

**COPESSA NPC**

(Registration number 2000/025755/08)

**FINANCIAL STATEMENTS**

for the year ended 28 February 2021

## **COPESSA NPC**

Financial Statements for the year ended 28 February 2021

### **GENERAL INFORMATION**

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	To generate funding to support and empower individuals and communities with knowledge and skills to effectively engage in prevention and rehabilitation in child abuse and neglect
<b>Directors</b>	NB Motjuwadi B Nkosi A Siwahla YM Motsisi Z Walele GA Atkins K Kruger
<b>Registered office</b>	8955 Protea Boulevard Extention 11, Protea Glen Soweto 1868
<b>Bankers</b>	Nedbank Limited
<b>Auditor</b>	SJK Auditors
<b>Secretary</b>	Waterford Financial Management Pty Ltd

# COPESSA NPC

Financial Statements for the year ended 28 February 2021

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### **Published**

02 November 2021

## COPESSA NPC

Financial Statements for the year ended 28 February 2021

### **DIRECTORS' RESPONSIBILITIES AND APPROVAL**

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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 financial statements and related financial information included in this report. It is their responsibility to ensure that the 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 auditor is engaged to express an independent opinion on the financial statements.

The 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 directors sets 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 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 2022 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 auditor is responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor and their report is presented on pages 4 to 5.

The financial statements set out on pages 8 to 20, which have been prepared on the going concern basis, were approved by the directors on 02 November 2021 and were signed on its behalf by:

#### **Approval of financial statements**



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**Director**



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**Director**



## INDEPENDENT AUDITOR'S REPORT

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### To the members of COPESSA NPC

#### Qualified opinion

I have audited the financial statements of COPESSA NPC (the company) set out on pages 8 to 18, which comprise the statement of financial position as at 28 February 2021, and the statement of comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effect of the matter described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of COPESSA NPC as at 28 February 2021, 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 qualified opinion

Donations received, fundraising income and other income are a significant source of revenue for the company. As is common with non-profit entities, it is impracticable to establish internal controls over the collection of donation and fundraising revenue prior to the initial entry into its financial records. We were therefore unable to confirm whether all donation and fundraising revenue were recorded.

I conducted my audit in accordance with International Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. I am independent of the 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. I have fulfilled my 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). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "COPESSA NPC financial statements for the year ended 28 February 2021", which includes 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 financial statements and my auditor's report thereon.

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

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

#### 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 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 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 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.

# INDEPENDENT AUDITOR'S REPORT

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

My 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 my 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 financial statements.

As part of an audit in accordance with International Standards on Auditing, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.



**02 November 2021**  
**Fourways**

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**SJK Auditors**  
**SJ Kruger**  
**Partner**  
**Chartered Accountant (SA)**  
**Registered Auditor**

# COPESSA NPC

Financial Statements for the year ended 28 February 2021

## DIRECTORS' REPORT

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The directors have pleasure in submitting their report on the financial statements of COPESSA NPC for the year ended 28 February 2021.

### 1. Nature of business

COPESSA NPC was incorporated in South Africa. The principal activity of the company is to generate funding to support and empower individuals and communities with knowledge and skills to effectively engage in prevention and rehabilitation in child abuse and neglect.

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

### 2. Review of financial results and activities

The 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 financial statements.

### 3. Directors

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

Directors	Designation	Changes
NB Motjuwadi	Executive	
B Nkosi	Non-executive	
A Siwahla	Non-executive	
YM Motsisi	Non-executive	
Z Walele	Non-executive	Appointed 25 May 2020
GA Atkins	Non-executive	Appointed 10 March 2021
K Kruger	Non-executive	Appointed 10 March 2021
SM Molefe	Non-executive	Resigned 25 May 2020
BC Sibanda	Non-executive	Resigned 25 May 2020
ZP Matlhaku	Non-executive	Resigned 25 May 2020
TD Ndlovu	Non-executive	Resigned 10 March 2021
A Molose	Non-executive	Resigned 10 March 2021
O Maremela	Non-executive	Resigned 25 May 2020

### 4. 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.

### 5. Going concern

The company had accumulated losses of R 971,715 and its total liabilities exceeded its assets by R 96,715 as at 28 February 2021.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the company. The directors have established a fundraising committee which is actively procuring funding by way of donations and sponsorships.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the 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.

