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Directors: Francois Geldenhuys Wayne Turner  
Company Registration No: 2020/426403/07  
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**People of Love NPC**  
(Registration Number 2020/739013/08)  
Annual Financial Statements  
for the year ended 28 February 2022

**Compiled Financial Statements**

Prepared by: SJ du Plooy  
Professional designation: BAP (SA)

# People of Love NPC

(Registration Number 2020/739013/08)

Annual Financial Statements for the year ended 28 February 2022

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# People of Love NPC

(Registration Number 2020/739013/08)

Annual Financial Statements for the year ended 28 February 2022

## General Information

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<b>Country of Incorporation and Domicile</b>	South Africa
<b>Registration Number</b>	2020/739013/08
<b>Registration Date</b>	05 October 2020
<b>Nature of Business and Principal Activities</b>	The non-profit company principal activity is to uplift individuals and communities, which includes promoting health and well-being, and providing food relief.
<b>Directors</b>	Daron Lester Chatz Nadja Fredericks Martina Hopff Shirley-Ann Redman
<b>Registered Office</b>	Shop no 12 Upperdeck Building Plettenberg Bay 6600
<b>Business Address</b>	Shop no 12 Upperdeck Building Plettenberg Bay 6600
<b>Postal Address</b>	PO Box 1396 Plettenberg Bay 6600
<b>Bankers</b>	First National Bank
<b>Tax Number</b>	9758936174
<b>Level of Assurance</b>	These financial statements have been compiled in compliance with the applicable requirements of the International Standard on Related Services 4410: Engagements to Compile Financial Statements.
<b>Preparer</b>	SJ du Plooy Business Accountant in Practice BAP (SA) 9334

# People of Love NPC

(Registration Number 2020/739013/08)

Annual Financial Statements for the year ended 28 February 2022

## Directors' Responsibilities and Approval

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The directors 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 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 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 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 set out on pages 7 to 15, and the supplementary information set out on page 16 which have been prepared on the going concern basis, were approved by the directors and were signed on 11 July 2022 on their behalf by:



Daron Lester Chatz



Nadja Fredericks



Martina Hopff



Shirley-Ann Redman

# People of Love NPC

(Registration Number 2020/739013/08)

Annual Financial Statements for the year ended 28 February 2022

## Directors' Report

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The directors present their report for the year ended 28 February 2022.

### 1. Review of financial results and activities

#### Main business and operations

The non-profit company principal activity is to uplift individuals and communities, which includes promoting health and well-being, and providing food relief. There were no major changes herein during the year.

The non-profit company generated a deficit after tax for the year ended 28 February 2022 of R97,759 (2021: surplus of R105,132).

The non-profit company's revenue increased from R145,115 in the prior year to R146,990 for the year ended 28 February 2022.

Non-Profit Company cash flows from operating activities changed from an inflow of R110,902 in the prior year to an outflow of R95,482 for the year ended 28 February 2022.

### 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.

The directors have given due consideration to the potential impact of the COVID-19 pandemic on the non-profit company's ability to continue as a going concern. The directors believe that the pandemic will have a temporary impact on the business activities. Notwithstanding these short-term challenges the directors are of the view that the non-profit company has sufficient resources to continue as a going concern.

### 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.

#### Impact of COVID-19

The non-profit company is committed to contributing to the prevention of the spread of COVID-19 and will comply fully with the measures announced by the South African Government.

Management will continue to assess the financial impact of COVID-19 and its impact on the non-profit company's financial condition, liquidity, operations, suppliers, industry and workforce, while placing the health and safety of employees first.

Except for the above, 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.

### 4. Directors' interest in contracts

To our knowledge none of the directors had any interest in contracts entered into during the year under review.

# People of Love NPC

(Registration Number 2020/739013/08)

Annual Financial Statements for the year ended 28 February 2022

## Directors' Report

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### 5. Borrowing limitations

In terms of the Memorandum of Incorporation of the non-profit company, the directors may exercise all the powers of the non-profit company to borrow money, as they consider appropriate.

### 6. Donation

No donation was declared or paid to the member during the year.

### 7. Directors

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

Daron Lester Chatz

Nadja Fredericks

Martina Hopff

Shirley-Ann Redman



**perfect  
balancing**  
*Accounting &  
Tax Services*

## Report of the Compiler

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### To the Directors of People of Love NPC

We have compiled the accompanying financial statements of People of Love NPC based on information you have provided. These financial statements comprise the statement of financial position as at 28 February 2022, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

**PB Accounting Services**

**4 July 2022**

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Per: SJ du Plooy  
Business Accountant in Practice (SA)

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D'Urbanvale  
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7550



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# People of Love NPC

(Registration Number 2020/739013/08)

