



Growing talent and opportunity in rural Africa.

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Axium Education NPC

(Registration number 2009/005913/08)

Annual Financial Statements for the year ended 31 December 2021

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Provision of quality education for rural learners
Directors	C.R. Paxton M.L. Paxton E.B. Torrance P. Moyo N.A. Petse G.R. Coe
Registered office	Church Grounds Zithulele Village Mqanduli Eastern Cape 5080
Business address	Church Grounds Zithulele Village Mqanduli Eastern Cape 5080
Postal address	P.O. Box 803 Mqanduli Eastern Cape 5080
Bankers	Nedbank
Auditor	L. Dart Chartered Accountant (S.A) Registered Auditor
Secretary	
Company registration number	2009/005913/08

Axiom Education NPC
(Registration number 2009/005913/08)

Annual Financial Statements for the year ended 31 December 2021

Index

The reports and statements set below comprise the annual financial statements presented to the members:

Index	<i>Page</i>
Independent Auditor's Report	3 - 4
Directors' Responsibilities and Approval	5
Directors' Report	6 - 7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12 - 16
Notes to the Annual Financial Statements	17 - 21
Detailed Income Statement	22 - 23

Independent Auditor's Report

To the members of Axiom Education NPC

We have audited the annual financial statements of Axiom Education NPC which comprises of the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 8 to 21.

Directors' Responsibility for the Annual Financial Statements

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and in the manner required by the Companies Act of South Africa, 2008. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the annual financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these annual 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 whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud and error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual 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 annual financial statements.

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

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Axium Education NPC as at 31 December 2021 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 in the manner required by the Companies Act in South Africa.

Cash income received

Without qualifying our opinion above, in common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections from donations prior to initial entry of the collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond receipts actually recorded.



L.F. Dart
Chartered Accountant (S.A.)
Registered Auditor

EAST LONDON
30 May 2022

Annual Financial Statements for the year ended 31 December 2020

Directors' Responsibilities and Approval

The directors are required by the South African Companies Act 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 company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

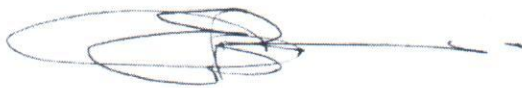
The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet their responsibilities, the board of directors set 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 all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted 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 endeavors 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 directors have reviewed the company's cash flow forecast for the year to 31 December 2022 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. For this reason, they continue to adopt the going concern basis in preparing the annual financial statements.

The annual financial statements for the year ended 31 December 2021 set out on pages 6 to 23 were approved by the board of directors on 30 May 2022 and are signed on its behalf by:



.....
E.B. Torrance

Chairman

Annual Financial Statements for the year ended 31 December 2021

Directors' Report

The directors have pleasure in presenting their report for the year ended 31 December 2021.

1. Business activities

The company's activities are geared towards the provision of quality education for rural learners, across the full range of grades and subjects. The geographic focus of operations is in the areas surrounding the villages of Zithulele (near Mqanduli) and Jingqi (near Willowvale) - both in the Eastern Cape Province of South Africa. The 2021 financial year represents the eleventh year of full-time operation, supporting teachers and students at six senior secondary schools and six primary/junior secondary schools, as well as being the School Operating Partner to a group of eight schools – a total of ~3500 learners.

2021 marked the return to some levels of normalcy after the highly disrupted year of 2020. Our 7 AmaJingqi primary schools were able to return to full time instruction from the beginning of 2021, with the rest of the schools following their lead around mid-year. Our programmes were affected by the various COVID waves, but otherwise operations were relatively smooth.

The SSS Network for school senior management teams did not meet in 2021 due to COVID restrictions.

Axium also operates the Ekukhuleni Centre, an after-school support programme for motivated students from six senior secondary schools. Approximately 120 students (~40 each in Grades 10 – 12) are supported by the programme. Students receive additional tuition in science, maths, English and leadership on Saturdays and during school holidays. They also receive career guidance and job shadowing opportunities throughout the year. Our tenth class of Grade 12 students graduated at the end of 2021, with good numbers of students achieving bachelors passes with maths and science, including several students now enrolled in fully-funded degrees in accounting and the health sciences. The effects of COVID were definitely seen in our 2021 matric results, with the Grade 11 class of 2020 having been largely neglected by schools, we experienced an unusually high number of failures.

