

# **Self Organised Learning Environment Institute**

**Trading as**

**SOLE Institute**

**(Registration Number 2019/329739/08)**

**Annual Financial Statements**

**for the year ended 31 December 2020**

## **Audited Financial Statements**

in compliance with the Non-Profit Organisation Act No. 71 of 1997: s 13(5)

Prepared by: Patson Takomba

Professional designation: CA (SA), RA

Title: Auditor

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# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Annual Financial Statements for the year ended 31 December 2020

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# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Annual Financial Statements for the year ended 31 December 2020

## General Information

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<b>Country of Incorporation and Domicile</b>	South Africa
<b>Registration Number</b>	2019/329739/08
<b>Registration Date</b>	04 July 2019
<b>Nature of Business and Principal Activities</b>	The non-profit company aims to promote educational initiatives that utilise the SOLE methodology.
<b>Directors</b>	Bolton,Vicki Claire (Appointed 10 September 2020) Mojapelo,Phomello Mashadi Julia Botjie,Thabisile Colom,Agueda Victoria (Appointed 10 September 2020)
<b>Registered Office</b>	81 Westwold Way Saxonworld 2132
<b>Business Address</b>	81 Westwold Way Saxonworld 2132
<b>Bankers</b>	First National Bank
<b>Tax Number</b>	PBO NO 930067433
<b>SARS Reference Numbers</b> Tax number	PBO NO 930067433
<b>Auditors</b>	BN Business Solutions (Pty) Ltd B25 Lone Creek 21 Mac Mac Road Midrand South Afica 1687
<b>Preparer</b>	BN Business Solutions (Pty) Ltd B25 Lone Creek 21 Mac Mac Road Midrand South Afica 1687

# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Annual Financial Statements for the year ended 31 December 2020

## Directors' Responsibilities and Approval

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The directors are required by the Non-Profit Organisation Act No. 71 of 1997: s 13(5) 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 satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the non-profit company, and explain the transactions and financial position of the business of the non-profit company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the non-profit company 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 non-profit company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors 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 non-profit company and all employees are required to maintain the highest ethical standards in ensuring the non-profit company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the non-profit company is on identifying, assessing, managing and monitoring all known forms of risk across the non-profit company. While operating risk cannot be fully eliminated, the non-profit company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

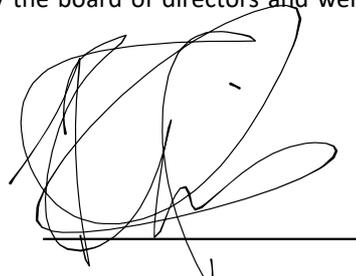
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the non-profit company will not be a going concern in the foreseeable future. The financial statements support the viability of the non-profit company.

The annual financial statements have been audited by the independent auditing firm, BN Business Solutions (Pty) Ltd, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the director, the board of directors and committees of the board of directors. The board of directors believes that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 6 to 7.

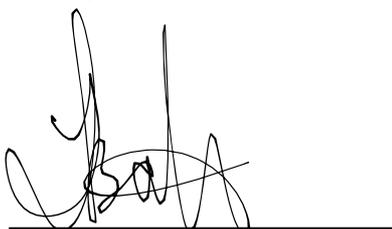
The annual financial statements set out on pages 8 to 15, and the supplementary information set out on page 16 which have been prepared on the going concern basis, were approved by the board of directors and were signed on 31 March 2021 on their behalf by:



Bolton, Vicki Claire



Mojapelo, Phomello  
Mashadi Julia



Botjie, Thabisile



Colom, Agueda Victoria

# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Annual Financial Statements for the year ended 31 December 2020

## Directors' Report

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The directors present their report for the year ended 31 December 2020.

### 1. Review of activities

#### Main business and operations

The non-profit company aims to promote educational initiatives that utilise the SOLE methodology. There were no major changes herein during the year.

The operating results and statement of financial position of the non-profit company are fully set out in the attached financial statements and do not in our opinion require any further comment.

### 2. 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.

### 3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

Except for the below, the directors are not aware of any other material reportable event which occurred after the reporting date and up to the date of this report.

#### Impact of COVID-19

The non-profit company has assessed the impact of COVID-19 on the annual financial statements and considered the potential impact on the business. While it is envisaged that there may be a negative impact on the performance of the non-profit company over the remainder of the financial year, the full impact of COVID-19 cannot be reasonably estimated at this time. The full impact of the COVID-19 outbreak continues to evolve at the date of this report.

### 4. Directors

The directors of the non-profit company during the year and up to the date of this report are as follows:

Bolton, Vicki Claire (Appointed 10 September 2020)

Mojapelo, Phomello Mashadi Julia

Botjie, Thabisile

Colom, Agueda Victoria (Appointed 10 September 2020)

### 5. Secretary

No secretary has been formally appointed during the current financial year.

# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Annual Financial Statements for the year ended 31 December 2020

## Directors' Report

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### 6. Director

Two new directors have been appointed namely Colom, Agueda Victoria and Bolton, Vicki Claire during the current financial year.