Financial Statements for the year ended 28 February 2022

## Statement of Financial Position

Figures in R

	Notes	2022	2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	4,878	-
<b>Current assets</b>			
Trade and other receivables	5	2,368	-
Cash and cash equivalents	6	11,354	110,902
<b>Total current assets</b>		<b>13,722</b>	<b>110,902</b>
<b>Total assets</b>		<b>18,600</b>	<b>110,902</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Accumulated surplus		7,373	105,132
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loan from director	8	1,594	-
<b>Current liabilities</b>			
Trade and other payables	7	9,633	5,770
<b>Total liabilities</b>		<b>11,227</b>	<b>5,770</b>
<b>Total equity and liabilities</b>		<b>18,600</b>	<b>110,902</b>

# People of Love NPC

(Registration Number 2020/739013/08)

Financial Statements for the year ended 28 February 2022

## Statement of Comprehensive Income

Figures in R

	Notes	2022	2021
Revenue	9	146,990	145,115
Cost of sales	10	<u>(113,222)</u>	<u>(14,200)</u>
<b>Gross surplus</b>		<b>33,768</b>	<b>130,915</b>
Administrative expenses	11	(14,107)	(5,818)
Other expenses	12	<u>(117,420)</u>	<u>(19,965)</u>
<b>(Deficit) / surplus from operating activities</b>		<b>(97,759)</b>	<b>105,132</b>
<b>(Deficit) / surplus for the year</b>		<b><u>(97,759)</u></b>	<b><u>105,132</u></b>

# People of Love NPC

(Registration Number 2020/739013/08)

Financial Statements for the year ended 28 February 2022

## Statement of Changes in Equity

Figures in R	Accumulated surplus	Total
<b>Changes in equity</b>		
Surplus for the year	105,132	105,132
Total comprehensive income for the year	105,132	105,132
<b>Balance at 28 February 2021</b>	<b>105,132</b>	<b>105,132</b>
<b>Balance at 1 March 2021</b>	105,132	105,132
<b>Changes in equity</b>		
Deficit for the year	(97,759)	(97,759)
Total comprehensive income for the year	(97,759)	(97,759)
<b>Balance at 28 February 2022</b>	<b>7,373</b>	<b>7,373</b>

# People of Love NPC

(Registration Number 2020/739013/08)

Financial Statements for the year ended 28 February 2022

## Statement of Cash Flows

Figures in R

	Note	2022	2021
<b>Cash flows from / (used in) operations</b>			
<b>(Deficit) / surplus for the year</b>		<b>(97,759)</b>	<b>105,132</b>
<b>Adjustments to reconcile (deficit) / surplus</b>			
Adjustments for increase in trade accounts receivable		(2,368)	-
Adjustments for increase in trade accounts payable		5,147	4,486
Adjustments for (decrease) / increase in other operating payables		(1,284)	1,284
Adjustments for depreciation and amortisation expense		782	-
<b>Total adjustments to reconcile (deficit) / surplus</b>		<b>2,277</b>	<b>5,770</b>
<b>Net cash flows (used in) / from operations</b>		<b>(95,482)</b>	<b>110,902</b>
<b>Cash flows used in investing activities</b>			
Purchase of property, plant and equipment		(5,660)	-
<b>Cash flows used in investing activities</b>		<b>(5,660)</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Proceeds from other financial liabilities		1,594	-
<b>Cash flows from financing activities</b>		<b>1,594</b>	<b>-</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(99,548)</b>	<b>110,902</b>
Cash and cash equivalents at beginning of the year		110,902	-
<b>Cash and cash equivalents at end of the year</b>	<b>6</b>	<b>11,354</b>	<b>110,902</b>

# People of Love NPC

(Registration Number 2020/739013/08)

Financial Statements for the year ended 28 February 2022

## Accounting Policies

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### 1. General information

People of Love NPC ('the non-profit company') principal activity is to uplift individuals and communities, which includes promoting health and well-being, and providing food relief.

The non-profit company is incorporated as a Non-Profit Company and domiciled in South Africa. The address of its registered office is Shop no 12, Upperdeck Building, Plettenberg Bay, 6600.

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

The financial statements of People of Love NPC have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The financial statements have been prepared under the historical cost convention. They are presented in South African Rand.

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 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:

Asset class	Useful life / depreciation rate
Equipment	5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains / (losses)' in the statement of comprehensive income.

#### 2.2 Financial instruments

##### Loan to (from) director, manager or employee

The loan from director is classified as a debt instrument, and is initially measured at transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

# People of Love NPC

(Registration Number 2020/739013/08)

Financial Statements for the year ended 28 February 2022

## Accounting Policies

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

#### **Trade and other receivables**

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the non-profit company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

#### **Trade and other payables**

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

### **2.3 Revenue**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

Revenue from the sale of goods is recognised when:

- significant risks and rewards of ownership of the goods have been transferred to the buyer;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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; and
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of transactions involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### **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.

### **2.4 Employee benefits**

Employee benefits are all forms of consideration given by an entity in exchange for services rendered by employees or for the termination of employment.