The directors are aware of the Covid-19 pandemic and there is no immediate concern around going concern. The directors are continually assessing and monitoring developments with regard to the disease and at the time of finalising the report, the directors are confident that their responses are adequate. Furthermore, the situation is being continuously monitored to assess the impact on the company.

## **COPESSA NPC**

Financial Statements for the year ended 28 February 2021

### **DIRECTORS' REPORT**

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#### **6. Auditors**

SJK Auditors remained in office as auditors for the company for 2021.

#### **7. Secretary**

The company secretary is Waterford Financial Management Pty Ltd.

#### **Business address**

Unit 2 Fourways Manor Office Park  
1 Macbeth Street  
Fourways  
2191

# COPESSA NPC

Financial Statements for the year ended 28 February 2021

## STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2021

Figures in Rand	Note(s)	2021	2020 Restated *
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	1,370,608	591,567
<b>Current Assets</b>			
Loans receivable	3	-	65,314
Cash and cash equivalents	4	81,965	320,792
		<b>81,965</b>	<b>386,106</b>
<b>Total Assets</b>		<b>1,452,573</b>	<b>977,673</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Reserves		875,000	-
Retained income		(971,715)	(39,107)
		<b>(96,715)</b>	<b>(39,107)</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Provisions	5	1,466,572	906,588
<b>Current Liabilities</b>			
Trade and other payables	6	82,716	70,192
Borrowings	7	-	40,000
		<b>82,716</b>	<b>110,192</b>
<b>Total Liabilities</b>		<b>1,549,288</b>	<b>1,016,780</b>
<b>Total Equity and Liabilities</b>		<b>1,452,573</b>	<b>977,673</b>

\* See Note 15

## COPESSA NPC

Financial Statements for the year ended 28 February 2021

### STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	Note(s)	2021	2020 Restated *
Donations and fundraising revenue	8	1,379,102	2,009,597
Other income	9	34,199	-
Resources utilised		(2,345,909)	(2,179,728)
<b>Deficit surplus from resources</b>	10	<b>(932,608)</b>	<b>(170,131)</b>
<b>Deficit from resources for the year</b>		<b>(932,608)</b>	<b>(170,131)</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Gains on revaluation of property, plant and equipment		875,000	-
<b>Other comprehensive income for the year net of taxation</b>		<b>875,000</b>	<b>-</b>
<b>Total comprehensive loss for the year</b>		<b>(57,608)</b>	<b>(170,131)</b>

\* See Note 15

## COPESSA NPC

Financial Statements for the year ended 28 February 2021

### STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Revaluation reserve	Retained income	Total equity
Opening balance as previously reported	-	622,249	622,249
Adjustments			
Prior period error	-	(491,225)	(491,225)
<b>Restated* Balance at 01 March 2019 as restated</b>	<b>-</b>	<b>131,024</b>	<b>131,024</b>
Deficit for the year	-	(170,131)	(170,131)
Other comprehensive income	-	-	-
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>(170,131)</b>	<b>(170,131)</b>
<b>Restated* Balance at 01 March 2020</b>	<b>-</b>	<b>(39,107)</b>	<b>(39,107)</b>
Deficit for the year	-	(932,608)	(932,608)
Other comprehensive income	875,000	-	875,000
<b>Total comprehensive loss for the year</b>	<b>875,000</b>	<b>(932,608)</b>	<b>(57,608)</b>
<b>Balance at 28 February 2021</b>	<b>875,000</b>	<b>(971,715)</b>	<b>(96,715)</b>

Note(s)

\* See Note 15

## COPESSA NPC

Financial Statements for the year ended 28 February 2021

### STATEMENT OF CASH FLOWS

Figures in Rand	Note(s)	2021	2020 Restated *
<b>Cash flows from operating activities</b>			
Cash (used in) generated from operations	12	<u>(238,827)</u>	<u>339,060</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	-	(28,497)
Increase in loan receivable		-	(1,500)
<b>Net cash utilised in investing activities</b>		<u>-</u>	<u>(29,997)</u>
<b>Total cash movement for the year</b>		<b>(238,827)</b>	<b>309,063</b>
Cash at the beginning of the year		<u>320,792</u>	<u>11,729</u>
<b>Total cash at end of the year</b>	4	<b><u>81,965</u></b>	<b><u>320,792</u></b>

\* See Note 15

# COPESSA NPC

Financial Statements for the year ended 28 February 2021

## ACCOUNTING POLICIES

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

The 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 financial statements have been prepared on the historical cost basis, except for the measurement of land and buildings at fair value, 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 financial statements.

