

**PIETERMARITZBURG CHILDREN'S HOMES (RF) NPC**  
**(Registration number (2002/014771/08)**  
**(NPO number: 002 - 213NPO))**  
**Financial Statements**  
**for the year ended 29 February 2024**

These financial statements were prepared by:  
S Naidoo AGA (SA)

These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.

Issued 22 August 2024

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## General Information

---

<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Other community, social and personal service activities
<b>Directors</b>	L du Preez DA Moon C Mahadeo M Achari T Gcwabaza N Reddy
<b>Registered office</b>	45 Teak Road Woodlands Pietermaritzburg 3201
<b>Business address</b>	45 Teak Road Woodlands Pietermaritzburg 3201
<b>Postal address</b>	P.O. Box 949 Pietermaritzburg 3201
<b>Bankers</b>	First National Bank Standard Bank of South Africa
<b>Auditors</b>	Moore Midlands Chartered Accountants (SA) Registered Auditors
<b>Company registration number</b>	(2002/014771/08) (NPO number: 002 - 213NPO)
<b>Tax reference number</b>	9219426146
<b>Level of assurance</b>	These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
<b>Preparer</b>	The financial statements were independently compiled by: S Naidoo AGA (SA)
<b>Issued</b>	22 August 2024

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Index

---

The reports and statements set out below comprise the financial statements presented to the directors:

	<b>Page</b>
Directors' Responsibilities and Approval	3
Independent Auditor's Report	4 - 6
Directors' Report	7 - 8
Statement of Financial Position	9
Statement of Comprehensive Income	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Accounting Policies	13 - 16
Notes to the Financial Statements	17 - 20
The following supplementary information does not form part of the financial statements and is unaudited:	
Detailed Income Statement	21 - 22

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Directors' Responsibilities and Approval

---

The directors are required by the Companies Act of South Africa, 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 IFRS for SMEs Accounting Standard. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the IFRS for SMEs Accounting Standard 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 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 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 2025 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 financial statements. The financial statements have been examined by the company's external auditors and their report is presented on page 4 - 6.

The financial statements set out on pages 9 to 20, which have been prepared on the going concern basis, were approved by the board on 20 August 2024:

  
\_\_\_\_\_  
Chairperson

  
\_\_\_\_\_  
Director and Treasurer

Pietermaritzburg

## Independent Auditor's Report

---

### To the Directors of Pietermaritzburg Children's Homes (RF) NPC

#### Opinion

We have audited the financial statements of Pietermaritzburg Children's Homes (RF) NPC (the company) set out on pages 9 to 20, which comprise the statement of financial position as at 29 February 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the 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 Pietermaritzburg Children's Homes (RF) 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 and the requirements of the Companies Act of South Africa.

#### Basis for Qualified Opinion

It is not feasible for the company to institute accounting controls over cash collections from donations and fundraising prior to the initial entry of the collections in the accounting records. In addition, we have identified that donations in kind are not recorded in the accounting records. Accordingly, it is not possible for us to extend our examination beyond the receipts and assets actually recorded.

Certain items of property, plant and equipment with nil carrying values are still being used by the entity, and no reassessment of these useful lives or residual values has been performed. Accordingly, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the valuation of property, plant and equipment at year end.

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 Financial Statements section of our report. We are 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. 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.

# Independent Auditor's Report

---

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Pietermaritzburg Children's Homes (RF) NPC financial statements for the year ended 29 February 2024", which includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on pages 21 to 22. 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. As described in the Basis for Qualified Opinion section above, [insert description of matter]. We have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the [insert description of other information that is misstated] affected by this matter.

## 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 and the requirements of the Companies Act of South Africa, 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.

## 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 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, 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 company's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
-

## Independent Auditor's Report

---

- 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 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 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.

Moore

---

**Moore Midlands  
Chartered Accountants (SA)  
Registered Auditors**

22/08/2024

---

**DATE**

**Per: Letisha Subramanien - Director  
Registered Auditor**

**Pietermaritzburg**

---

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Directors' Report

---

The directors have pleasure in submitting their report on the financial statements of Pietermaritzburg Children's Homes (RF) NPC for the year ended 29 February 2024.

### 1. Nature of business

Pietermaritzburg Children's Homes (RF) NPC was incorporated in South Africa. The principal activities of the company are providing assistance and accommodation to children in need. The company operates in South Africa.

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 the IFRS for SMEs Accounting Standard and the requirements of the Companies Act of South Africa. 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

L du Preez	Non-executive
DA Moon	Non-executive
C Mahadeo	Non-executive
M Achari	Non-executive
T Gcwabaza	Non-executive
N Reddy	Non-executive

N Ngidi was removed as a non-executive director in terms of a board resolution effective 27 April 2024.

### 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 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.

### 6. Auditors

Moore Midlands continued in office as auditors for the company for 2024.