Yenzokuhle, a mathematics programme for Grade 8 and 9 students was launched in January 2020. Funded by Zenex, the programme works in partnership with two local schools, serving all students in these grades, in an "embedded" model. Olico and Maths Buddies were both tried during the course of the year, with Olico the preferred choice going forward. Since this programme is largely digital, it lent itself well to the COVID-19 restrictions and has since matured into a stable programme serving around 400 learners.

The Masakhane Programme shifted its focus to Grade 4-7 learners in 2021, drawing from three local primary schools. The after-school programme makes use of a combination of digital maths instruction, traditional teaching and an English literacy programme based on Teaching at the Right Level principles. The programme aims to encourage English language acquisition and strengthen maths foundations ahead of high school. The development of student agency is a key feature of the work.

2021 saw continued consolidation of our Community Readers / Nobalisa programme, which aims to grow literacy in the community and in schools. Young people from the community are trained and deployed as Nobalisa (or storytellers) and thus far have made a remarkable impact on the young children they have worked with. Our partnership with the Community Work Programme added two new Nobalisa schools since 2017 through their structures, but since COVID struck in March 2020 CWP participants have been unable to work. This partnership will be closed down early in 2022. The Teaching at the Right Level (TaRL) approach is now active in all 13 schools where the Nobalisa Programme runs and there is a strong curriculum and resource bank. Axium has applied for funding through the Social Employment Fund (SEF), which will allow the Nobalisa Programme to grow into four new schools in 2022.

The initial four-year pilot of the Public School Partnership model in the Eastern Cape was renewed towards the end of 2021, and the Province and PSP funding group have given approval for expansion. The project launched in January 2018 and works in partnership with 8 schools under the jurisdiction of the AmaJingqi Royal Council. Our mandate as a “School Operating Partner” is to significantly improve the quality of learning in these schools, and we have adopted a holistic approach to do so – including teacher coaching, infrastructure development, technology and other resourcing. The PSP team continues to demonstrate that success is possible in a deep rural setting: there has been a steady increase in the number of Grade 3 learners “reading for meaning” (currently 2-3 times the national average for isiXhosa EGRA); dropout rates have decreased significantly over the four years; and there has been an exponential increase in the number of learners accessing tertiary study. In December 2021 we added a new PSP school at our Zithulele site, the first of what we hope will be a cluster of 5+ PSP schools in the area.

Our thanks to donors from around the world who enabled 2021 to be another productive year of growth.

2. Financial review

Main business and operations

The results of the company and the state of affairs are set out in the attached financial statements and do not, in our opinion, require further comments.

The company’s net surplus for the year amounted to R1 688 368 (2020: R1 984 042), details thereof are fully disclosed in the statement of comprehensive income on page 9. This surplus is utilised for building accommodation.

3. Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. The financial future of the entity is dependent upon continued support from donations and fundraising. The directors confirm that active fundraising is taking place.

4. Events after the reporting period

The directors are not aware of any matter or circumstance arising between balance sheet date and the date of this report.

5. Directors

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

C.R. Paxton

M.L. Paxton

E.B. Torrance

P. Moyo

N.A. Petse

G.R. Coe

6. Secretary

The secretary of the company is Nicola Husemeyer.

7. Auditors

L. Dart will continue in office in accordance with section 90 of the Companies Act, 71 of 2008.

8. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act.

Annual Financial Statements for the year ended 31 December 2021

Statement of Financial Position

	<i>Note</i>	2021 R	2020 R
Assets			
Non-current assets			
Property, plant and equipment	2	<u>3 708 332</u>	3 464 887
Current assets			
Trade and other receivables	3	190 148	157 238
Cash and cash equivalents	4	<u>5 587 947</u>	6 826 251
		<u>5 778 095</u>	6 983 489
Total assets		<u>9 486 427</u>	<u>10 448 376</u>
Equity and liabilities			
Equity			
Accumulated funds		<u>7 546 880</u>	5 858 512
Current liabilities			
Trade and other payables	5	536 784	737 476
Deferred income	6	<u>1 402 763</u>	3 852 388
		<u>1 939 547</u>	4 589 864
Total equity and liabilities		<u>9 486 427</u>	<u>10 448 376</u>

