

**LESEDI COMMUNITY CENTRE NPC
REG. NO. 2012/067275/08
ANNUAL FINANCIAL STATEMENTS
MARCH 31, 2023**

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DIRECTORS	:	T.S. Makhale A. Huisamen C.H. Radyn N.T. Mcira
NATURE OF BUSINESS	:	Community support and upliftment of homeless and destitute people
ACCOUNTING OFFICER	:	Loubser & Co.
REGISTRATION NUMBER	:	2012/067275/08
REGISTERED OFFICE	:	C/O Skuins & Loveday Street, Heidelberg, 1441

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The directors are required by the Companies Act of South Africa, no. 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 Generally Accepted Accounting Practise for Small and Medium-sized Entities.

The annual financial statements are prepared in accordance with Generally Accepted Accounting Practise 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 managing the company's resources, risks and the ethical behaviour of its staff and management by ensuring that the appropriate infrastructure, controls and systems have been implemented, applied and managed.


The directors are of the opinion that appropriate measures have been taken to provide reasonable, though not absolute, assurance that the financial records may be relied on for the preparation of the annual financial statements.

The directors are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The internal reviewer is engaged to express an independent opinion on the company's annual financial statements and their report is presented on page 3.

The annual financial statements set out on pages 4 to 7, have been prepared on the going concern basis.

Signed on September 19, 2023.



T.S. MAKHALE



A. HUISAMEN



C.V. RADYN



N.T. MCIRA



LOUBSER & CO/KIE

CHARTERED ACCOUNTANTS (CA)
PROFESSIONAL ACCOUNTANTS (S.A.)
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INDEPENDENT ACCOUNTANTS' REVIEW REPORT TO THE MEMBERS OF LESEDI COMMUNITY CENTRE NPC

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We have reviewed the accompanying financial statements of Lesedi Community Centre NPC that comprise the statement of financial position, as at March 31, 2023 the statement of profit or loss and other comprehensive income, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information set out on pages 4 to 7.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Generally Accepted Accounting Practice, and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400, *Engagements to Review Historical Financial Statements*. ISRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 consists primarily of making inquiries to management and others within the entity involved in financial and accounting matters, applying analytical procedures, and evaluating the sufficiency and appropriateness of evidence obtained. A review also requires performance of additional procedures when the practitioner becomes aware of matters that cause the practitioner to believe the financial statements as a whole may be materially misstated.

We believe that the evidence we obtained in our review is sufficient and appropriate to provide a basis for our conclusion.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

We report that, based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Lesedi Community Centre NPC as at March 31, 2023, and of its financial performance and cash flows for the year then ended, in accordance with the South African Generally Accepted Accounting Practice.

LOUBSER & CO./KIE
PROFESSIONAL ACCOUNTANTS (S.A.)

September 19, 2023

LESEDI COMMUNITY CENTRE NPC
REG. NO. 2012/067275/08
STATEMENT OF FINANCIAL POSITION
AT MARCH 31, 2023

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	NOTES	2023 R	2022 R
ASSETS			
NON-CURRENT ASSETS		917,229	764,944
Fixed assets	2	917,229	764,944
CURRENT ASSETS		840,742	748,228
Investment - Glacier		224,389	210,036
Debtors		18,079	0
Cash and cash equivalents		598,273	538,191
TOTAL ASSETS		<u>1,757,971</u>	<u>1,513,171</u>
EQUITY AND LIABILITIES			
ACCUMULATED FUNDS		(235,609)	(417,271)
		(235,609)	(417,271)
NON-CURRENT LIABILITIES		1,925,080	1,877,943
Loan - Lesedi Community Centre NPO		1,925,080	1,877,943
CURRENT LIABILITIES		68,500	52,500
External Donations Holding		60,000	10,500
Grace Project		8,500	42,000
TOTAL EQUITY AND LIABILITIES		<u>1,757,971</u>	<u>1,513,171</u>

COMPREHENSIVE STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED MARCH 31, 2023

