

THE GLEN HIGH SCHOOL
Annual Financial Statements
for the year ended 31 December 2022

The Glen High School

(Registration number: EMIS number 700211151)

Annual Financial Statements for the year ended 31 December 2022

General Information

Country of incorporation and domicile	South Africa
Type of trust	Education
Trustees	Headmaster Chairperson of Governing Body Treasurer
Registered office	32 Garsfontein Road Waterkloof Glen Pretoria Pretoria 0102
Business address	32 Garsfontein Road Waterkloof Glen Pretoria Pretoria 0102
Bankers	Standard Bank Nedbank
Auditors	WJM Accountants and Auditors Inc. Chartered Accountants (SA) Registered Auditors 36 Lebombo Road Ashlea Gardens Pretoria Gauteng 0081
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the South African Schools Act 84 of 1996.
Preparer	The annual financial statements were independently compiled by: S. Swarts Professional Accountant (SA)
Issued	03 May 2023

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School Governing Body's Responsibilities and Approval

The SGB 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 fairly present the state of affairs of the school 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 annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

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

The SGB 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 SGB have reviewed the school's cash flow forecast for the year to 31 December 2023 and, in the light of this review and the current financial position, they are satisfied that the school 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 school's annual financial statements. The annual financial statements have been examined by the school's external auditors and their report is presented on page 5.

The annual financial statements set out on pages 4 to 14, which have been prepared on the going concern basis, were approved by the School Governing Body on 03 May 2023 and were signed on its behalf by:

Signature area

Approval of annual financial statements

Headmaster

Chairperson of Governing Body

Treasurer

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Report of School Governing Body

The SGB have pleasure in submitting their report on the annual financial statements of The Glen High School for the year ended 31 December 2022.

1. Nature of business

The Glen High School was formed in South Africa with interests in the Education industry. The school operates in South Africa.

There have been no material changes to the nature of the trust's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. 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 trust are set out in these annual financial statements.

3. Governing Body

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

Governing Body

Headmaster

Chairperson of Governing Body

Treasurer

4. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the trust or in the policy regarding their use.

5. Events after the reporting period

The trustees are not aware of any material event which occurred after the reporting date and up to the date of this report.

6. 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 SGB believe that the school has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The school have satisfied themselves that the school is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The SGB are not aware of any new material changes that may adversely impact the school. The SGB are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the school.

7. Auditors

WJM Accountants and Auditors Inc. continued in office as auditors for the trust for 2022.

They will continue in office for the 2023 financial year.

Independent Auditor's Report

To the Governing Body of The Glen High School

Unqualified opinion

We have audited the annual financial statements of The Glen High School set out on pages 7 to 14, which comprise the statement of financial position as at 31 December 2022, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of The Glen High School as at 31 December 2022, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the South African Schools Act 84 of 1996.

Basis for Opinion

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

Emphasis of Matter

In common with similar organisation it is not feasible for the auditors to institute accounting controls over cash collections from fund raising functions and donations prior to initial entry of the collections in the accounting records. Accordingly, it was impractical for us to extend our examination beyond the receipts actually recorded.

The collectability of debtors could not be determined accurately and there is a possibility that the bad debts written off is insufficient. Therefore, we couldn't give an opinion regarding the collectability of the debtors.

Other Information

The SGB are responsible for the other information. The other information comprises the information included in the document titled "The Glen High School annual financial statements for the year ended 31 December 2022", which includes the Report of School Governing Body as required by the South African Schools Act 84 of 1996, which we obtained prior to the date of this report. The other information does not include the annual financial statements and our auditor's report thereon.

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

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

Independent Auditor's Report

Responsibilities of the Trustees for the Annual Financial Statements

The SGB are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the South African Schools Act 84 of 1996, and for such internal control as the SGB determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the SGB are responsible for assessing the school'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 SGB either intend to liquidate the school or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

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

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

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

We communicate with the SGB 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.

