

# **Emyezweni Pre School NPC**

**Trading as**

**Emyezweni Pre School**

**(Registration Number 2021/857215/08)**

**Annual Financial Statements**

**for the year ended 29 February 2024**

**Audited Financial Statements**

# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Annual Financial Statements for the year ended 29 February 2024

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# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Annual Financial Statements for the year ended 29 February 2024

## General Information

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<b>Country of Incorporation and Domicile</b>	South Africa
<b>Registration Number</b>	2021/857215/08
<b>Nature of Business and Principal Activities</b>	The non-profit company operates as a pre school.
<b>Directors</b>	CP Du Plessis J George SJ Robbinson HM Du Plessis D Fredericks
<b>Registered Office</b>	Block B Sinyenyweba Street D Lwandle Strand 7140
<b>Postal Address</b>	PO Box 431 Strand 7139
<b>Tax Number</b>	9337011234
<b>PAYE Registration number</b>	7110817527
<b>UIF Registration number</b>	2748661/2
<b>Auditors</b>	Naude & Partners St Floor West Peak Building 13 Lourensford Road Somerset West 7130

# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Annual Financial Statements for the year ended 29 February 2024

## 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. These annual financial statements have been prepared in accordance with the IFRS for SMEs<sup>®</sup> Accounting Standard as issued by the International Accounting Standards Board (IASB<sup>®</sup>) and 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 17 which have been prepared on the going concern basis, were approved by the directors and were signed on \_\_\_\_\_ on their behalf by:



CP Du Plessis



J George

# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Annual Financial Statements for the year ended 29 February 2024

## Directors' Report

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The directors present their report for the year ended 29 February 2024.

### 1. Review of activities

#### Main business and operations

The non-profit company operates as a pre school. There were no major changes herein during the year.

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

### 2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

### 3. Events after reporting date

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

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

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

CP Du Plessis

J George

SJ Robbinson

HM Du Plessis

D Fredericks

### 5. Independent Auditors

Naude & Partners were the independent auditors for the year under review.



## Independent Auditor's Report

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To the Member of Emyezweni Pre School NPC

### Qualified Opinion

We have audited the financial statements of Emyezweni Pre School NPC set out on pages 7 to 17, which comprise the statement of financial position as at 29 February 2024, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Emyezweni Pre School NPC as at 29 February 2024, and its financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board.

### Basis for Qualified Opinion

As in the case of similar organisations, it is not possible for the trustees to apply accounting measures to cash collections during fund raising and donations before the actual recording of the collections in the accounting records. It was not possible for us to investigate the collections further than those that were recorded. In these circumstances we were unable to carry out the full scope of auditing procedures or obtain all information and explanations we considered as necessary to satisfy ourselves that the proper accounting records have been kept.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the non-profit company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Emyezweni Pre School NPC Financial Statements for the year ended 29 February 2024", which includes the Directors' Report, and the statement of Directors' Responsibilities and Approval, which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

WT Naudé - CA (SA) • I Du Toit CA (SA)

## **Responsibilities of the Directors for the Financial Statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the non-profit company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the non-profit company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the non-profit company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the non-profit company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the non-profit company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Naude & Partners**



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**I Du Toit**  
**Registered Auditor**

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# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Financial Statements for the year ended 29 February 2024

## Statement of Financial Position

Figures in R

Notes

2024

2023

### Assets

#### Non-current assets

Property, plant and equipment

4

13,083

-

#### Current assets

Cash and cash equivalents

5

345,158

24,158

#### Total assets

358,241

24,158

### Equity and liabilities

#### Equity

Accumulated surplus / (accumulated deficit)

346,009

(852)

#### Liabilities

##### Current liabilities

Trade and other payables

6

12,232

25,010

#### Total equity and liabilities

358,241

24,158



# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Annual Financial Statements for the year ended 29 February 2024