### 7. Secretary

The company secretary is Christopher Mahadeo.

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Directors' Report

---

### 8. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa.

### 9. Date of authorisation for issue of financial statements

The financial statements have been authorised for issue by the directors on Thursday, 22 August 2024. No authority was given to anyone to amend the financial statements after the date of issue.

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08))

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Statement of Financial Position as at 29 February 2024

Figures in Rand	Note(s)	2024	2023
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	7 048 124	7 164 001
Other financial assets	3	25 568	136 190
		<u>7 073 692</u>	<u>7 300 191</u>
<b>Current Assets</b>			
Trade and other receivables	4	317 188	911 183
Cash and cash equivalents	5	727 067	99 366
		<u>1 044 255</u>	<u>1 010 549</u>
<b>Total Assets</b>		<u>8 117 947</u>	<u>8 310 740</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		<u>7 915 077</u>	<u>8 024 204</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	6	202 870	286 536
<b>Total Equity and Liabilities</b>		<u>8 117 947</u>	<u>8 310 740</u>

## Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08))

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

### Statement of Comprehensive Income

Figures in Rand	Note(s)	2024	2023
Revenue	7	4 713 051	4 985 252
Other income	8	224 830	209 124
Operating expenses		(5 063 816)	(5 046 829)
<b>Operating (deficit) surplus</b>		<b>(125 935)</b>	<b>147 547</b>
Investment revenue	10	16 808	5 235
Finance costs	11	-	(2 700)
<b>(Deficit) surplus for the year</b>		<b>(109 127)</b>	<b>150 082</b>
Other comprehensive income		-	-
<b>Total comprehensive (deficit) surplus for the year</b>		<b>(109 127)</b>	<b>150 082</b>

## Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

### Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
<b>Balance at 01 March 2022</b>	<b>7 874 122</b>	<b>7 874 122</b>
Surplus for the year	150 082	150 082
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>150 082</b>	<b>150 082</b>
<b>Balance at 01 March 2023</b>	<b>8 024 204</b>	<b>8 024 204</b>
Deficit for the year	(109 127)	(109 127)
Other comprehensive income	-	-
<b>Total comprehensive loss for the year</b>	<b>(109 127)</b>	<b>(109 127)</b>
<b>Balance at 29 February 2024</b>	<b>7 915 077</b>	<b>7 915 077</b>

## Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

### Statement of Cash Flows

Figures in Rand	Note(s)	2024	2023
<b>Cash flows from operating activities</b>			
Cash generated from operations	13	500 771	357 740
Interest income		12 029	5 235
Finance costs		-	(2 700)
<b>Net cash from operating activities</b>		<b>512 800</b>	<b>360 275</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	-	(691 316)
Purchases of other financial assets		-	(47 139)
Proceeds from sales of other financial assets		114 900	120 910
<b>Net cash from investing activities</b>		<b>114 900</b>	<b>(617 545)</b>
<b>Total cash movement for the year</b>		<b>627 700</b>	<b>(257 270)</b>
Cash and cash equivalents at the beginning of the year		99 366	356 636
<b>Total cash at end of the year</b>	5	<b>727 066</b>	<b>99 366</b>

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Accounting Policies

---

### 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 IFRS for SMEs Accounting Standard, and the Companies Act of South Africa. The financial statements have been prepared on the historical cost convention, unless otherwise stated in the accounting policies which follow, 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

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 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.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

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.

The initial estimate of the costs of dismantling and removing an asset and restoring the site on which it is located is also included in the cost of property, plant and equipment, when such dismantling, removal and restoration is obligatory.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

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.

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Accounting Policies

---

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

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

---

Item	Depreciation method	Average useful life
Land	Straight line	Indefinite
Buildings	Straight line	30 years*
Furniture and fixtures	Straight line	5 to 6 years
Motor vehicles	Straight line	5 years
Other assets	Straight line	5 to 15 years
Computer equipment	Straight line	5 years

\*The cost of the buildings is not depreciated as the residual value of the buildings is greater than its carrying amount.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

Land is not depreciated.

Where major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to the components and they are depreciated separately over each component's useful life.

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 is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

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 surplus or deficit when the item is derecognised.

Gains and losses on disposals are recognised in surplus or deficit.

### 1.3 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 surplus or deficit) 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.

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Accounting Policies

---

### 1.3 Financial instruments (continued)

#### Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They 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 surplus or deficit.

#### Financial instruments at cost

Commitments to receive a loan are measured at cost less impairment.

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

#### Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through surplus or deficit.

### 1.4 Tax

#### Current tax assets and liabilities

The entity has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act and the receipts and accruals are exempt from income tax in terms of section 10(1)(cN) of the Act.