Axium Education NPC

(Registration number 2009/005913/08)

Annual Financial Statements for the year ended 31 December 2021

Statement of Comprehensive Income

	<i>Note</i>	2021	2020
		R	R
Revenue		18 867 399	17 405 208
Operating expenses		(17 432 761)	(15 711 591)
Operating surplus	8	1 434 638	1 693 617
Investment revenue	9	265 555	290 425
Finance costs		(11 825)	-
Surplus for the year		<u>1 688 368</u>	<u>1 984 042</u>

Axium Education NPC

(Registration number 2009/005913/08)

Annual Financial Statements for the year ended 31 December 2021

Statement of Changes in Equity

	Accumulated funds R	Total funds R
Balance at 1 January 2020	3 874 470	3 874 470
Changes in funds		
Total comprehensive surplus for the year	<u>1 984 042</u>	<u>1 984 042</u>
Balance at 1 January 2021	5 858 512	5 858 512
Changes in funds		
Total comprehensive surplus for the year	<u>1 688 368</u>	<u>1 688 368</u>
Total changes	<u>1 688 368</u>	<u>1 688 368</u>
Balance at 31 December 2021	<u>7 546 880</u>	<u>7 546 880</u>

Axium Education NPC

(Registration number 2009/005913/08)

Annual Financial Statements for the year ended 31 December 2021**Statement of Cash Flows**

		2021 R	2020 R
Cash flows from operating activities		(276 011)	3 288 385
Cash receipts from donors and customers		18 834 489	17 331 397
Cash paid to suppliers and employees		19 364 230	14 333 437
Cash (utilised) / generated by operations	<i>11</i>	(529 741)	2 997 960
Finance costs		(11 825)	-
Interest received		265 555	290 425
Cash flows from investing activities		(962 293)	(2 110 722)
Additions to property, plant and equipment	<i>2</i>	(1 108 336)	(2 110 722)
Disposals to property, plant and equipment	<i>2</i>	146 043	-
Total cash movement for the year		(1 238 304)	1 177 663
Cash and cash equivalents at the beginning of year		6 826 251	5 648 588
Total cash at end of the year	<i>4</i>	5 587 947	6 826 251

Annual Financial Statements for the year ended 31 December 2021

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, except for certain financial instruments at fair value, 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

The cost of an item of property, plant and equipment 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 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.

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on a straight line basis over the expected useful lives to their estimated residual value.

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

Item	Average useful life
Leasehold property	10 years
Motor vehicles	5 years
Computer equipment	3 years
Solar system	5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

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

Annual Financial Statements for the year ended 31 December 2021

Accounting Policies

1.2 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equal instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Loans to/(from) related parties

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Loans to related parties are classified as loans and receivables.

Loans from related parties are classified as financial liabilities measured at amortised cost.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivables are impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Annual Financial Statements for the year ended 31 December 2021

Accounting Policies

1.2 Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.3 Impairment of assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in the profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss is recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

Axiom Education NPC

(Registration number 2009/005913/08)

Annual Financial Statements for the year ended 31 December 2021

Accounting Policies

1.4 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 employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

1.5 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and
- a reliable estimate of the obligation can be made.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

1.6 Grants and donations

Grants and donations are recognised when there is reasonable assurance that:

- the company will comply with the conditions attaching to them; and
- the grants will be received

Grants and donations are recognised as income over periods necessary to match them with related costs that they are intended to compensate.

Grants and donations related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants and donations related to income are presented as a credit in the profit and loss (separately).

Axiom Education NPC

(Registration number 2009/005913/08)

Annual Financial Statements for the year ended 31 December 2021

Accounting Policies

1.6 Grants and donations (continued)

Repayments of grants and donations related to income is applied first against any un-amortised deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or where no deferred credit exists, the repayment is recognised immediately as an expense.

Repayments of grants and donations related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised to date as an expense in the absence of the grant is recognised immediately as an expense.

1.7 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the balance sheet date can be measured reliably;
- and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in the profit or loss, using the effective interest rate method.

Royalties are recognised on the accrual basis in accordance with the substance of the relevant agreements.

