



OPERATION
JUMPSTART
ASSOCIATION
NON-PROFIT COMPANY

ANNUAL REPORT

AND AUDITED FINANCIAL STATEMENTS

April 2015 – March 2016





Contents

From the Desk of the CEO	2
Organisational Structure	3
Wheelchair Programme	4
Summary of Activities for the Year 2015 – 2016	5
Equipment Distribution to Organisations	5
Field Work	5
2015/2016 Challenges	6
Achievements	6
Projects approved for sport during the Year April 2015 - March 2016	7
Yenzanathi Community Upliftment and Food Security Project – Valley of 1000 Hills	
Vukuzibuthe Luncheon Club – Mtubatuba	
Ezibayeni Flagship Home-based Care – Hluhluwe	
Sakhisizwe Community Development Organisation – KwaMnyathi	
Age in Action – Amanzimtoti	
Expressions of Appreciation	8
Capital Support and Community Development April 2015 – March 2016	9
Financials for the Year Ended 31 March 2016	11



From the Desk of the CEO



Bongani Khumalo
CEO

The year 2015/2016 a very busy time for Operation Jumpstart Association. The reason being that it is in a state of transition from being a provider of brick and mortar structures to being a new kind of supporter of NPOs. Being in a transition is a difficult period. Operation Jumpstart Association (OJA) is experimenting with sustainability support for its existing beneficiaries, but the board has still to take a final decision in this issue of change of direction.

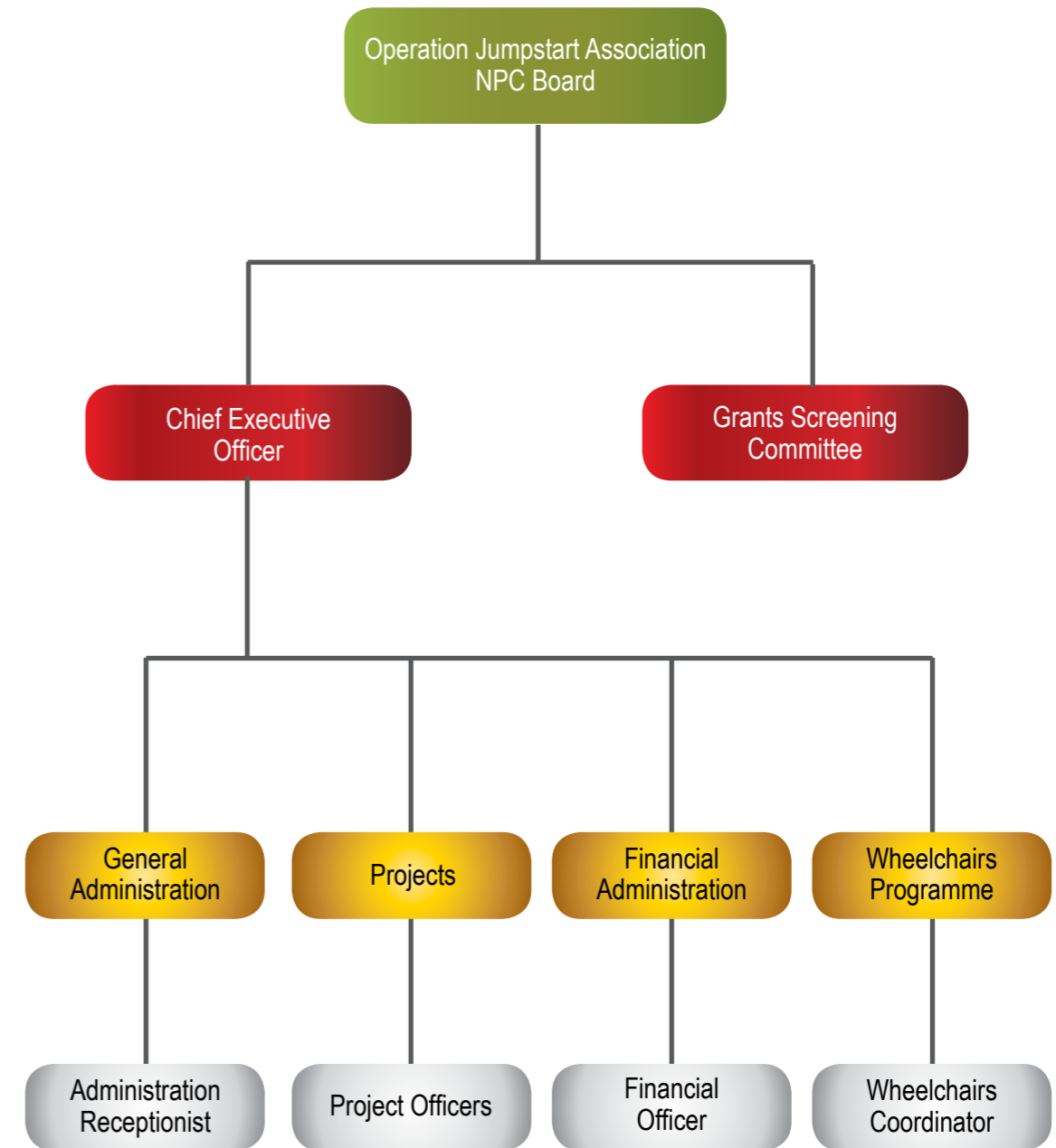
The change of direction is informed by a number of things including the shrinking purse and the jitters in the economy nationally and globally. OJA depends on investments and any jolt in the economy is felt and it may have a negative effect. Rather than the budget growing it is diminishing. Another concern is that its beneficiaries depend too much on government grants and they do not have independent income that they generate themselves to shore up the grants. When grants dry out the organisations crumble.