WJM Accountants and Auditors Inc.
Chartered Accountants (SA)
Registered Auditors
W.J. Marx
Director

03 May 2023
Pretoria
36 Lebombo Road
Ashlea Gardens
Pretoria
Gauteng
0081

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Statement of Financial Position as at 31 December 2022

Figures in Rand	Note(s)	2022	2021
Assets			
Non-Current Assets			
Property, plant and equipment	2	636 225	6 637
Current Assets			
Inventories	3	58 639	21 612
Trade and other receivables	4	345 977	565 718
Cash and cash equivalents	5	18 113 971	19 640 055
		18 518 587	20 227 385
Total Assets		19 154 812	20 234 022
Equity and Liabilities			
Equity			
Accumulated surplus		13 970 254	15 053 842
Liabilities			
Current Liabilities			
Trade and other payables	6	5 184 558	5 180 180
Total Equity and Liabilities		19 154 812	20 234 022

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2022	2021
Revenue			
School fees		23 664 923	22 928 647
Fundraising income		1 150	750
Tuckshop		344 730	114 471
		24 010 803	23 043 868
Cost of sales			
		-	-
Other income			
GDE - PYEI Income		91 465	256 433
Government subsidy		1 091 151	1 133 843
Projects & Tour Income		182 299	196 696
Recoveries		2 879	-
Rental income		4 843 232	4 850 597
SETA Grant		16 036	33 554
		6 227 062	6 471 123
Operating expenses			
Accounting fees		15 973	6 210
Advertising		24 163	15 423
Audit fees		30 763	28 750
Bad debts		1 056 993	856 655
Bank charges		180 144	146 641
Computer expenses		35 211	17 577
Cultural activities		203 072	143 000
Depreciation		119 712	981 617
Discipline department		16 286	5 862
Discount allowed		536 820	461 725
Educational activities and requirements		1 634 016	1 084 805
Employee costs		17 021 072	17 192 003
Exemptions		3 967 433	4 235 960
GDE - PYEI Expenses		93 533	278 608
Hospitality		72 965	30 955
Insurance		498 383	423 754
Licences		218 636	220 261
Municipal expenses		1 372 000	1 585 227
Printing and stationery		562 563	416 835
Profit and loss on sale of assets and liabilities		-	85
Project expenses		119 961	120 807
Repairs and maintenance		2 559 202	1 961 288
Sport activities		196 061	36 090
Telephone and fax		90 137	105 889
Transport		88 623	15 221
Travel - Bus Hire		265 500	45 000
Wellnes and Learner Recognition		18 640	-
		31 997 862	30 416 248
Operating deficit		(1 759 997)	(901 257)
Investment income	7	676 409	501 108
Deficit for the year		(1 083 588)	(400 149)

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Statement of Changes in Equity

Figures in Rand	Accumulated surplus	Total equity
Balance at 01 January 2021	15 788 944	15 788 944
Deficit for the year	(400 149)	(400 149)
Revaluation of fixed assets	(334 953)	(334 953)
Total changes	(334 953)	(334 953)
Balance at 01 January 2022	15 053 842	15 053 842
Deficit for the year	(1 083 588)	(1 083 588)
Balance at 31 December 2022	13 970 254	13 970 254

Note(s)

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Statement of Cash Flows

Figures in Rand	Note(s)	2022	2021
Cash flows from operating activities			
Cash (used in) generated from operations	8	(1 453 193)	41 744
Interest income		676 409	501 108
Net cash from operating activities		(776 784)	542 852
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(749 300)	(982 628)
Cash flows from financing activities			
Repayment of other financial liabilities		-	67 297
Net cash from financing activities		-	67 297
Total cash movement for the year		(1 526 084)	(372 479)
Cash at the beginning of the year		19 640 055	20 012 534
Total cash at end of the year	5	18 113 971	19 640 055

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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The annual financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

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

Property, plant and equipment is initially measured at cost.

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

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

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

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

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

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

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

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

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

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

1.2 Inventories

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell, on the first-in, first-out (FIFO) basis.

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Accounting Policies

1.3 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

1.4 School fees receivable

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Investment income consist of cash received for money invested with financial institutions in the form of interest or dividends. Investment income shall be recognised when cash is received.