1.8 Borrowing costs

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

Axium Education NPC

(Registration number 2009/005913/08)

Annual Financial Statements for the year ended 31 December 2021**Notes to the Annual Financial Statements****2. Property, plant and equipment**

	2021			2020		
	Cost / Valuation	Accumulated depreciation	Carrying Value	Cost / Valuation	Accumulated depreciation	Carrying Value
Leasehold property	2 611 305	(708 035)	1 903 270	2 542 702	(448 180)	2 094 522
Motor vehicles	2 255 136	(574 800)	1 680 336	1 902 986	(668 703)	1 234 283
Computer equipment	299 427	(256 914)	42 513	253 344	(223 537)	29 807
Solar system	120 311	(38 098)	82 213	120 311	(14 036)	106 275
	5 286 179	(1 577 847)	3 708 332	4 819 343	(1 354 456)	3 464 887

Reconciliation of property, plant and equipment - 2021

	Opening carrying value	Additions	Disposals	Depreciation	Closing carrying value
Leasehold property	2 094 522	68 603	-	(259 855)	1 903 270
Motor vehicles	1 234 283	993 650	(146 043)	(401 554)	1 680 336
Computer equipment	29 807	46 083	-	(33 377)	42 513
Solar system	106 275	-	-	(24 062)	82 213
	3 464 887	1 108 336	(146 043)	(718 848)	3 708 332

Reconciliation of property, plant and equipment - 2020

	Opening carrying value	Additions	Disposals	Depreciation	Closing carrying value
Leasehold property	1 185 451	1 065 656	-	(156 585)	2 094 522
Motor vehicles	650 684	916 930	-	(333 331)	1 234 283
Computer equipment	61 393	7 825	-	(39 411)	29 807
Solar system	-	120 311	-	(14 036)	106 275
	1 897 528	2 110 722	-	(543 363)	3 464 887

Annual Financial Statements for the year ended 31 December 2021

Notes to the Annual Financial Statements

	2021 R	2020 R
3. Trade and other receivables		
Trade receivables	51 976	15 315
Other receivables	10 732	114 502
SARS - VAT	127 440	27 421
	<u>190 148</u>	<u>157 238</u>
4. Cash and cash equivalents		
Cash and cash equivalents consists of:		
Cash on hand	7 806	2 540
Bank balances	5 580 141	6 823 711
	<u>5 587 947</u>	<u>6 826 251</u>
5. Trade and other payables		
Trade payables	180 201	701 551
Other payables	13 000	-
SARS - EMP201	308 025	-
Calculator fund	650	2 281
African Scholars Holdings	34 908	33 644
	<u>536 784</u>	<u>737 476</u>
6. Deferred income		
Grants received in advance		
Donor		
Edgar Droste	20 000	-
Paypal	11 984	-
The DG Murray Trust	-	1 160 500
The DG Murray Trust - Partnership Schools Partnership	-	1 259 657
Ubuntu Global Connections	1 120 779	192 854
Weaver Family Foundation	-	962 067
Solon Foundation South Africa	-	27 310
The R.B. Hagart Trust	250 000	250 000
	<u>1 402 763</u>	<u>3 852 388</u>

Grants and donations received in the current year, to fund next year's expenditure.

Annual Financial Statements for the year ended 31 December 2021

Notes to the Annual Financial Statements

	2021	2020
	R	R
7. Restricted donations		
Homestay	200 000	1 134 000
Touch rugby tours and coaching	-	-
	<u>200 000</u>	<u>1 134 000</u>
8. Operating surplus		
Operating surplus for the year is stated after accounting for the following:		
Depreciation on property, plant and equipment	718 848	543 363
Employee costs	12 387 072	10 944 211
	<u>12 387 072</u>	<u>10 944 211</u>
9. Investment revenue		
Interest revenue		
Bank	265 555	290 425
	<u>265 555</u>	<u>290 425</u>
10. Auditor's remuneration		
Annual audit	20 350	18 500
	<u>20 350</u>	<u>18 500</u>
11. Cash (utilised) / generated by operations		
Surplus for the year	1 688 368	1 984 042
Adjustments for:		
Depreciation	718 848	543 363
Finance costs	11 825	-
Interest received	(265 555)	(290 425)
Changes in working capital :		
Trade and other receivables	(32 910)	(73 811)
Trade and other payables	(200 692)	(10 461)
Deferred income	(2 449 625)	845 252
	<u>(529 741)</u>	<u>2 997 960</u>

12. Taxation

No provision for taxation has been made for the company as it is exempt from taxation in terms of section 30 and 10(1)(cN) of the Income Tax Act, 58 of 1962.