OJA is looking far and wide for ideas from like-minded stakeholders in the donor and community development sectors. Collaboration is also seen as the answer to some of the venture in support of development of communities. The beneficiaries in outlying areas are the most vulnerable but some of them have small pieces of land that they can utilize with success. Feeding schemes and drop in centres do not need vast tracts of land to survive. This is the notion that is being cultivated to OJA beneficiaries.

OJA staff and the board are busy grappling with the new idea and together they want to make a good success of it. The beneficiary organisations have embraced the idea and they are willing to run with it when the time comes.

The support of the board and the enthusiasm of staff are much appreciated and it seems like together we will see positive results. This is not an overnight plan though and one should not be simplistic about it.

Organisational Structure 2015-2016



Wheelchair Programme

Provision of wheelchairs

A total of 449 manual wheelchairs were delivered to organisations throughout KZN. Distribution took place through:

- NPOs – 79%
- Hospital and CHC therapy departments – 10%
- Special needs schools – 10%
- Other areas – 1%

The distribution per district was as follows:

- eThekweni 51% (bearing in mind that many of these organisations supply services right throughout the Province)
- uMgungundlovu 22%
- Ugu 12 %
- uThungula 11%
- uThukela 2%
- Ilembe 1%
- uMkhanyekude 1%

Seven motorised wheelchairs were provided to:

- 2 learners at Open Air School (one of the learners was transferred to this school from Kwazamokuhle)
- 1 learner at R P Moodley School
- 1 learner at KwaZamokuhle School
- 1 student at Vryheid – through APC Vryheid
- 2 entrepreneurs at Manguzi Hospital – 1 new and 1 refurbished chair (the refurbished chair was returned, as the previous user was no longer able to use it safely, due to a deteriorating condition)

Therefore, five of the motorised wheelchairs were supplied to users resident in rural areas.

Telephonic follow-ups and problem solving

A number of organisations and hospitals as well as individual people needing advice about wheelchairs and related matters were helped on the telephone and via email.

Visits

On-site visits were conducted to empower therapists and other staff to correctly measure for wheelchairs or to do spot checks on wheelchairs delivered and on the recipients. These included St Luke's Home in Stanger, Umnini Project, Manguzi Hospital, Mosvold Hospital, Bethesda Hospital and Hlabisa Hospital.