# People of Love NPC

(Registration Number 2020/739013/08)

Financial Statements for the year ended 28 February 2022

## Accounting Policies

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

### 2.5 Borrowing costs

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

### 3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No significant estimates and adjustments have been applied in the preparation of these financial statements.

# People of Love NPC

(Registration Number 2020/739013/08)

Financial Statements for the year ended 28 February 2022

## Notes to the Financial Statements

Figures in R

2022

2021

### 4. Property, plant and equipment

	Equipment	Total
<b>Reconciliation for the year ended 28 February 2022</b>		
<b>Balance at 1 March 2021</b>		
At cost	-	-
Accumulated depreciation	-	-
<b>Carrying amount</b>	<b>-</b>	<b>-</b>
<b>Movements for the year ended 28 February 2022</b>		
Additions from acquisitions	5,660	5,660
Depreciation	(782)	(782)
<b>Property, plant and equipment at the end of the year</b>	<b>4,878</b>	<b>4,878</b>
<b>Closing balance at 28 February 2022</b>		
At cost	5,660	5,660
Accumulated depreciation	(782)	(782)
<b>Carrying amount</b>	<b>4,878</b>	<b>4,878</b>

### 5. Trade and other receivables

Trade receivables	2,368	-
<b>Total trade and other receivables</b>	<b>2,368</b>	<b>-</b>

### 6. Cash and cash equivalents

<b>Cash</b>		
Balances with banks	11,354	110,902
	<b>11,354</b>	<b>110,902</b>

### 7. Trade and other payables

Trade creditors	9,633	4,486
Accrued liabilities	-	1,284
<b>Total trade and other payables</b>	<b>9,633</b>	<b>5,770</b>

### 8. Loan from director

Anni le Roux	1,594	-
	<b>1,594</b>	<b>-</b>

### 9. Revenue

Sale of goods	9,926	-
Donations received	137,064	8,023
Other income	-	137,092
<b>Total revenue</b>	<b>146,990</b>	<b>145,115</b>

# People of Love NPC

(Registration Number 2020/739013/08)

Financial Statements for the year ended 28 February 2022

## Notes to the Financial Statements

Figures in R

2022

2021

### 10. Cost of sales

Sale of goods	68,465	330
Rendering of services	44,757	13,870
<b>Total cost of sales</b>	<b>113,222</b>	<b>14,200</b>

### 11. Administrative expenses

Accounting and consulting fees	11,299	4,375
Bank charges	2,528	1,163
Computer expenses	-	280
Telecommunication	280	-
<b>Total administrative expenses</b>	<b>14,107</b>	<b>5,818</b>

### 12. Other expenses

Advertising	35,295	14,000
Cleaning	1,781	-
Depreciation	782	-
Electricity and water	4,059	-
Employee benefit expenses	54,997	1,284
Entertainment	1,575	3,260
General expenses	1,699	-
Motor vehicle expense	5,178	413
Printing and stationery	5,861	257
Protective clothing	4,668	640
Repairs and maintenance	1,525	-
Travel - Local	-	111
<b>Total other expenses</b>	<b>117,420</b>	<b>19,965</b>

# People of Love NPC

(Registration Number 2020/739013/08)

Annual Financial Statements for the year ended 28 February 2022

## Detailed Income Statement

Figures in R

	Notes	2022	2021
<b>Revenue</b>	9		
Bakery		9,926	-
Donations received		127,064	8,023
Kranshoek donations		10,000	-
Other income		-	137,092
		<b>146,990</b>	<b>145,115</b>
<b>Cost of sales</b>	10		
Bakery		(30,188)	-
Clean-up Kranshoek		(18,479)	-
Clean-up Kwanokuthula		(26,278)	(2,550)
Kranshoek soup kitchen		(32,329)	(330)
Mid week market		(5,948)	-
Plett volunteers		-	(11,320)
		<b>(113,222)</b>	<b>(14,200)</b>
<b>Gross surplus</b>		<b>33,768</b>	<b>130,915</b>
<b>Administrative expenses</b>	11		
Accounting and consulting fees		(11,299)	(4,375)
Bank charges		(2,528)	(1,163)
Computer expenses		-	(280)
Telecommunication		(280)	-
		<b>(14,107)</b>	<b>(5,818)</b>
<b>Other expenses</b>	12		
Advertising		(35,295)	(14,000)
Cleaning		(1,781)	-
Depreciation - property, plant and equipment		(782)	-
Electricity and water		(4,059)	-
Employee costs		(54,997)	(1,284)
Entertainment		(1,575)	(3,260)
General expenses		(1,699)	-
Motor vehicle expense		(5,178)	(413)
Printing and stationery		(5,861)	(257)
Protective clothing		(4,668)	(640)
Repairs and maintenance		(1,525)	-
Travel - Local		-	(111)
		<b>(117,420)</b>	<b>(19,965)</b>
<b>(Deficit) / surplus from operating activities</b>		<b>(97,759)</b>	<b>105,132</b>
<b>(Deficit) / surplus for the year</b>		<b>(97,759)</b>	<b>105,132</b>