

Ezrah Community Training and Development NPC
(Registration number: 2013/227807/08)

**Annual Financial Statements
for the year ended 29 February 2020**

Ezrah Community Training and Development NPC

(Registration number: 2013/227807/08)

Annual Financial Statements for the year ended 29 February 2020

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Assistance to community-based organisations through capacity building, leadership development and training
Directors	L.A. Huysamen M. Jacobs M.P. Meyer
Registered office	First Floor Alexandra Building 147 Main Road Somerset West 7130
Postal address	P.O. Box 1021 Strand 7139
Bankers	First National Bank (FNB)
Company registration number	2013/227807/08
Tax reference number	9118/318/19/6
Auditors	Emma Pardoe Chartered Accountants (SA) Registered Auditor PR 03338611
Preparer	The annual financial statements were independently compiled by: Ciska Esterhuizen
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Issued	18 June 2020

Ezrah Community Training and Development NPC

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Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, 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 period 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 judgements 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 these 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 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 directors have reviewed the company's cash flow forecast for the year to 28 February 2021 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.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 5.

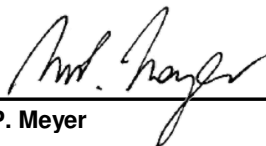
The annual financial statements set out on page 7 to 15, which have been prepared on the going concern basis, were approved by the board of directors and were signed by:



L.A. Huysamen

22 June 2020

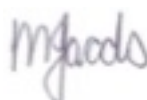
Date



M.P. Meyer

19 June 2020

Date



M. Jacobs

22 June 2020

Date

Ezrah Community Training and Development NPC

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Annual Financial Statements for the year ended 29 February 2020

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Ezrah Community Training and Development NPC for the year ended 29 February 2020.

1. Incorporation

The company was incorporated on 05 December 2013 and obtained its certificate to commence business on the same day.

2. Nature of business

Ezrah Community Training and Development NPC was incorporated in South Africa with interests in the capacity building, leadership development and training industry. The company operates in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

4. Directors

The directors in office at the date of this report is as follows:

Directors	Nationality
L.A. Huysamen	South African
M. Jacobs	South African
M.P. Meyer	South African

There have been no changes to the directorate for the period under review.

5. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

6. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

7. Secretary

The company secretary is Mariette Jacobs.

8. Terms of appointment of the auditors

Emma Pardoe Chartered Accountants (SA) Registered Auditors continued in office as auditors for the 2021 financial year.

Independent Auditor's Report

To the stakeholders of Ezrah Community Training and Development NPC

Opinion

We have audited the annual financial statements of Ezrah Community Training and Development NPC set out on pages 7 to 14, which comprise the statement of financial position as at 29 February 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Ezrah Community Training and Development NPC as at 29 February 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008 and the Detailed Income Statement, which we obtained prior to the date of this report. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual 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 annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

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ANNUAL FINANCIAL STATEMENTS . AUDITING . MONTHLY MANAGEMENT ACCOUNTS . BOOKKEEPING . VAT . INCOME TAX RETURNS - ANNUAL & PROVISIONAL . PAYROLL - PAYE/UIF/SDL
WORKMENS COMPENSATION . UIF REGISTRATION . COMPANY & TRUST REGISTRATIONS . ADMINISTRATION OF ESTATES . STATUTORY & COMPANY SECRETARIAL SERVICES

Independent Auditor's Report

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 International Standards on Auditing 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 annual financial statements.

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

- Identify and assess the risks of material misstatement of the annual 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 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 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 annual 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual 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.


E.S. Pardoe CA(SA)
Emma Pardoe
Chartered Accountants (SA)
Registered Auditor

18 June 2020

Date

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SAICA PRACTICE NUMBER: 05200111
1000 PRACTICE NUMBER: 1000000-000



MEMBER OF
SAICA
SOUTH AFRICAN INSTITUTE OF
CHARTERED ACCOUNTANTS



Ezrah Community Training and Development NPC

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Annual Financial Statements for the year ended 29 February 2020

Statement of Financial Position as at 29 February 2020

	Notes	2020 R	2019 R
Assets			
Current Assets			
Cash and cash equivalents	2	81,008	30,471
Total Assets		81,008	30,471
Equity and Liabilities			
Equity			
Retained income		78,205	30,290
Liabilities			
Current Liabilities			
Trade and other payables	3	2,803	181
Total Equity and Liabilities		81,008	30,471

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Statement of Comprehensive Income