Specialised training

In conjunction with the Department of Occupational Therapy at the University of KwaZulu-Natal (UKZN) a total of 17 people from 15 different organisations were trained at a workshop for continuing professional development (CPD) in specialised seating for people with disabilities, with the practical being done at Jona Vaughn Home in Amanzimtoti.

On site in-service training was provided to Mariannridge clinic, APC South Natal in Port Shepstone, APC Durban, Mason Lincoln school in Umlazi.

Individual assessment and recommendations made for wheelchairs:

- 1 child through the feeding and weaning clinic at UKZN
- 8 children at St Luke's home
- 15 children at Jona Vaughn home
- 2 adults in the Mariannridge area

Summary of Activities for the Year 2015-2016

Equipment Distribution to Organisations

Equipment was distributed to the following organisations:

- Ezibayeni Flagship Home Based Care – Hluhluwe
- Vukuzibuthe Luncheon Club – Mtubatuba
- Yenzanathi Community Upliftment – Kwanyuswa
- Sakhisizwe Community Development – Vryheid

Field Work

During the reporting period a number of meetings were held with beneficiary organisations in order to keep the partnership going strong and so that compliance was not overlooked. Project officers and the Chief Executive Officer spent much time out of the office as a result of these meetings. These included site inspections where service providers were working as well as troubleshooting meetings with management committees. Annual general meetings were also attended where beneficiary organisations presented their achievements for the year.

Meetings were also held with local leadership, including traditional councils to verify the credibility of applicant organisations and to introduce service providers where physical structures were erected.

Some of the meetings were held outside the office at:

- ILLOVO, including the beneficiary organisation called



Mother of Peace (to discuss the proposed Reverse Osmosis Project by the municipality and Umngeni Water);

- NKWEZELA – NKANDLA, to resolve the use of a structure donated for use by the disabled children as a crèche because it was being used as a dwelling;
- KOKSTAD, to resolve matters relating to the municipality and the Home of Comfort Orphanage;
- MPUMALANGA (Local Department of Social Development), to resolve the matter of the KwaXimba Community Centre;
- RIETVLEI, to meet with the Management Committee of the Masiphile Sonke Orphanage to discuss the use of the structure because the orphanage had folded;
- MAHLABATHINI, to meet with Rainbow Nation of South Africa to ensure proper use of the structure donated by Operation Jumpstart;



- PIETERMARITZBURG, to meet with organisations to discuss rates matters; and
- MTUBATUBA, to meet with the Mpukonyoni Traditional Council to introduce a new project at eQakwini.

2015/2016 Challenges

While the country, especially the province of KZN, was facing drought during the period under review, some of our beneficiary organisations were affected by natural storms.

- A moratorium on new projects was put into effect by OJA and this slowed down the provision of physical structures, but enabled the association to review its focus and take stock of what has been achieved and align itself with the future.
- The financial investment arena is always a challenge and OJA is not immune to its effects. The association had to review its investment portfolio against the fluctuating global economy.

Achievements

- As part of its forward planning, OJA consulted with a sample of 65 beneficiary organisations during January 2016 to discuss possible strategies for future sustainability. Different ways of achieving lasting sustainability were proposed, including self-help schemes as well as a variety of income generating projects.
- OJA also participated in events organised by different forums such as the Durban NGO Forum in November 2015 and an awareness campaign on disability and HIV/AIDS organised by the Nkandla Local Municipality in April 2015. These events were very fruitful for networking.
- Through its support for beneficiary organisations, OJA has touched tens of thousands of people over the years who would otherwise not have received assistance if support had not been given to these beneficiary organisations.

Projects Approved for Support during the Year April 2015 – March 2016

Yenzanathi Community Upliftment and Food Security Project – Valley of 1000 Hills

This organisation is in the eThekweni Municipal District at KwaNyuswa in the Valley of 1000 Hills. It is a local organisation of unemployed elderly people who do agricultural projects. Some of the destitute and frail in the community are visited by community care workers with the aim of giving them fresh, hot meals made out of garden produce. This organisation was supported by providing a new structure to house their offices and administration section. Basic office furniture and equipment was also donated to the organisation.