Axium Education NPC

(Registration number 2009/005913/08)

Annual Financial Statements for the year ended 31 December 2021

Notes to the Annual Financial Statements

	2021 R	2020 R
13. Related parties		
Relationships		
The directors are identified in the director's report. Zithulele Independent School NPC - Common director: C.R. Paxton		
Related party balances		
Trade and other payables - Zithulele Independent School NPC	-	-
Trade and other payables - C.R. Paxton	-	-
	<u>-</u>	<u>-</u>
Related party transactions		
Donation income - C.R. Paxton	-	-
Director's remuneration - M.L. Paxton	394 810	371 800
Director's remuneration - C.R. Paxton	507 520	430 450
	<u>902 330</u>	<u>802 250</u>

14. List of major funders

Allan and Jill Gray Philanthropy
Anglo American Chairman's Fund
Desmond Leech Bequest
DG Murray Trust
Edgar Droste Trust
Freddie Marincowitz Foundation
Kamvalethu
Mones Michaels Trust
Public Schools Partnerships
R.B. Hagart Trust
Solon Foundation South Africa
Younger Family Foundation (USA)
Zenex Foundation
Weaver Family Foundation (USA)

15. Reserve funds

Accumulated surplus	7 546 880	5 858 512
Carrying value of property, plant and equipment	<u>(3 708 332)</u>	<u>(3 464 887)</u>
Closing balance	<u>3 838 548</u>	<u>2 393 625</u>

(3 months of operations)

Axiom Education NPC

(Registration number 2009/005913/08)

Annual Financial Statements for the year ended 31 December 2021

Notes to the Annual Financial Statements

16. Directors' emoluments

Executive

2021	Emoluments	Pension paid or receivables	Compensation for loss of office	Gain on exercise of options	Total
In connection with affairs of the company	R	R	R	R	R
C.R. Paxton	507 520	-	-	-	507 520
M.L. Paxton	394 810	-	-	-	394 810
	<u>902 330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>902 330</u>

Non-executive

2021	Emoluments	Pension paid or receivables	Compensation for loss of office	Gain on exercise of options	Total
For services as directors	R	R	R	R	R
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

17. Risk management

Financial risk management

The company's activities expose it to financial risks arising from market risk (including cash flow and interest rate risk) and credit risk.

Interest rate risk

The company generally adopts a policy of ensuring that its exposure to changes in interest rates is on a floating rate basis.

Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Reputable financial institutions are used for investing and cash handling purposes.

At balance sheet date there were no significant concentrations of credit risk.

Annual Financial Statements for the year ended 31 December 2021

Detailed Income Statement

	Notes	2021 R	2020 R
Revenue			
Funding received		17 306 650	15 633 636
Donations received - Restricted	7	200 000	1 134 000
Donations received - Unrestricted		955 583	637 572
		<u>18 462 233</u>	<u>17 405 208</u>
Other income			
Insurance proceeds received		203 209	-
Interest received	9	265 555	290 425
Profit on disposal of property, plant and equipment		201 957	-
		<u>670 721</u>	<u>290 425</u>
Operating expenses (refer to page 23)		<u>(17 444 586)</u>	<u>(15 711 591)</u>
Surplus for the year		<u>1 688 368</u>	<u>1 984 042</u>

Axium Education NPC

(Registration number 2009/005913/08)

Annual Financial Statements for the year ended 31 December 2021**Detailed Income Statement (continued)**

	2021 R	2020 R
Expenditure		
Amajingqi	-	-
Careers and bridging	87 805	75 508
Depreciation of property, plant and equipment	718 848	543 363
Employee costs	12 387 072	10 944 211
Finance costs	11 825	-
General office expenses	796 003	469 200
Literacy	70 046	94 887
Masakhane	167 574	228 880
Numeracy	-	820
Public Schools Partnership	2 811 423	3 105 494
Senior School programmes	378 148	249 228
Sport	-	-
Teachers and SMT	15 842	-
Technology	-	-
	<u>17 444 586</u>	<u>15 711 591</u>

Employee costs consists mainly of in-school programmatic staff costs.