##### Key sources of estimation uncertainty

##### Useful lives of property, plant and equipment

The company reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date.

##### Fair value estimation

Land and buildings of the company are measured at fair value.

The fair value of land and buildings is derived from the current municipal valuation which is derived from current market prices of comparable real estate.

#### 1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Subsequent to initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses, except for land and buildings which are stated at revalued amounts. The revalued amount is the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, the gross carrying amount is adjusted consistently with the carrying amount. The accumulated depreciation at that date is adjusted to equal the difference between the gross carrying amount and the net revalued carrying amount.

Any increase in an asset's carrying amount, as a result of a revaluation, is recognised in other comprehensive income and accumulated in the revaluation surplus in equity. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. Any remaining decrease in excess of such credit is recognised in profit or loss in the current year.

# COPESSA NPC

Financial Statements for the year ended 28 February 2021

## ACCOUNTING POLICIES

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### 1.2 Property, plant and equipment (continued)

The revaluation surplus related to a specific item of property, plant and equipment is transferred directly to retained income when the asset is derecognised.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

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Item	Depreciation method	Average useful life
Plant and equipment	Straight line	10 years
IT equipment	Straight line	3 years
Electronic equipment	Straight line	3 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss, equal to the excess of the carrying amount over the recoverable amount, is recognised immediately in profit or loss for assets which are not revalued. In the case of revalued assets, the impairment loss is recognised in other comprehensive income and accumulated in the revaluation surplus in equity against any existing credit relating to the same asset. Any remaining impairment loss is recognised in profit or loss.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

### 1.3 Loans receivable

Commitments to receive a loan are recognised initially at the transaction price and are subsequently measured at cost less impairment.

### 1.4 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.

### 1.5 Borrowings

Borrowings are recognised initially at the transaction price (that is, the present value of cash payable to the bank, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

### 1.6 Trade payables

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

### 1.7 Revenue

Revenue comprises the fair value of the consideration received or receivable and represents the amounts receivable for donations and income received from fund raising.

## **COPESSA NPC**

Financial Statements for the year ended 28 February 2021

### **ACCOUNTING POLICIES**

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#### **1.8 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.

## COPESSA NPC

Financial Statements for the year ended 28 February 2021

### NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand 2021 2020

#### 2. Property, plant and equipment

	2021			2020		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land and buildings	1,409,326	(178,326)	1,231,000	512,822	(156,822)	356,000
Plant and equipment	1,328,131	(1,211,023)	117,108	1,328,131	(1,135,287)	192,844
IT equipment	151,312	(132,314)	18,998	151,312	(115,956)	35,356
Electronic equipment	128,226	(124,724)	3,502	128,226	(120,859)	7,367
<b>Total</b>	<b>3,016,995</b>	<b>(1,646,387)</b>	<b>1,370,608</b>	<b>2,120,491</b>	<b>(1,528,924)</b>	<b>591,567</b>

#### Reconciliation of property, plant and equipment - 2021

	Opening balance	Revaluations	Depreciation	Closing balance
Land and buildings	356,000	875,000	-	1,231,000
Plant and equipment	192,844	-	(75,736)	117,108
IT equipment	35,356	-	(16,358)	18,998
Electronic equipment	7,367	-	(3,865)	3,502
	<b>591,567</b>	<b>875,000</b>	<b>(95,959)</b>	<b>1,370,608</b>

#### Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Depreciation	Closing balance
Land and buildings	356,000	-	-	356,000
Plant and equipment	268,580	-	(75,736)	192,844
IT equipment	17,738	28,497	(10,879)	35,356
Electronic equipment	11,232	-	(3,865)	7,367
	<b>653,550</b>	<b>28,497</b>	<b>(90,480)</b>	<b>591,567</b>

The land and buildings are situated on Erf 8955, Protea Glen Ext 11, City of Johannesburg.