Vukuzibuthe Luncheon Club – Mtubatuba

This organisation is situated in the uMkhanyakude District, in the area called Eqakwini. This organisation works with elderly people who do beadwork, handwork and they sell some of their products to the local Zamimpilo craft market along the N2 route towards uPhongolo. While they are together, they also engage in physical exercises and play soccer as well as track racing. The Department of Sports and Recreation is involved in these exercises and the Department of Social Development supports them by providing meals.



Ezibayeni Flagship Home-based Care – Hluhluwe

This organisation is based in Ezibayeni in the Umkhanyakude District. It serves orphaned and vulnerable children, offers home-based care and works with child-headed households. They also provide school uniforms to OVCs and food parcels to terminally ill citizens in the area. This organisation benefitted from a new structure for their offices and kitchen. They also received office and cooking equipment.



Sakhisizwe Community Development Organisation – KwaMnyathi

This centre is based in KwaMnyathi in the Zululand District. This is a primarily home-based care organisation. Some of the beneficiaries who cannot make it to the offices are visited at home by community health workers who bring them food and other goods. They also help by encouraging people to take medication as prescribed by their doctors and clinic. Child-headed families are also in their programme.

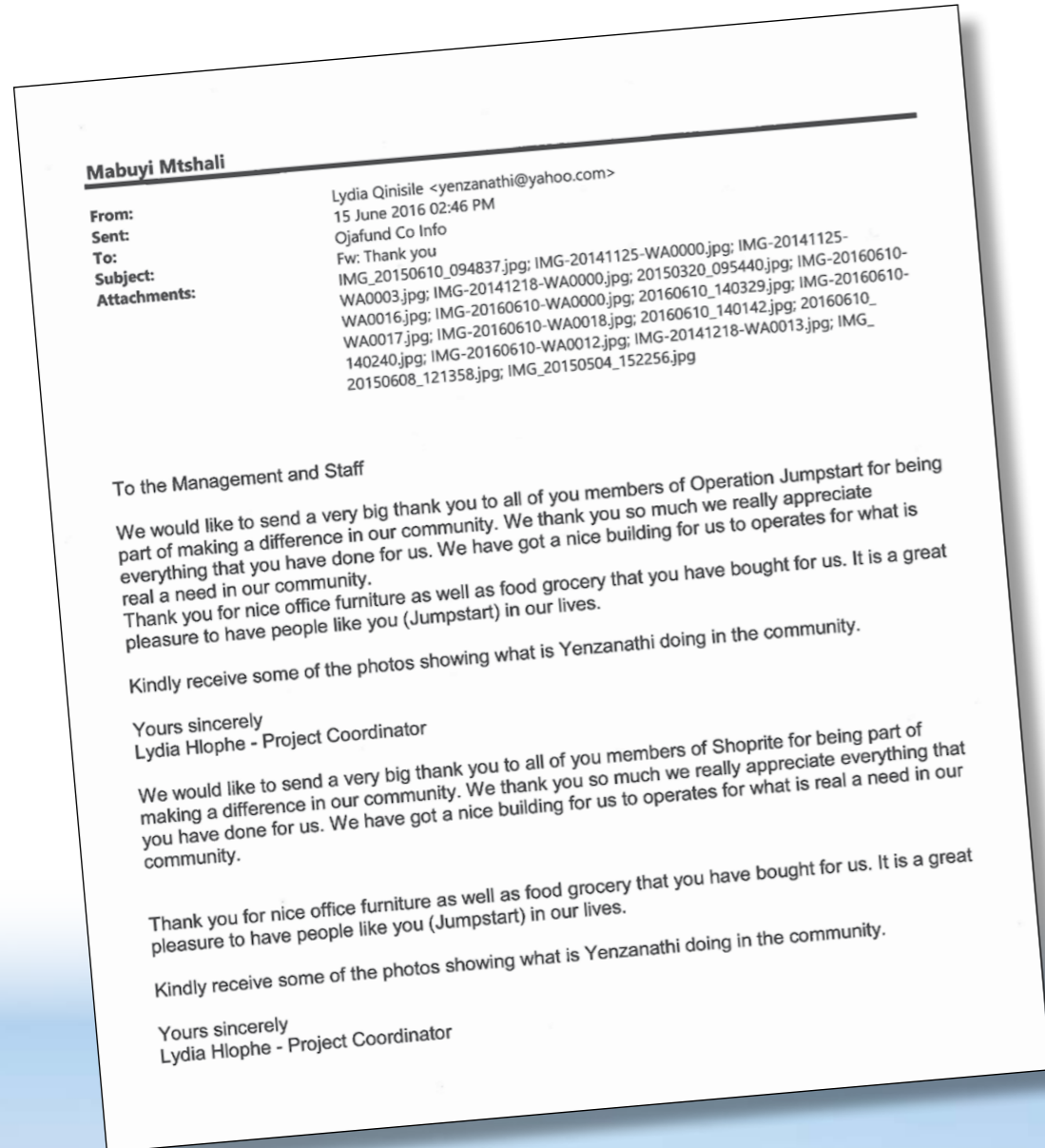
Age in Action – Amanzimtoti

This organisation is an umbrella organisation that supports non-profits by offering assistance in the care of the aged. They benefitted by getting a vacant structure that had been vacated by another OJA beneficiary.



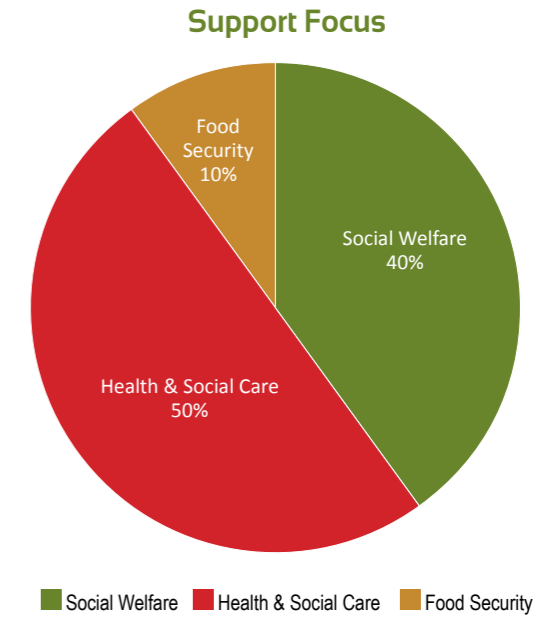
Expressions of Appreciation

Capital Support and Community Development April 2015 – March 2016



IN RESPONSE TO CALL FOR PROPOSAL	
Applications Received	None
Approved Projects for Support	10 (left over from previous call for applications – 2013)

