



People of Love NPC
Registration Number 2020/739013/08

Annual Financial Statements for the year ended 28 February 2023

People of Love NPC
(Registration Number 2020/739013/08)
Annual Financial Statements
for the year ended 28 February 2023

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 2023

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General Information

Country of Incorporation and Domicile	South Africa
Registration Number	2020/739013/08
Registration Date	05 October 2020
Nature of Business and Principal Activities	The non-profit company principal activity is to uplift individuals and communities, which includes promoting health and well-being, and providing food relief.
Directors	Daron Lester Chatz Martina Hopff Shirley-Ann Redman Ann Helen Le Roux Nadja Fredericks (Resigned 18 May 2022)
Registered Office	Shop no 12 Upperdeck Building Plettenberg Bay 6600
Business Address	Shop no 12 Upperdeck Building Plettenberg Bay 6600
Postal Address	PO Box 1396 Plettenberg Bay 6600
Bankers	First National Bank
Tax Number	9758936174
Level of Assurance	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.
Business Accountants in Practice (SA)	Perfect Balancing Accounting and Tax Services 3 Andante Close D'Urbanvale Durbanville 7550
Preparer	SJ du Plooy Business Accountant in Practice BAP (SA) 9334

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Directors' Responsibilities and Approval

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 annual financial statements support the viability of the non-profit company.

The annual financial statements set out on pages 7 to 16, and the supplementary information set out on page 17 which have been prepared on the going concern basis, were approved by the directors and were signed on 12 May 2023 on their behalf by:



Daron Lester Chatz



Martina Hopff



Shirley-Ann Redman



Ann Helen Le Roux

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Directors' Report

The directors present their report for the year ended 28 February 2023.

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 surplus after tax for the year ended 28 February 2023 of R2,805 (2022: deficit of R97,759).

The non-profit company's revenue decreased from R146,990 in the prior year to R134,572 for the year ended 28 February 2023.

Non-Profit Company cash flows from operating activities changed from an outflow of R95,483 in the prior year to an inflow of R8,696 for the year ended 28 February 2023.

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.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the non-profit company.

4. Directors' interest in contracts

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

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.

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Directors' Report

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

Martina Hopff

Shirley-Ann Redman

Ann Helen Le Roux (Appointed 18 May 2022)

Nadja Fredericks (Resigned 18 May 2022)



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*Accounting &
Tax Services*

Report of the Compiler

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 2023, 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.

Perfect Balancing Accounting and Tax Services

2 May 2023

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

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Financial Statements for the year ended 28 February 2023

Statement of Financial Position

Figures in R

	Notes	2023	2022
Assets			
Non-current assets			
Property, plant and equipment	4	3,746	4,878
Current assets			
Trade and other receivables	5	261	2,368
Cash and cash equivalents	6	20,050	11,354
Total current assets		20,311	13,722
Total assets		24,057	18,600
Equity and liabilities			
Equity			
Accumulated surplus		10,179	7,374
Liabilities			
Non-current liabilities			
Loan from director	8	1,594	1,594
Current liabilities			
Trade and other payables	7	12,284	9,632
Total liabilities		13,878	11,226
Total equity and liabilities		24,057	18,600

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Statement of Comprehensive Income

Figures in R

	Notes	2023	2022
Revenue	9	134,572	146,990
Cost of sales	10	(42,661)	(113,222)
Gross surplus		91,911	33,768
Administrative expenses	11	(35,439)	(14,107)
Other expenses	12	(53,667)	(117,420)
Surplus / (deficit) from operating activities		2,805	(97,759)
Surplus / (deficit) for the year		2,805	(97,759)

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Statement of Changes in Equity

Figures in R	Accumulated surplus	Total
Balance at 1 March 2021	105,133	105,133
Changes in equity		
Deficit for the year	(97,759)	(97,759)
Total comprehensive income for the year	(97,759)	(97,759)
Balance at 28 February 2022	7,374	7,374
Balance at 1 March 2022	7,374	7,374
Changes in equity		
Surplus for the year	2,805	2,805
Total comprehensive income for the year	2,805	2,805
Balance at 28 February 2023	10,179	10,179

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Statement of Cash Flows

Figures in R

	Note	2023	2022
Cash flows from / (used in) operations			
Surplus / (deficit) for the year		2,805	(97,759)
Adjustments to reconcile surplus / (deficit)			
Adjustments for decrease / (increase) in trade accounts receivable		2,107	(2,368)
Adjustments for increase in trade accounts payable		2,652	5,146
Adjustments for decrease in other operating payables		-	(1,284)
Adjustments for depreciation and amortisation expense		1,132	782
Total adjustments to reconcile surplus / (deficit)		5,891	2,276
Net cash flows from / (used in) operations		8,696	(95,483)
Cash flows used in investing activities			
Purchase of property, plant and equipment		-	(5,660)
Cash flows used in investing activities		-	(5,660)
Cash flows from financing activities			
Proceeds from other financial liabilities		-	1,594
Cash flows from financing activities		-	1,594
Net increase / (decrease) in cash and cash equivalents		8,696	(99,549)
Cash and cash equivalents at beginning of the year		11,354	110,902
Cash and cash equivalents at end of the year	6	20,050	11,353

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Accounting Policies

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.