The company's land and buildings are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and accumulated impairment losses. The fair value measurements are based on the municipal valuation.

#### 3. Loans receivable

##### At amortised cost

COPESSA Trust Investments Pty Ltd	65,314	65,314
	<u>65,314</u>	<u>65,314</u>
Impairment	(65,314)	-
	<u>-</u>	<u>65,314</u>

The loan is unsecured, bears no interest and has no fixed terms of repayment. The loan has been impaired as it is no longer recoverable.

##### Current assets

At amortised cost	-	65,314
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## COPESSA NPC

Financial Statements for the year ended 28 February 2021

### NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand	2021	2020	
<b>4. Cash and cash equivalents</b>			
Cash and cash equivalents consist of:			
Bank balances	81,965	320,792	
<b>5. Provisions</b>			
<b>Reconciliation of provisions - 2021</b>			
	<b>Opening balance</b>	<b>Additions</b>	<b>Total</b>
Employee costs	906,588	559,984	1,466,572
<b>Reconciliation of provisions - 2020</b>			
	<b>Opening balance</b>	<b>Additions</b>	<b>Total</b>
Employee costs	491,225	415,363	906,588
The employee costs provision represents salaries due to employees but not yet paid. The provision is based on the pay rate as determined by the employee's employment contract and is calculated by taking the difference between the accrued cost and the actual payment made.			
<b>6. Trade and other payables</b>			
Payroll accruals	23,748	21,088	
Municipal expense accrual	58,968	49,104	
	<b>82,716</b>	<b>70,192</b>	
<b>7. Borrowings</b>			
<b>At amortised cost</b>			
Dr TU Motjuwadi	-	40,000	
The loan is unsecured, bears no interest and has no fixed terms of repayment.			
<b>Current liabilities</b>			
At amortised cost	-	40,000	
<b>8. Donations and fundraising revenue</b>			
Donations received	1,348,598	1,790,306	
Fundraising	30,504	133,291	
Other revenue	-	86,000	
	<b>1,379,102</b>	<b>2,009,597</b>	
<b>9. Other income</b>			
Recoveries - Covid-19 TERS	34,199	-	

## COPESSA NPC

Financial Statements for the year ended 28 February 2021

### NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand	2021	2020
<b>10. Deficit surplus from resources</b>		
Deficit surplus from resources for the year is stated after accounting for the following:		
Depreciation on property, plant and equipment	95,959	90,480
Employee costs	1,659,046	1,800,698
	<u>                    </u>	<u>                    </u>
<b>11. Taxation</b>		
The company is exempt from taxation in terms of section 10 of the Income Tax Act.		
<b>12. Cash (used in) generated from operations</b>		
Profit (loss) for the year	(932,608)	(170,131)
<b>Adjustments for:</b>		
Depreciation	95,959	90,480
Movements in provisions	559,984	415,363
Non-cash items	25,314	-
<b>Changes in working capital:</b>		
Trade and other payables	12,524	3,348
	<u>(238,827)</u>	<u>339,060</u>
<b>13. Related parties</b>		
<b>Relationships</b>		
Entity related to directors	COPESSA Trust Investments Pty Ltd	
<b>Related party balances</b>		
<b>Loan accounts - Owing by related parties</b>		
COPESSA Trust Investments Pty Ltd	-	65,314
	<u>                    </u>	<u>                    </u>
<b>14. Directors' remuneration</b>		
<b>Executive</b>		
<b>2021</b>		
NB Motjuwadi	<b>Emoluments</b> 267,615	<b>Total</b> 267,615
	<u>                    </u>	<u>                    </u>
<b>2020</b>		
NB Motjuwadi	<b>Emoluments</b> 454,571	<b>Total</b> 454,571
	<u>                    </u>	<u>                    </u>