	Notes	2020 R	2019 R
Revenue	4	117,375	128,688
Programme costs	5	(230,843)	(177,855)
Gross loss		(113,468)	(49,167)
Other income	6	254,176	181,302
Operating expenses		(92,793)	(118,782)
Operating profit		47,915	13,353
Profit for the year		47,915	13,353
Other comprehensive income		-	-
Total comprehensive income for the year		47,915	13,353

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Statement of Changes in Equity

	Retained income R	Total equity R
Balance at 1 March 2018	16,937	16,937
Profit for the year	13,353	13,353
Other comprehensive income	-	-
Total comprehensive income for the year	13,353	13,353
Balance at 1 March 2019	30,290	30,290
Profit for the year	47,915	47,915
Other comprehensive income	-	-
Total comprehensive income for the year	47,915	47,915
Balance at 29 February 2020	78,205	78,205

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Annual Financial Statements for the year ended 29 February 2020

Statement of Cash Flows

	Notes	2020 R	2019 R
Cash flows from operating activities			
Cash receipts from customers		371,551	316,390
Cash paid to suppliers and employees		(321,014)	(296,634)
Cash generated from operations	8	50,537	19,756
Net cash from / (used in) operating activities		50,537	19,756
Total cash movement for the year			
Cash at the beginning of the year		30,471	10,714
Total cash at end of the year	2	81,008	30,470

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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, 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 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

Key sources of estimation uncertainty

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

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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 leave pay 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.

1.5 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The Stage of completion is determined by surveys of work performed. When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

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

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.6 Borrowing costs

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

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Annual Financial Statements for the year ended 29 February 2020

Notes to the Annual Financial Statements

	2020 R	2019 R
2. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	2,239	161
Bank balances	78,769	30,310
	81,008	30,471
3. Trade and other payables		
Trade payables	2,803	181
4. Revenue		
Rendering of services	117,375	128,688
5. Programme costs		
Rendering of services		
Child Protection Programme expenses	153,840	119,137
Strategic Planning Programme expenses	72,666	51,118
Other programme expenses	4,337	7,600
	230,843	177,855
6. Other income		
Donations - Child Protection Programme	151,396	119,352
Donations - Strategic Planning Programme	72,660	50,880
Other donations	-	2,400
Training fees	30,120	8,670
	254,176	181,302
7. Taxation		
With effect from 5 December 2013 SARS granted Ezrah Community Training & Development NPC exemption from income tax as it meets the requirements of a Public Benefit Organisation (PBO) set out in section 30(3) of the Income Tax Act No 58 of 1962. Annual receipts and accruals will therefore be subject to provisions of section 10(1)(cN) of the Act and accruals and receipts from trading or business activities which fall outside the parameters of section 10(1)(cN) will be subject to tax.		
8. Cash generated from operations		
Profit before taxation	47,915	13,353
Changes in working capital:		
Trade and other receivables	-	6,400
Trade and other payables	2,622	3
	50,537	19,756

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Notes to the Annual Financial Statements

	2020 R	2019 R
9. Directors' remuneration		
Executive		
2020		
M. Jacobs	Emoluments 196,784	Total 196,784
2019		
M. Jacobs	Emoluments 157,560	Total 157,560
10. Employee cost		
Employee costs		
Basic	54,150	84,840
11. Auditor's remuneration		
Fees	12,506	11,213

Ezrah Community Training and Development NPC

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Annual Financial Statements for the year ended 29 February 2020

Detailed Income Statement

	Notes	2020 R	2019 R
Revenue			
Rendering of services		117,375	128,688
Programme Costs			
Child Protection Programme expenses		(153,840)	(119,137)
Other programme expenses		(4,337)	(7,600)
Strategic Planning Programme expenses		(72,666)	(51,118)
	5	(230,843)	(177,855)
Gross loss		(113,468)	(49,167)
Other income			
Donations - Child Protection Programme		151,396	119,352
Donations - Strategic Planning Programme		72,660	50,880
Other donations		-	2,400
Training fees		30,120	8,670
		254,176	181,302
Operating expenses			
Accounting fees		(4,284)	(1,550)
Affiliation fees		(3,310)	(950)
Auditors remuneration	11	(12,506)	(11,213)
Bank charges		(2,071)	(2,031)
CIPC fees		(100)	(100)
Employee costs		(54,150)	(84,840)
Event fees		(145)	(325)
Office equipment		(3,999)	(2,587)
Postage		(535)	(526)
Printing and stationery		-	(525)
Refreshments		(1,473)	(1,295)
Rent paid		(3,150)	(3,000)
Software expenses		(551)	-
Staff and board development		(2,870)	(3,311)
Staff welfare		(1,203)	(1,557)
Travel - local		(2,446)	(4,972)
		(92,793)	(118,782)
Profit for the year		47,915	13,353