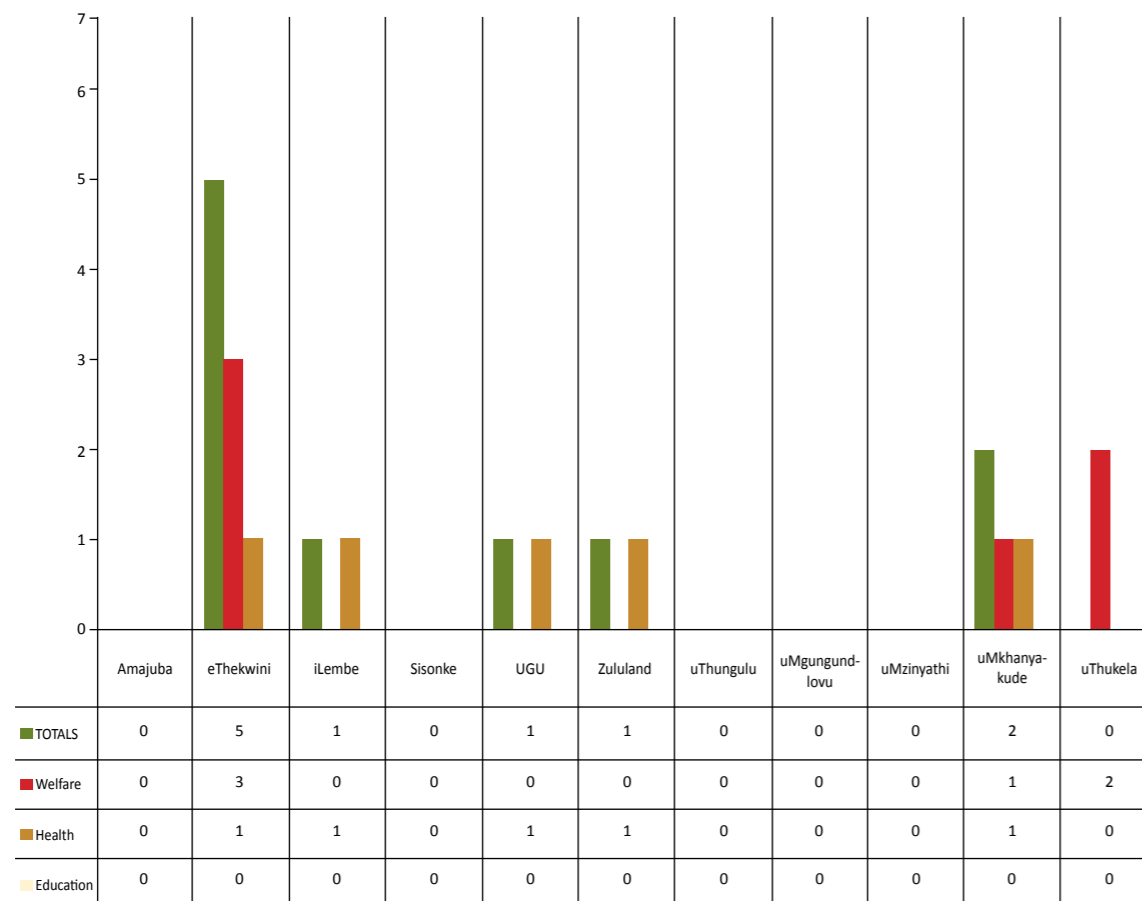
SECTORS OF FOCUS SUPPORTED	
FOCUS	TOTALS
Social Welfare	4
Health and Social Care	5
Food Security	1
Total	10



NUMBER OF PROJECTS SUPPORTED PER DISTRICT IN KWAZULU-NATAL PROVINCE				
DISTRICT	AREAS OF FOCUS			
	TOTAL 10	SOCIAL WELFARE	HEALTH CARE	FOOD SECURITY
Ethekwini	5	3	1	1
Umkhanyakude	2	1	1	0
Zululand	1	0	1	0
Ilembe	1	0	1	0
Ugu	1	0	1	0
Total Number of Projects	10			

Financials for the Year Ended 31 March 2016

Independent Auditor's Report to the Executive Board of Operation Jumpstart NPC	12
Statement of Financial Position	13
Statement of Changes in Equity	13
Statement of Cash Flow	14
Statement of Income and Retained Earnings	14
Detailed Income Statement	15



RDY ACCOUNTING & AUDITING

225 Hoosen Haffajee Street, Pmb 3201
2 Ncondo Place, Umhlanga Ridge, Dbn, 4320
Tel: 033 345 7926 • Cell: 082 4365 302
E-mail: rdyacc1@gmail.com
SAICA reg no. 09018797
IRBA reg no. 903944

Independent Auditor's Report to the Executive Board of Operation Jumpstart NPC

Report on the financial statements

We have audited the financial statements of Operation Jumpstart NPC set out on pages 5 to 14, which comprise the Statement of Financial Position as at 31 March 2016, the Statement of Income and Retained Earnings, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and the Notes, comprising a summary of significant Accounting Policies and other explanatory information.