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Accounting Policies

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

Trade and other receivables

Most sales are made on the basis of normal credit terms and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in surplus or deficit.

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.

2.4 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.

2.5 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.

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Accounting Policies

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

2.6 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.

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Notes to the Financial Statements

Figures in R

2023

2022

4. Property, plant and equipment

	Equipment	Total
Reconciliation for the year ended 28 February 2023		
Balance at 1 March 2022		
At cost	5,660	5,660
Accumulated depreciation	(782)	(782)
Carrying amount	4,878	4,878
Movements for the year ended 28 February 2023		
Depreciation	(1,132)	(1,132)
Property, plant and equipment at the end of the year	3,746	3,746
Closing balance at 28 February 2023		
At cost	5,660	5,660
Accumulated depreciation	(1,914)	(1,914)
Carrying amount	3,746	3,746
Reconciliation for the year ended 28 February 2022		
Balance at 1 March 2021		
At cost	-	-
Accumulated depreciation	-	-
Carrying amount	-	-
Movements for the year ended 28 February 2022		
Additions from acquisitions	5,660	5,660
Depreciation	(782)	(782)
Property, plant and equipment at the end of the year	4,878	4,878
Closing balance at 28 February 2022		
At cost	5,660	5,660
Accumulated depreciation	(782)	(782)
Carrying amount	4,878	4,878
5. Trade and other receivables		
Trade receivables	261	2,368
Total trade and other receivables	261	2,368
6. Cash and cash equivalents		
Cash		
Balances with banks	20,050	11,354
	20,050	11,354

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Notes to the Financial Statements

Figures in R

2023

2022

Cash and cash equivalents continued...

Detail of cash and cash equivalent balances

Bank balances

FNB business account

20,050

11,354

Total

20,050

11,354

7. Trade and other payables

Trade creditors

12,284

9,632

Total trade and other payables

12,284

9,632

8. Loan from director

Anni le Roux

1,594

1,594

The loan is unsecured, bears no interest and has no fixed repayment terms.

1,594

1,594

9. Revenue

Sale of goods

10,243

9,926

Donations received

69,850

137,064

Other income

54,479

-

Total revenue

134,572

146,990

10. Cost of sales

Sale of goods

41,917

68,465

Rendering of services

744

44,757

Total cost of sales

42,661

113,222

11. Administrative expenses

Accounting and consulting fees

29,768

11,299

Bank charges

4,322

2,528

Computer expenses

1,349

-

Telecommunication

-

280

Total administrative expenses

35,439

14,107

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Notes to the Financial Statements

Figures in R

2023

2022

12. Other expenses

Advertising	350	35,295
Cleaning	1,038	1,781
Depreciation	1,132	782
Electricity and water	4,915	4,059
Employee benefit expenses	44,400	54,997
Entertainment	1,637	1,575
General expenses	-	1,699
Motor vehicle expense	-	5,178
Printing and stationery	195	5,861
Protective clothing	-	4,668
Repairs and maintenance	-	1,525
Total other expenses	53,667	117,420

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Annual Financial Statements for the year ended 28 February 2023

Detailed Income Statement

Figures in R

	Notes	2023	2022
Revenue	9		
Bakery		10,243	9,926
Donations received		69,850	127,064
Kranshoek donations		-	10,000
Other income		54,479	-
		134,572	146,990
Cost of sales	10		
Bakery		(20,421)	(30,188)
Clean-up Kranshoek		-	(18,479)
Clean-up Kwanokuthula		-	(26,278)
Fundraising expenses		(744)	-
Kranshoek soup kitchen		(21,496)	(32,329)
Mid week market		-	(5,948)
		(42,661)	(113,222)
Gross surplus		91,911	33,768
Administrative expenses	11		
Accounting and consulting fees		(29,768)	(11,299)
Bank charges		(4,322)	(2,528)
Computer expenses		(1,349)	-
Telecommunication		-	(280)
		(35,439)	(14,107)
Other expenses	12		
Advertising		(350)	(35,295)
Cleaning		(1,038)	(1,781)
Depreciation - property, plant and equipment		(1,132)	(782)
Electricity and water		(4,915)	(4,059)
Employee costs		(44,400)	(54,997)
Entertainment		(1,637)	(1,575)
General expenses		-	(1,699)
Motor vehicle expense		-	(5,178)
Printing and stationery		(195)	(5,861)
Protective clothing		-	(4,668)
Repairs and maintenance		-	(1,525)
		(53,667)	(117,420)
Surplus / (deficit) from operating activities		2,805	(97,759)
Surplus / (deficit) for the year		2,805	(97,759)