The amount of school fees receivable is calculated based on learner enrolments multiplied by the schools fee amount approved by parents. The amount receivable is recognised when the learners register at a public school.

1.5 Borrowing costs

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

1.6 Other income

Allocations, transfers, grants and subsidies

Unconditional allocations, transfers, grants and subsidies received from the government are recognised as income when they are received. Conditional allocations, transfers, grants and subsidies are recognised as a liability when received and recognised as income when the conditions are met. The allocations, transfers, grants and subsidies are conditional if the school will have to pay them back to government if they are not used in line with the set conditions

Rental Income

Rental income consists of cash or assets received in exchange for use of the school property. Rental income is recognised when it is due.

Fundraising income

Fundraising income consist of cash received from fundraising activities such as ticket sales, tuck-shop sales, etc. General fundraising income is recognised at the amount of cash received from fundraising activities. Contributions received from specific fundraising are recognised as a liability when the funds are received and transferred to income as the funds are utilised for their intended purpose or as the asset is depreciated. Fundraising is specific when the funds raised can only be used for a specific purpose and the money will have to be paid back to the contributors if the funds are not used in line with the agreed conditions

1.7 School fee exemption refunds/compensation

School fee exemption refunds/compensations shall be recognised as income when they are received.

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Notes to the Annual Financial Statements

Figures in Rand

2022

2021

2. Property, plant and equipment

	2022			2021		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	2 371 404	(2 340 434)	30 970	2 340 283	(2 334 702)	5 581
Motor vehicles	255 000	(254 999)	1	255 000	(254 999)	1
Office equipment	1 452 918	(1 156 833)	296 085	1 140 627	(1 140 246)	381
IT equipment	5 125 744	(4 928 962)	196 782	4 837 961	(4 837 432)	529
Audiovisual equipment	824 587	(712 200)	112 387	706 482	(706 337)	145
Total	10 029 653	(9 393 428)	636 225	9 280 353	(9 273 716)	6 637

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	5 581	31 121	(5 732)	30 970
Motor vehicles	1	-	-	1
Office equipment	381	312 291	(16 587)	296 085
IT equipment	529	287 783	(91 530)	196 782
Audiovisual equipment	145	118 105	(5 863)	112 387
	6 637	749 300	(119 712)	636 225

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Disposals	Revaluations	Depreciation	Closing balance
Furniture and fixtures	11 738	209 143	(4)	(7 042)	(208 254)	5 581
Motor vehicles	-	-	-	1	-	1
Office equipment	101 461	37 755	(29)	(101 062)	(37 744)	381
IT equipment	145 074	735 730	(52)	(144 604)	(735 619)	529
Audiovisual equipment	82 389	-	-	(82 244)	-	145
	340 662	982 628	(85)	(334 951)	(981 617)	6 637

3. Inventories

Finished goods	58 639	21 612
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4. Trade and other receivables

Trade receivables	-	(1)
Deposits	2 000	2 000
Prepaid Expenses	343 977	563 719
	345 977	565 718

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	5 486 221	7 427 584
Short-term deposits	992 230	957 587
Other cash and cash equivalents	11 635 520	11 254 884
	18 113 971	19 640 055

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Notes to the Annual Financial Statements

Figures in Rand	2022	2021
6. Trade and other payables		
Trade payables	75 833	47 507
Amounts received in advance	4 137 090	4 090 042
Fund - Staff	5 782	9 208
Unkown deposits	341 754	312 124
Deposits received	624 099	721 299
	5 184 558	5 180 180
7. Investment revenue		
Interest revenue		
Bank	676 409	501 108
8. Cash (used in) generated from operations		
Deficit before taxation	(1 083 588)	(400 149)
Adjustments for:		
Depreciation and amortisation	119 712	981 617
Deficit on sale of assets	-	85
Interest received	(676 409)	(501 108)
Changes in working capital:		
Inventories	(37 027)	(14 789)
Trade and other receivables	219 741	(19 796)
Trade and other payables	4 378	(4 116)
	(1 453 193)	41 744