Directors' responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Operation Jumpstart NPC at 31 March 2016, and its financial performance and its 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 Companies Act of South Africa.

Other matter

Without qualifying our opinion, we draw attention to the fact that the supplementary schedules set out on pages 15 to 18 do not form part of the Annual Financial Statements and is presented as additional information. We have not audited this schedule and accordingly do not express an opinion on it.

Other reports required by the Companies Act

As part of our audit of the financial statements for the year ended 31 March 2016, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between this report and the Audited Financial Statements. The Directors' Report is the responsibility of the directors. Based on reading the Directors' Report, we have not identified material inconsistencies between this report and the Audited Financial Statements. However, we have not audited the Directors' Report and accordingly do not express an opinion thereon.

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 we have been the auditor of Operation Jumpstart NPC for one year.



Y NAICKER
REGISTERED AUDITOR
Pietermaritzburg
31 October 2016

Statement of Financial Position as at 31 March 2016

	Note	2016 (R)	2015 (R)
ASSETS			
NON-CURRENT ASSETS			
		279 570 836	278 080 433
Property, Plant and Equipment	2	255 649	417 806
Investment property	3	117 326 105	115 519 650
Investments	4	161 989 082	162 142 977
		749 303	585 164
CURRENT ASSETS			
Trade and Other Receivables		69 000	499 284
Bank, Cash and Cash Equivalents	5	680 303	85 880
		280 320 139	278 665 597
Total Assets			
EQUITY AND LIABILITIES			
Equity		279 082 758	272 866 499
Retained earnings		279 082 758	272 866 499
		1 237 381	5 799 098
CURRENT LIABILITIES			
Trade and other payables		1 237 381	5 799 098
		280 320 139	278 665 597
Total Equity and Liabilities			

Statement of Changes in Equity for the Year Ended 31 March 2016

	Note	2016 (R)	2015 (R)
		Retained earning	
Balance at 31 March 2014			
Change in accounting policy	8	201 010 840	201 010 840
Balance restated at 31 March 2014		76 869 120	76 869 120
Net loss for the year		277 879 960	277 879 960
		(5 013 461)	(5 013 461)
		272 866 499	272 866 499
Balance at 31 March 2015		272 866 499	272 866 499
Project expenses written off		5 769 226	5 769 226
Balance restated at 31 March 2015		278 635 725	278 635 725
Net profit for the year		447 033	447 033
Balance at 31 March 2016		279 082 758	279 082 758

Statement of Cash Flow for the Year Ended 31 March 2016

	Note	2016 (R)	2015 (R)
Net cash retained in/withdrawn from operation activities		2 093 088	(7 288 873)
Cash generated from investments		7 329 046	7 329 342
Cash paid to suppliers and employees	7	(5 117 454)	(13 829 641)
Cash generated from operating activities		2 211 592	(6 500 299)
Cash utilised for other expenditure		(284 292)	(949 563)
Affiliation fees		2 600	3 000
Interest paid		(482)	(207)
Dividends received		35 872	29 250
Sundry income		127 798	128 946
Cash flow from investing activities		(1 652 560)	(5 759 629)
Purchase of Investment Property		(1 806 455)	(6 375 786)
Disposal of Investment Property		-	997 096
Purchase of Property, Plant and Equipment		-	(380 939)
Disposal of investments		153 895	-
Net increase/decrease in cash and cash equivalents		440 528	(13 048 502)
Cash and cash investments at the beginning of the year		162 228 857	175 277 359
Cash and cash investments at the end of year		162 669 385	162 228 857

Statement of Income and Retained Earnings for the Year Ended 31 March 2016

	Note	2016 (R)	2015 (R)
Income			
Interest Earned on Investments		7 329 046	7 329 342
Fair value adjustments		2 641 151	2 188 292
Dividends received		35 872	29 250
Other Income		130 398	(5 044)
Total Income		10 136 467	9 541 840
Expenses			
Operating expenses		(9 688 952)	(14 555 094)
Finance expenses		(482)	(207)
Profit / (loss) before taxation	6	447 033	(5 013 461)
Net profit / (loss) for the year		447 033	5 013 461
Retained earnings at the beginning of the year		278 635 725	277 879 960
Retained earnings as previously reported		272 866 499	201 010 840
Provision for project expenses written off		5 769 226	-
Change in accounting policy		-	76 869 120
Retained earnings at the end of the year		279 082 758	272 866 499