Porres, Irene Marie has been removed as a director during the current financial year.

### 7. Property, plant and equipment

The additions for the current and prior financial year were as follows:

<b>Additions:</b>	<b>2020</b>	<b>2019</b>
Computer equipment	49,297	-
	<u>49,297</u>	<u>-</u>

### 8. Independent Auditors

BN Business Solutions (Pty) Ltd were the independent auditors for the year under review.

## **Independent Auditor's Report**

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### **To the Director of Self Organised Learning Environment Institute**

#### **Opinion**

We have audited the financial statements of Self Organised Learning Environment Institute set out on pages 8 to 15, which comprise the statement of financial position as at 31 December 2020, and the statement of comprehensive income, the statement of changes in equity and the 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 Self Organised Learning Environment Institute as at 31 December 2020, 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 Non-Profit Organisation Act No. 71 of 1997: s 13(5) and the Section 10(1)(cN) of the Income Tax Act No. 58 of 1962.

#### **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 non-profit 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 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.

#### **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the document titled "Self Organised Learning Environment Institute Annual Financial Statements for the year ended 31 December 2020", which includes the Directors' Report, and the statement of Directors' Responsibilities and Approval as required by the Non-Profit Organisation Act No. 71 of 1997: s 13(5), which we obtained prior to the date of this report, and the supplementary information set out on page 16. 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 the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Non-Profit Organisation Act No. 71 of 1997: s 13(5) and the Section 10(1)(cN) of the Income Tax Act No. 58 of 1962, 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.

In preparing the financial statements, the directors are responsible for assessing the non-profit 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 non-profit 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, 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 non-profit 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 non-profit 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 non-profit 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.

## **Report on Other Legal and Regulatory Requirements**

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that BN Business Solutions (Pty) Ltd have been the auditors of Self Organised Learning Environment Institute for the last year.

**BN Business Solutions (Pty) Ltd**

**31 March 2021**

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**Patson Takomba**  
**CA(SA), RA (IRBA 434436)**  
**Registered Auditor**

**B25 Lone Creek**  
**21 Mac Mac Road**  
**Midrand**  
**South Africa**  
**1687**

# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Financial Statements for the year ended 31 December 2020

## Statement of Financial Position

Figures in R

Notes                      2020                      2019

### Assets

#### Non-current assets

Property, plant and equipment	3	<u>46,290</u>	<u>-</u>
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#### Current assets

Cash and cash equivalents	4	<u>228,445</u>	<u>611</u>
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#### Total assets

		<u><b>274,735</b></u>	<u><b>611</b></u>
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### Equity and liabilities

#### Equity

Accumulated surplus		<u>274,735</u>	<u>611</u>
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#### Total equity and liabilities

		<u><b>274,735</b></u>	<u><b>611</b></u>
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# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Financial Statements for the year ended 31 December 2020

## Statement of Comprehensive Income

Figures in R	Notes	2020	2019
Revenue	5	945,724	7,000
Administrative expenses	6	(2,736)	(432)
Other expenses	7	(668,144)	(5,957)
Other gains and (losses)		(720)	-
<b>Surplus from operating activities</b>	8	<b>274,124</b>	<b>611</b>
<b>Surplus for the year</b>		<b>274,124</b>	<b>611</b>

# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Financial Statements for the year ended 31 December 2020

## Statement of Changes in Equity

Figures in R	Accumulated surplus	Total
<b>Changes in equity</b>		
Surplus for the year	611	611
Total comprehensive income for the year	611	611
<b>Balance at 31 December 2019</b>	<b>611</b>	<b>611</b>
<b>Balance at 1 January 2020</b>	611	611
<b>Changes in equity</b>		
Surplus for the year	274,124	274,124
Total comprehensive income for the year	274,124	274,124
<b>Balance at 31 December 2020</b>	<b>274,735</b>	<b>274,735</b>

# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Financial Statements for the year ended 31 December 2020

## Statement of Cash Flows

Figures in R

	Notes	2020	2019
<b>Net cash flows from operations</b>	11	<b>274,395</b>	<b>611</b>
Interest received		3,456	-
<b>Net cash flows from operating activities</b>		<b>277,851</b>	<b>611</b>
<b>Cash flows used in investing activities</b>			
Purchase of property, plant and equipment		(49,297)	-
Purchase of other financial assets		(720)	-
<b>Cash flows used in investing activities</b>		<b>(50,017)</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>227,834</b>	<b>611</b>
Cash and cash equivalents at beginning of the year		611	-
<b>Cash and cash equivalents at end of the year</b>	4	<b>228,445</b>	<b>611</b>

# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Financial Statements for the year ended 31 December 2020

## Accounting Policies

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### 1. General information

Self Organised Learning Environment Institute ('the non-profit company') aims to promote educational initiatives that utilise the SOLE methodology.

The non-profit company is incorporated as a Non-Profit Company and domiciled in South Africa. The address of its registered office is 81 Westwold Way, Saxonworld, 2132.