## COPESSA NPC

Financial Statements for the year ended 28 February 2021

### NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand	2021	2020
<b>15. Prior period error</b>		
Employee costs accrued but not paid was not accounted for in prior periods. Refer to note 5 for further details.		
The correction of the error resulted in the following adjustments:		
<b>Statement of Financial Position</b>		
Increase in provisions	-	(906,588)
Opening retained earnings	-	491,225
	<u>-</u>	<u>(415,363)</u>
<b>Profit or Loss</b>		
Resources utilised - Employee costs	-	415,363
	<u>-</u>	<u>415,363</u>

### 16. Going concern

The company had accumulated losses of R 971,715 and its total liabilities exceeded its assets by R 96,715 as at 28 February 2021.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the company. The directors have established a fundraising committee which is actively procuring funding by way of donations and sponsorships.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the 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.

The directors are aware of the Covid-19 pandemic and there is no immediate concern around going concern. The directors are continually assessing and monitoring developments with regard to the disease and at the time of finalising the report, the directors are confident that their responses are adequate. Furthermore, the situation is being continuously monitored to assess the impact on the company.

## COPESSA NPC

Financial Statements for the year ended 28 February 2021

### DETAILED INCOME STATEMENT

Figures in Rand	Note(s)	2021	2020 Restated *
<b>Donation and fundraising revenue</b>			
Donations received		1,348,598	1,790,306
Fundraising		30,504	133,291
Other revenue		-	86,000
	8	<u>1,379,102</u>	<u>2,009,597</u>
<b>Other income</b>			
Recoveries - Covid-19 TERS		<u>34,199</u>	<u>-</u>
<b>Resources utilised</b>			
Bad debts		65,314	-
Bank charges		502	383
Cleaning		251	1,652
Computer expenses		4,492	3,006
Depreciation		95,959	90,480
Employee costs		1,659,046	1,800,698
Entertainment		-	343
Food parcels		141,239	2,722
Insurance		33,196	29,295
Mask manufacturing expenses		18,724	-
Motor vehicle expenses		12,863	20,193
Municipal expenses		76,967	55,034
Printing and stationery		22,723	18,217
Project expenditure		165,301	79,250
Repairs and maintenance		14,093	29,546
Secretarial fees		3,752	3,450
Security		5,664	6,846
Staff welfare		4,747	-
Telephone and internet		17,928	17,111
Training		-	17,340
Workmans compensation		3,148	4,162
		<u>2,345,909</u>	<u>2,179,728</u>
<b>Deficit from resources for the year</b>		<u>(932,608)</u>	<u>(170,131)</u>

\* See Note 15

## COPESSA NPC

Financial Statements for the year ended 28 February 2021

### DONATIONS AND FUNDRAISING REVENUE SCHEDULE

Figures in Rand	Note(s)	2021	2020
<b>1. Donations received</b>			
Asp Fire		10,000	-
Barloworld (Pty) Ltd		100,000	100,000
Bytes		4,137	-
Charities Aid Foundation		250,000	-
Consol Pty Ltd		-	300,000
Cwenga Technologies		20,000	20,000
Dr TU Motjuwadi		40,000	-
Drs Mashao and Dzichauya		36,000	36,000
Friends of COPESSA		28,880	8,401
Gauteng Department of Social Services		746,032	732,485
Mr Mark Nagle		-	30,000
Online Giving Foundation		10,424	-
Pick n Pay		-	30,000
SAGE Foundation		-	371,420
Sigma Lifts and Escalators		30,000	30,000
South African German Network		68,125	-
Thaba Eco Hotel		5,000	82,000
Umvuzo Trust		-	50,000
		<b>1,348,598</b>	<b>1,790,306</b>
<b>2. Fundraising</b>			
COPESSA Fundraising Golf Day		-	63,289
Consol (Pty) Ltd		-	10,000
Global Giving Crowdfunding		1,308	5,409
Jumble Sale		-	1,500
Mamakgatlope Construction		-	50,000
Container sales		15,000	-
My School Card		1,936	3,093
Covid-19 mask sales		12,260	-
		<b>30,504</b>	<b>133,291</b>
<b>3. Other revenue</b>			
Devland Meat Product		-	86,000

\* See Note 15