Detailed Income Statement for the Year Ended 31 March 2016

	Note	2016 (R)	2015 (R)
Operating expenses		(9 688 952)	(14 555 094)
ADMIN			
Accounting Fees		8 430	7 907
Audit Fees		64 330	51 300
Bank Charges		14 701	14 146
Cell Phone & Wireless Internet		108 245	45 171
Cleaning		2 141	728
Computer Network Maintenance		41 226	60 628
Conference Expenses		31 057	5 250
Consulting Fees		6 700	125 440
Courier & Postage		-	1 119
Electricity & Water - OJA Office		34 720	31 803
Equipment Repairs & Maintenance		-	400
Insurance Office Equipment		7 914	6 182
Insurance Office Premises		4 706	10 402
Internet		5 988	6 304
Leasing & Hire Costs		20 230	20 104
Legal Fees		39 092	63 582
Office Refreshments		3 002	2 323
Office Repairs & Maintenance		400	-
Parking OJA Staff		31 640	33 600
Photocopy Charges		6 047	4 757
Rates OJA Office		39 863	56 732
Rent Paid - Office Premises		153 246	80 208
Security		7 136	5 936
Stationery		13 451	9 849
Telephone & Fax		55 823	48 036
Operational Cost - Office Premises		83 069	116 107
Depreciation		162 156	180 793
Governance - Board Meetings		3 149	1 220
HR			
Directors Allowance		62 750	29 500
Salaries & Wages		1 955 695	1 563 668
Staff Benefits		149 762	143 195
Staff Development		-	10 235
Consultants - Legal		-	42 240
Consultants - Recruiting & Advertising		-	26 676
Admin - Office Supplies & Gifts		855	1 116

Detailed Income Statement for the Year Ended 31 March 2016 (continued)

	Note	2016 (R)	2015 (R)
PR			
Annual Report		12 312	-
Marketing Material		-	6 156
Website		5 417	7 227
PROJECTS			
Accommodation		29 691	40 203
Architectural Services		40 085	73 068
Capacity Building		-	98 787
Cleaning on properties		-	63 391
Electricity & Water - Properties		76 536	153 259
Equipment Donated		144 708	426 143
Insurance on Properties		216 008	196 371
Maintenance on Properties		223 270	48 931
Meals		20 002	19 804
Plaques		7 689	-
Protective Clothing		-	1 101
Rates on Properties		132 834	482 751
Security on Properties		148 261	319 302
Transfer of CCC Properties		274 074	693 797
Wheelchairs Donated		2 274 213	2 056 790
Project Expenses		2 790 900	6 852 922
TRANSPORT			
Transport Expenses		56 096	94 801
Insurance on Vehicles		100 641	89 773
Toll Fees		3 568	6 051
Vehicle Rental		-	5 316
Vehicle Repairs & Maintenance		15 123	12 493
Finance Expenses		(482)	(207)
Admin - Interest Paid		482	207
Profit / (loss) before taxation		447 033	5 013 461
Net profit / (loss) for the period		447 033	5 013 461





**OPERATION
JUMPSTART
ASSOCIATION**
NON-PROFIT COMPANY

**Office No.: 711-717 Musgrave Office Tower
115 Musgrave Road, Durban**

PO Box 52204, Berea, 4007

**Tel: 031 201 3490/3976/3770
Fax: 086 548 2338/031 201 1835**

**Email: info@ojafund.co.za/lottoja@saol.com
Website: www.operationjumpstart.info**

**Report compiled by: Bongani Khumalo and Mabuyi Mtshali
Edited by: Bongani Khumalo, Mabuyi Mtshali and Artworks**