in 2021.

11. FINANCIAL RISK

12.1 Currency risk

The company is exposed to currency risk to the extent that some grants are received by the company in foreign currency.

11.2 Interest rate risk

The company is exposed to interest rate risk, as it places funds at both fixed and floating interest rates. The risk is managed by maintaining an appropriate mix between fixed and floating rates and placings within market expectations.

11.3 Credit risk

The company's credit risk is attributable to liquid funds. The credit risk on liquid funds is limited because the counter party is a bank with credit rating assigned by international credit-rating agencies. The company has no significant concentration of credit risk.

11.4 Liquidity risk

The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash reserves are maintained.