		2023		2022
	%	R	%	R
INCOME	100.00%	1,901,254	100.00%	3,149,707
Donations	66.94%	1,272,787	90.54%	2,851,628
Accommodation income	3.06%	58,121	0.00%	0
Bakery income	6.82%	129,661	0.00%	0
Catering income	10.77%	204,698	0.00%	0
Church rental income	4.06%	77,280	0.00%	0
Clothing sales	3.18%	60,535	1.98%	62,255
Fund raising	2.22%	65,370	3.66%	115,353
Therapy centre	0.63%	18,449	0.00%	0
Other income	0.00%	0	2.09%	65,946
Insurance claim	0.00%	0	1.43%	45,050
Interest	0.75%	14,353	0.30%	9,474
EXPENSES	90.45%	1,719,591	86.06%	2,710,711
Accounting fees	0.42%	7,952	0.58%	18,326
Advertising	0.00%	0	0.41%	12,836
Bakery expense	6.72%	127,853	0.00%	0
Bank charges	0.51%	9,767	0.31%	9,615
Beneficiary assistance	0.60%	11,355	0.03%	991
Beneficiary clothing	0.02%	366	0.91%	28,777
Beneficiary therapy and development	0.24%	4,500	-0.02%	(560)
Beneficiary wellness	0.28%	5,416	0.67%	21,120
Catering expense	7.81%	148,551	0.00%	0
Cleaning and refreshments	0.01%	250	0.48%	15,217
Clothing	0.12%	2,327	0.02%	702
Depreciation	8.34%	158,514	0.00%	0
Donations	1.46%	27,680	48.89%	1,539,931
Electricity, water and gas	3.98%	75,666	2.77%	87,345
Entertainment	0.51%	9,623	0.27%	8,536
Fund raising expenses	1.91%	56,181	2.22%	69,967
Gifts	0.18%	5,164	0.00%	0
Groceries and vegetables	1.23%	23,351	0.56%	17,541
Insurance	0.83%	15,793	2.34%	73,559
Kitchen and linen	0.08%	1,447	0.10%	3,101
Motor vehicle expenses	1.59%	30,193	2.52%	79,305
Pest control	0.32%	6,000	0.00%	0
PPE	0.46%	8,705	0.01%	425
Printing and stationery	0.26%	4,930	0.34%	10,832
Rent paid	0.00%	0	0.23%	7,200
Repairs and maintenance	3.03%	57,536	1.43%	45,022
Salaries and wages	47.85%	909,780	19.76%	622,380
Security	0.16%	3,086	0.79%	24,821
Staff welfare	0.04%	800	0.05%	1,620
Subscriptions	0.00%	0	0.17%	5,328
Telephone and faxes	0.36%	6,807	0.22%	6,776
SURPLUS FOR THE YEAR BEFORE INTEREST	9.55%	181,662	13.94%	438,996
Donation to Lesedi Community Centre NPO	0.00%	-	0.00%	-
SURPLUS FOR THE YEAR BEFORE TAXATION		181,662		438,996
TAXATION	3	0		0
NETT SURPLUS FOR THE YEAR		181,662		438,996
ACCUMULATED DEFICIT - beginning of the year		(417,271)		(856,267)
ACCUMULATED DEFICIT - end of the year		(235,609)		(417,271)

LESEDI COMMUNITY CENTRE NPC
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CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2023

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	R	R
NET CASHFLOW EFFECTS OF OPERATING ACTIVITIES		307,744
Deficit for the year before taxation	181,662	
Add : Depreciation	158,514	
Changes in working capital		
Increase in debtors	(18,079)	
Increase in investment	(14,353)	
NET CASHFLOW EFFECTS OF INVESTMENT ACTIVITIES		(310,799)
Increase in improvements	(310,799)	
NET CASHFLOW EFFECTS OF FINANCING ACTIVITIES		63,137
Increase in longterm liabilities	16,000	
Increase in loan from Lesedi Community Centre NPO	47,137	
INCREASE IN CASH AND CASH EQUIVALENTS		60,082
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR		538,191
CASH AND CASH EQUIVALENTS - END OF YEAR		598,273

1. ACCOUNTING POLICIES

The annual financial statements are prepared on the historical cost basis, conforming with Generally Accepted Accounting Practice for small and medium enterprises and incorporate the following principle accounting policies which are consistent with that applied in previous years :

1.1. REVENUE

The financial statements have not been drawn up in accordance with International Financial Reporting Standard for Small and Medium-sized Entities, as the centre does not comply with IAS 18. Revenue is recognised only when it is received and not on the accrual basis. Revenue is therefore not complete and assets are understated. The value of the understatements were not determined as the cost involved exceeds the benefits.

1.2. FIXED ASSETS

Depreciation is calculated on the straight-line method to write off the cost of each asset to its estimated residual value. The rates applicable to each category of fixed assets are as follows:

- Motor vehicles 20%
- Furniture and fittings 10%
- Office equipment 20%
- Computer equipment 33.3%

2. FIXED ASSETS

	LAND AND BUILDING R	FURNITURE & FITTINGS R	KITCHEN APPLIANCES R	MOTOR VEHICLES R	EQUIPMENT R	TOTAL R
Carrying amount at 1 April 2022	37,000	97,800	0	580,073	50,071	764,944
Cost price	37,000	114,612	6,536	618,196	58,983	835,327
Accumulated depreciation	0	16,812	6,536	38,123	8,912	70,383
Additions	220,000	0	0	0	90,799	310,799
Depreciation	0	10,452	0	123,639	24,423	158,514
Carrying amount at 31 March 2023	257,000	87,348	0	456,434	116,447	917,229
Cost price	257,000	114,612	6,536	618,196	149,782	1,146,126
Accumulated depreciation	0	27,264	6,536	161,762	33,335	228,897

3. TAXATION

No provision has been made for taxation as the society is exempt from income tax in term of Section 10(1) (f) of the Income Tax Act.