### 2. Basis of preparation and summary of significant accounting policies

The financial statements of Self Organised Learning Environment Institute have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, the Non-Profit Organisation Act No. 71 of 1997: s 13(5) and the Section 10(1)(cN) of the Income Tax Act No. 58 of 1962. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, certain property, plant and equipment, biological assets and derivative financial instruments at fair value. They are presented in South African Rand.

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the non-profit company's accounting policies.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Foreign currency translation

##### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in surplus or deficit within 'finance income or costs'. All other foreign exchange gains and losses are presented in surplus or deficit within 'other (losses)/gains – net'.

#### 2.2 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the directors.

The non-profit company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the non-profit company. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to surplus or deficit during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Financial Statements for the year ended 31 December 2020

## Accounting Policies

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*Basis of preparation and summary of significant accounting policies continued...*

Asset class	Useful life / depreciation rate
Computer equipment	4

### Donations received

Donations are accounted for on a cash received basis and where donations have been received in kind at a value that the management committee has deemed them to be worth.

### 2.3 Borrowing costs

All borrowing costs are recognised in surplus or deficit in the period in which they are incurred.

# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Financial Statements for the year ended 31 December 2020

## Notes to the Financial Statements

Figures in R

2020

2019

### 3. Property, plant and equipment

Balances at year end and movements for the year

	Computer equipment	Total
<b>Reconciliation for the year ended 31 December 2020</b>		
<b>Balance at 1 January 2020</b>		
At cost		-
Accumulated depreciation	-	-
<b>Net book value</b>	<b>-</b>	<b>-</b>
<b>Movements for the year ended 31 December 2020</b>		
Additions from acquisitions	49,297	<b>49,297</b>
Depreciation	(3,007)	<b>(3,007)</b>
<b>Property, plant and equipment at the end of the year</b>	<b>46,290</b>	<b>46,290</b>
<b>Closing balance at 31 December 2020</b>		
At cost	49,297	<b>49,297</b>
Accumulated depreciation	(3,007)	<b>(3,007)</b>
<b>Net book value</b>	<b>46,290</b>	<b>46,290</b>

### 4. Cash and cash equivalents

#### 4.1 Cash and cash equivalents included in current assets:

##### Cash

Balances with banks	228,445	611
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#### 4.2 Detail of cash and cash equivalent balances

##### Bank balances

Paypal	5,792	-
FNB Main Account	6,197	611
FNB 48 Hr	216,456	-
<b>Total</b>	<b>228,445</b>	<b>611</b>

### 5. Revenue

#### Revenue comprises:

Interest received	3,456	-
Admin and management fees received	942,268	7,000
<b>Total revenue</b>	<b>945,724</b>	<b>7,000</b>

# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Financial Statements for the year ended 31 December 2020

## Notes to the Financial Statements

Figures in R

2020

2019

### 6. Administrative expenses

Administrative expenses comprise:

Bank charges	2,736	432
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### 7. Other expenses

Other expenses comprise:

Advertising	1,329	5,957
Consulting fees	88,946	-
Depreciation	3,007	-
General expenses	4,124	-
Grants	389,754	-
Learner Bursaries	171,934	-
Legal expense	9,050	-
<b>Total other expenses</b>	<b>668,144</b>	<b>5,957</b>

### 8. Surplus from operating activities

### 9. Foreign exchange gains and losses

Foreign exchange gains and losses recognised comprise:

Amounts recognised in surplus or deficit	(720)	-
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### 10. 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 non-profit company incurred a net surplus for the year ended 31 December 2020 of R274,124 (2019 surplus: R611). The non-profit company continues profiting.

### 11. Cash flows from operating activities

<b>Surplus for the year</b>	<b>274,124</b>	<b>611</b>
<b>Adjustments for:</b>		
Finance income	(3,456)	-
Depreciation and amortisation expense	3,007	-
Gains and losses on foreign exchange realised in surplus or deficit	720	-
<b>Net cash flows from operations</b>	<b>274,395</b>	<b>611</b>

# Self Organised Learning Environment Institute

(Registration Number 2019/329739/08)

Annual Financial Statements for the year ended 31 December 2020

## Detailed Income Statement

Figures in R

Notes 2020 2019

	Notes	2020	2019
<b>Revenue</b>	5		
Donations		942,268	7,000
Interest received		3,456	-
		<u>945,724</u>	<u>7,000</u>
<b>Administrative expenses</b>	6		
Bank charges		(2,736)	(432)
<b>Other expenses</b>	7		
Advertising		(1,329)	(5,957)
Consulting fees		(88,946)	-
Depreciation - property, plant and equipment		(3,007)	-
General expenses		(4,124)	-
Grants		(389,754)	-
Learner Bursaries		(171,934)	-
Legal expense		(9,050)	-
		<u>(668,144)</u>	<u>(5,957)</u>
<b>Other gains and losses</b>			
Forex gain or loss - financial assets		(720)	-
		<u>(720)</u>	<u>-</u>
<b>Surplus from operating activities</b>	8	<u>274,124</u>	<u>611</u>
<b>Surplus for the year</b>		<u>274,124</u>	<u>611</u>