### 1.5 Impairment of assets

The company assesses at each reporting date whether there is any indication that any assets may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its 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 surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

### 1.6 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.

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Accounting Policies

---

### 1.7 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

### 1.8 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.

Revenue comprises of donations and grants received.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

### 1.9 Borrowing costs

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

### 1.10 Statement of cash flows

The statement of cash flows is prepared on the direct method, whereby the major classes of gross cash receipts and gross cash payments are disclosed.

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and deposits held on call with banks net of bank overdrafts, all of which are available for use by the company unless otherwise stated.

Investing and financing operations that do not require the use of cash and cash equivalents are excluded from the statement of cash flows.

## Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08))

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

### Notes to the Financial Statements

Figures in Rand 2024 2023

#### 2. Property, plant and equipment

	2024			2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	1 000 000	-	1 000 000	1 000 000	-	1 000 000
Buildings	5 851 225	-	5 851 225	5 851 225	-	5 851 225
Furniture and fixtures	409 347	(395 200)	14 147	404 697	(389 624)	15 073
Motor vehicles	885 811	(843 307)	42 504	885 811	(763 492)	122 319
Computer equipment	60 520	(53 471)	7 049	60 520	(46 696)	13 824
Other assets	442 662	(309 463)	133 199	435 605	(274 045)	161 560
<b>Total</b>	<b>8 649 565</b>	<b>(1 601 441)</b>	<b>7 048 124</b>	<b>8 637 858</b>	<b>(1 473 857)</b>	<b>7 164 001</b>

#### Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Closing balance
Land	1 000 000	-	-	1 000 000
Buildings	5 851 225	-	-	5 851 225
Furniture and fixtures	15 073	4 650	(5 576)	14 147
Motor vehicles	122 319	-	(79 815)	42 504
Computer equipment	13 824	-	(6 775)	7 049
Other assets	161 560	7 057	(35 418)	133 199
	<b>7 164 001</b>	<b>11 707</b>	<b>(127 584)</b>	<b>7 048 124</b>

#### Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Land	1 000 000	-	-	1 000 000
Buildings	5 274 930	576 295	-	5 851 225
Furniture and fixtures	10 537	8 717	(4 181)	15 073
Motor vehicles	202 134	-	(79 815)	122 319
Computer equipment	14 201	6 398	(6 775)	13 824
Other assets	62 290	117 021	(17 751)	161 560
	<b>6 564 092</b>	<b>708 431</b>	<b>(108 522)</b>	<b>7 164 001</b>

#### Details of properties

##### 45 Teak Road

Property is described as Sub 497 of Lot 1254, Pietermaritzburg

- Land	1 000 000	1 000 000
- Capitalised expenditure	5 851 225	5 851 225
	<b>6 851 225</b>	<b>6 851 225</b>

Registers with details of land and buildings are available for inspection by members or their duly authorised representatives at the registered office of the company.

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Notes to the Financial Statements

Figures in Rand	2024	2023
<b>3. Other financial assets</b>		
<b>At fair value</b>		
FNB Ashburton Investment Account	25 568	136 190
<b>Non-current assets</b>		
At fair value	25 568	136 190
<b>Fair value measurement</b>		
The fair values of listed or quoted investments are based on the quoted market price at reporting period date.		
<b>4. Trade and other receivables</b>		
Trade receivables	96 402	727 250
VAT	220 786	183 933
	<b>317 188</b>	<b>911 183</b>
<b>5. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	3 977	10 978
Bank balances	723 090	88 388
	<b>727 067</b>	<b>99 366</b>
The total amount of undrawn facilities available for future operating activities and commitments	75 018	75 018
<b>6. Trade and other payables</b>		
Trade payables	106 160	63 074
Accruals	136	13 742
Provisions	96 574	209 720
	<b>202 870</b>	<b>286 536</b>
<b>7. Revenue</b>		
Building Income - Victor Daitz Foundation	-	384 864
Donation Received - Commshef	207 420	229 765
Donation Received - KFC	130 000	130 000
Donation Received - Ken Collins Trust	42 000	42 000
Donations Received - Community Chest	50 000	30 000
Donations Received - Pietermaritzburg Childrens Home Trust	180 000	220 000
Donations in kind	123 168	17 113
Other Donations	157 987	173 917
Subsidy - Department of Social Development	3 822 476	3 757 593
	<b>4 713 051</b>	<b>4 985 252</b>

## Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

### Notes to the Financial Statements

Figures in Rand	2024	2023
<b>8. Other income</b>		
Other income - Programmes	2 999	65 525
Sundry income	147 771	138 015
Investment Revenue - FNB Ashburton Investment	4 779	5 584
Discount received	69 281	-
	<b>224 830</b>	<b>209 124</b>
<b>9. Operating expenses</b>		
<b>Operating expenses include the following expenses:</b>		
Depreciation	127 584	108 522
Employee costs	2 603 981	2 656 508
	<b>2 731 565</b>	<b>2 765 030</b>
<b>10. Investment revenue</b>		
<b>Interest revenue</b>		
Interest from bank balances	16 808	5 235
<b>11. Finance costs</b>		
Bank	-	2 700
<b>12. Taxation</b>		
The entity has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act and receipts and accruals are exempt from income tax in terms of section 10(1)(cN) of the Act.		
<b>13. Cash generated from operations</b>		
Surplus (deficit) before taxation	(109 127)	150 082
<b>Adjustments for:</b>		
Depreciation on property, plant and equipment	127 584	108 522
Non-cash movement in property, plant and equipment	(11 707)	(17 114)
Non-cash movement in financial assets	500	1 555
Investment income	(16 808)	(5 235)
Finance costs	-	2 700
<b>Changes in working capital:</b>		
Decrease / increase in trade and other receivables	690 397	(108 066)
Decrease / increase in trade and other payables	(180 068)	225 296
	<b>500 771</b>	<b>357 740</b>

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Notes to the Financial Statements

Figures in Rand	2024	2023
<b>14. Related parties</b>		
Relationships Beneficiary of:	Pietermaritzburg Children's Home Trust	
<b>Related party balances and transactions with other related parties</b>		
<b>Related party transactions</b>		
<b>Revenue received from related parties</b>		
Pietermaritzburg Children's Home Trust	180 000	220 000
<b>15. Directors' and prescribed officer's remuneration</b>		
No emoluments were paid to the directors or any individuals holding a prescribed office during the year.		
<b>16. Categories of financial instruments</b>		
<b>Financial assets at fair value through profit or loss</b>		
Other financial assets	25 568	136 190
<b>Debt instruments at amortised cost</b>		
Cash and cash equivalents	727 067	99 366
Trade and other receivables	96 402	727 250
	<b>823 469</b>	<b>826 616</b>
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	202 867	286 530
<b>17. Going concern</b>		
The 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.		
<b>18. Events after the reporting period</b>		
No material events have taken place after the reporting period that are required to be disclosed in these financial statements.		

## Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08)

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

### Detailed Income Statement

Figures in Rand	Note(s)	2024	2023
<b>Revenue</b>			
Building Income -Victor Daitz Foundation		-	384 864
Donation Received - Commsshelf		207 420	229 765
Donation Received - Community Chest		50 000	30 000
Donation Received - Ken Collins Trust		42 000	42 000
Donation Received - Pietermaritzburg Childrens Home Trust		180 000	220 000
Donations in kind		123 168	17 113
Donations received - KFC		130 000	130 000
Other Donations		157 987	173 917
Subsidy - Department of Social Development		3 822 476	3 757 593
	7	<b>4 713 051</b>	<b>4 985 252</b>
<b>Other income</b>			
Other Income - Programmes		2 999	65 525
Sundry income		147 771	138 015
Investment Revenue - FNB Ashburton Investment Account		4 779	5 584
Discount received		69 281	-
		<b>224 830</b>	<b>209 124</b>
<b>Expenses (Refer to page 22)</b>		<b>(5 063 816)</b>	<b>(5 046 829)</b>
<b>Operating (deficit) surplus</b>		<b>(125 935)</b>	<b>147 547</b>
Investment income	10	16 808	5 235
Finance costs	11	-	(2 700)
		<b>16 808</b>	<b>2 535</b>
<b>(Deficit) surplus for the year</b>		<b>(109 127)</b>	<b>150 082</b>

# Pietermaritzburg Children's Homes (RF) NPC

(Registration number: (2002/014771/08))

(NPO number: 002 - 213NPO))

Financial Statements for the year ended 29 February 2024

## Detailed Income Statement

Figures in Rand	Note(s)	2024	2023
<b>Operating expenses</b>			
Advertising		2 220	1 503
Auditors remuneration		16 700	27 234
Bank charges		12 116	13 555
Cleaning		38 883	31 795
Clothing		18 915	23 537
Depreciation on property, plant and equipment		127 584	108 522
Employee costs		2 603 981	2 656 508
Fundraising expenses		149 426	126 270
Garden services		32 784	29 556
Groceries		531 090	518 951
Home expenses		64 144	72 825
Insurance		110 109	106 249
Medical expenses		7 599	6 066
Motor vehicle expenses		164 518	217 271
Municipal expenses		502 377	479 845
Office expenses		54 166	37 500
Payroll fees		1 024	10 277
Printing and stationery		98 529	68 307
Programme expenses		42 158	46 993
Repairs and maintenance		100 106	108 640
School expenses		101 809	50 643
Security		183 867	182 791
Staff training		8 182	39 047
Telephone and fax		44 493	51 247
Toiletries		47 036	31 697
		<b>5 063 816</b>	<b>5 046 829</b>