## Detailed Income Statement

Figures in R	Notes	2024	2023
<b>Revenue</b>	7		
Donations and Gifts Received		1,156,367	557,181
Fundraising Income		62,471	13,529
Jannie Mouton Foundation		230,000	-
School Fees Received		252,181	171,030
		<b>1,701,019</b>	<b>741,740</b>
<b>Administrative expenses</b>	8		
Accounting fees		(32,109)	(27,393)
Auditors remuneration - Fees		(14,295)	-
Bank charges		(5,303)	(5,364)
Telecommunication		(5,528)	(1,675)
		<b>(57,235)</b>	<b>(34,432)</b>
<b>Other expenses</b>	9		
Donations		(1,500)	(61,000)
Educational Materials/Utensils		(49,429)	(21,538)
Electricity and water		(48,000)	(4,907)
Employee costs - salaries		(995,586)	(593,863)
Entertainment		-	(522)
Fines and penalties		(1,270)	(543)
Food and Cleaning		(64,317)	(28,713)
Functions		(7,400)	(642)
Fundraising Expenses		(42,090)	(4,056)
Gifts		-	(482)
Insurance		(9,806)	(200)
Postage		(680)	-
Postbox Rental		-	(670)
Printing and stationery		(980)	-
Professional Services		(11,050)	(8,802)
Rent paid School		(6,814)	-
Repairs and maintenance		(23,673)	(6,200)
School outings and trips		(9,963)	(2,350)
Security		(9,588)	(3,162)
Staff welfare		(6,320)	(9,491)
Training		(2,250)	-
Transport		(6,207)	(3,102)
		<b>(1,296,923)</b>	<b>(750,243)</b>
<b>Surplus / (deficit) from operating activities</b>		<b>346,861</b>	<b>(42,935)</b>
<b>Surplus / (deficit) for the year</b>		<b>346,861</b>	<b>(42,935)</b>

# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Financial Statements for the year ended 29 February 2024

## Statement of Comprehensive Income

Figures in R	Notes	2024	2023
Revenue	7	1,701,019	741,740
Administrative expenses	8	(57,235)	(34,432)
Other expenses	9	(1,296,923)	(750,243)
<b>Surplus / (deficit) from operating activities</b>		<b>346,861</b>	<b>(42,935)</b>
<b>Surplus / (deficit) for the year</b>		<b>346,861</b>	<b>(42,935)</b>

# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Financial Statements for the year ended 29 February 2024

## Statement of Changes in Equity

Figures in R	Accumulated surplus / (accumulated deficit)	Total
<b>Balance at 1 March 2022</b>	42,083	42,083
<b>Changes in equity</b>		
Deficit for the year	(42,935)	(42,935)
Total comprehensive income for the year	(42,935)	(42,935)
<b>Balance at 28 February 2023</b>	<b>(852)</b>	<b>(852)</b>
<b>Balance at 1 March 2023</b>	(852)	(852)
<b>Changes in equity</b>		
Surplus for the year	346,861	346,861
Total comprehensive income for the year	346,861	346,861
<b>Balance at 29 February 2024</b>	<b>346,009</b>	<b>346,009</b>

# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Financial Statements for the year ended 29 February 2024

## Statement of Cash Flows

Figures in R	Note	2024	2023
<b>Cash flows (used in) / from operations</b>			
<b>Surplus / (deficit) for the year</b>		<b>346,861</b>	<b>(42,935)</b>
<b>Adjustments to reconcile surplus / (deficit)</b>			
Adjustments for increase / (decrease) in trade accounts payable		4,751	(2)
Adjustments for (decrease) / increase in other operating payables		(17,529)	25,012
<b>Total adjustments to reconcile surplus / (deficit)</b>		<b>(12,778)</b>	<b>25,010</b>
<b>Net cash flows from / (used in) operations</b>		<b>334,083</b>	<b>(17,925)</b>
<b>Cash flows used in investing activities</b>			
Purchase of property, plant and equipment		(13,083)	-
<b>Cash flows used in investing activities</b>		<b>(13,083)</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>321,000</b>	<b>(17,925)</b>
Cash and cash equivalents at beginning of the year		24,158	42,083
<b>Cash and cash equivalents at end of the year</b>	<b>5</b>	<b>345,158</b>	<b>24,158</b>

# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Financial Statements for the year ended 29 February 2024

## Accounting Policies

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### 1. General information

Emyezweni Pre School NPC ('the non-profit company') operates as a pre school.

The non-profit company is incorporated as a Non-Profit Company and domiciled in South Africa. The address of its registered office is Block B, Sinyenyweba Street D, Lwandle, Strand, 7140.

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

The financial statements of Emyezweni Pre School NPC have been prepared in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, certain property, plant and equipment, biological assets and derivative financial instruments at fair value. They are presented in South African Rand.

The preparation of financial statements in conformity with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the non-profit company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

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
Leasehold improvements	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.

# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Financial Statements for the year ended 29 February 2024

## Accounting Policies

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

### 2.2 Financial instruments

#### 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 recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### 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;
- 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;
- it is probable that the economic benefits associated with the transaction will flow to the entity;
- 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.

The stage of completion of a transaction may be determined by a variety of methods, depending on the nature of the transaction:

- surveys of work performed;
- services performed to date as a percentage of total services to be performed;
- the proportion that costs incurred to date bear to the estimated total costs of the transaction. Only costs that reflect services performed to date are included in costs incurred to date. Only costs that reflect services performed or to be performed are included in the estimated total costs of the transaction.

Interest income is recognised using the effective interest method.

# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Financial Statements for the year ended 29 February 2024

## Accounting Policies

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

Rental income from investment property that is leased to a third party under an operating lease is recognised in the statement of comprehensive income on a straight-line basis over the lease term and is included in 'other income'.

Dividend income is recognised when the non-profit company's right to receive payment has been established and is shown as 'finance income'.

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

### **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.

# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Financial Statements for the year ended 29 February 2024

## Notes to the Financial Statements

Figures in R

2024

2023

### 4. Property, plant and equipment

Balances at year end and movements for the year

	Leasehold improvements	Total
<b>Reconciliation for the year ended 29 February 2024</b>		
<b>Balance at 1 March 2023</b>		
At cost	-	-
Accumulated depreciation	-	-
<b>Carrying amount</b>	<b>-</b>	<b>-</b>
<b>Movements for the year ended 29 February 2024</b>		
Additions from acquisitions	13,083	<b>13,083</b>
<b>Property, plant and equipment at the end of the year</b>	<b>13,083</b>	<b>13,083</b>
<b>Closing balance at 29 February 2024</b>		
At cost	13,083	<b>13,083</b>
Accumulated depreciation	-	-
<b>Carrying amount</b>	<b>13,083</b>	<b>13,083</b>

Reconciliation for the year ended 28 February 2023

### 5. Cash and cash equivalents

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

#### Cash

Balances with banks	345,158	24,158
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#### 5.2 Net cash and cash equivalents

Current assets	345,158	24,158
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### 6. Trade and other payables

Trade and other payables comprise:

Trade creditors	4,749	(2)
PAYE/ UIF	7,483	10,545
Sundry Creditors	-	14,467
<b>Total trade and other payables</b>	<b>12,232</b>	<b>25,010</b>



# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Financial Statements for the year ended 29 February 2024

## Notes to the Financial Statements

Figures in R

2024

2023

### 7. Revenue

#### Revenue comprises:

Fees received	252,181	171,030
Other income	1,448,838	570,710
<b>Total revenue</b>	<b>1,701,019</b>	<b>741,740</b>

### 8. Administrative expenses

#### Administrative expenses comprise:

Accounting fees	32,109	27,393
Auditors remuneration - Fees	14,295	-
Bank charges	5,303	5,364
Telecommunication	5,528	1,675
<b>Total administrative expenses</b>	<b>57,235</b>	<b>34,432</b>

# Emyezweni Pre School NPC

(Registration Number 2021/857215/08)

Financial Statements for the year ended 29 February 2024

## Notes to the Financial Statements

Figures in R

2024

2023

### 9. Other expenses

#### Other expenses comprise:

Donations	1,500	61,000
Educational Materials/Utensils	49,429	21,538
Electricity and water	48,000	4,907
Employee benefit expenses	995,586	593,863
Entertainment	-	522
Fines and penalties	1,270	543
Food and Cleaning	64,317	28,713
Functions	7,400	642
Fundraising Expenses	42,090	4,056
Gifts	-	482
Insurance	9,806	200
Postage	680	-
Postbox Rental	-	670
Printing and stationery	980	-
Professional Services	11,050	8,802
Rent paid School	6,814	-
Repairs and maintenance	23,673	6,200
School outings and trips	9,963	2,350
Security	9,588	3,162
Staff welfare	6,320	9,491
Training	2,250	-
Transport	6,207	3,102
<b>Total other expenses</b>	<b>1,296,923</b>	<b>750,243</b>

### 10. Related parties

#### Compensation paid to directors and prescribed officers

Name	Salaries, bonuses and performance related payments	Total remuneration
D Fredericks	263,952	263,952