GIN SSOGIE NPC
(Registration number 2015/142748/08)
Financial statements
for the year ended 28 February 2019
Issued 07 June 2019

GIN SSOGIE NPC

(Registration number: 2015/142748/08)
Financial Statements for the year ended 28 February 2019

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Non-profit company promoting a global interfaith network for people of all sexes, sexual orientations, gender identities and expressions
Directors	JJ Kotze SR Ludwig PR Mabizela YT Brown RAB Macaulay S Sharma JRI Carver NKK Pamaran IG McKnight T Irias
Registered office	Cnr Rabie and 4th Avenue North Fontainebleau Randburg Gauteng 2032
Postal address	Cnr Rabie and 4th Avenue North Fontainebleau Randburg Gauteng 2032
Company registration number	2015/142748/08
Tax reference number	9046608247
Level of assurance	These financial statements have been independently reviewed in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	These financial statements were prepared under the supervision of: PA Gouws CA(SA) PKF (VGA) Knysna inc.
Issued	07 June 2019

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

Statement of Comprehensive Income

	Note(s)	2019 R	2018 R
Revenue	6	5,366,506	3,493,820
Other income	7	75,949	-
Operating expenses		(4,365,788)	(3,371,112)
Operating profit	8	**1,076,667**	**122,708**
Investment revenue	9	3,711	5,141
Finance costs	10	(374)	(1,017)
Profit before taxation		**1,080,004**	**126,832**
Taxation	11	-	(38,070)
Profit for the year		**1,080,004**	**88,762**
Other comprehensive income		-	-
Total comprehensive income for the year		**1,080,004**	**88,762**

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 International Financial Reporting Standard for Small and Medium-sized Entities.

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 board 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 29 February 2020 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 independent reviewer is responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's independent reviewer and their report is presented on page 4.

The financial statements set out on pages 7 to 16, which have been prepared on the going concern basis, were approved by the board on 07 June 2019 and were signed on its behalf by:

Approval of financial statements

PR Mabizela

Independent Reviewer's Report

To the Directors of GIN SSOGIE NPC

Report on the Financial Statements

We have reviewed the financial statements of GIN SSOGIE NPC set out on pages 7 to 15, which comprise the statement of financial position as at 28 February 2019 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 financial statements, including a summary of significant accounting policies.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities 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.

Independent Reviewer's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) 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 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

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

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 GIN SSOGIE NPC as at 28 February 2019, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

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Other Reports Required by the Companies Act

The annual financial statements include the Directors' Report as required by the Companies Act of South Africa. The directors are responsible for Directors' Report. Our conclusion on the financial statements does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.
In connection with our independent review of the financial statements, we have read the Directors' Report and, in doing so, considered whether the Directors' Report is materially inconsistent with the financial statements or our knowledge obtained in the independent review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we will report that fact. We have nothing to report in this regard.

PKF (VGA) Knysna Inc
Director
Pierre Gouws
Registered Auditor

7 June 2019
Knysna

Directors' Report

The Directors have pleasure in submitting their report on the financial statements of GIN SSOGIE NPC for the year ended 28 February 2019.

1. 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 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.

2. Directors

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

Directors	Changes
JJ Kotze	
SR Ludwig	
PR Mabizela	
YT Brown	Appointed 03 April 2019
RAB Macaulay	Appointed 03 April 2019
S Sharma	Appointed 03 April 2019
JRI Carver	Appointed 03 April 2019
NKK Pamaran	Appointed 03 April 2019
IG McKnight	Appointed 03 April 2019
T Irias	Appointed 03 April 2019

3. 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.

4. 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.

5. Review

The financial statements are subject to an independent review and have been reviewed by PKF (VGA) Knysna Inc.

Statement of Financial Position as at 28 February 2019

	Note(s)	2019 R	2018 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	26,192	47,594
Current Assets			
Loans to directors, managers and employees	3	5,168	-
Current tax receivable		37,090	-
Cash and cash equivalents	4	1,506,751	474,464
		1,549,009	**474,464**
Total Assets		**1,575,201**	**522,058**
Equity and Liabilities			
Equity			
Accumulated surplus		1,533,744	453,740
Liabilities			
Current Liabilities			
Trade and other payables	5	41,457	30,248
Current tax payable		-	38,070
		41,457	**68,318**
Total Equity and Liabilities		**1,575,201**	**522,058**

Statement of Changes in Equity

	Accumulated surplus R	Total equity R
Balance at 01 March 2017	**364,978**	**364,978**
Profit for the year	88,762	88,762
Other comprehensive income	-	-
Total comprehensive income for the year	**88,762**	**88,762**
Balance at 01 March 2018	**453,740**	**453,740**
Profit for the year	1,080,004	1,080,004
Other comprehensive income	-	-
Total comprehensive income for the year	**1,080,004**	**1,080,004**
Balance at 28 February 2019	**1,533,744**	**1,533,744**

Statement of Cash Flows

	Note(s)	2019 R	2018 R
Cash flows from operating activities			
Cash generated from operations	12	1,109,278	162,517
Interest income		3,711	5,141
Finance costs		(374)	(1,017)
Tax paid	13	(75,160)	(144,681)
Net cash from operating activities		**1,037,455**	**21,960**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	-	(45,608)
Cash flows from financing activities			
Movement in loans to directors, managers and employees		(5,168)	-
Total cash movement for the year		**1,032,287**	**(23,648)**
Cash at the beginning of the year		474,464	498,112
Total cash at end of the year	4	**1,506,751**	**474,464**

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 International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The 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 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.

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.

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

Item	Depreciation method	Average useful life
IT 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 is recognised immediately in profit or loss 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 profit or loss when the item is derecognised.

1.2 Financial instruments

Initial measurement

Accounting Policies

1.2 Financial instruments (continued)

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.

Financial instruments at cost

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 profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

1.3 Tax

Tax expenses

The company is tax exempt in accordance with Section 10(1)(cN) of the Income Tax Act with effect from 19 January 2018. Therefore no tax is provided for as from the 2019 financial year.

1.4 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment 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 profit or loss.

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 profit or loss.

Accounting Policies

1.5 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.

1.6 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.

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

1.7 Borrowing costs

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

Notes to the Financial Statements

	2019 R	2018 R

2. Property, plant and equipment

	2019			2018		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
IT equipment	64,205	(38,013)	26,192	64,205	(16,611)	47,594

Reconciliation of property, plant and equipment - 2019

	Opening balance	Depreciation	Closing balance
IT equipment	47,594	(21,402)	26,192

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Depreciation	Closing balance
IT equipment	17,047	45,608	(15,061)	47,594

3. Loans to directors, managers and employees

	2019	2018
Loans to directors, managers and employees		
Advances	10,336	-
Repayments	(5,168)	-
	5,168	**-**

4. Cash and cash equivalents

Cash and cash equivalents consist of:

	2019	2018
Cash on hand	7,749	1,999
Bank balances	1,499,002	472,465
	1,506,751	**474,464**

5. Trade and other payables

	2019	2018
Compilation fee accrual	15,551	6,201
Accrued payroll taxes	25,906	24,047
	41,457	**30,248**

6. Revenue

	2019	2018
Donations	5,366,506	3,493,820

7. Other income

	2019	2018
Profit and loss on exchange differences	75,949	-

Notes to the Financial Statements

8. Operating profit

Operating profit for the year is stated after accounting for the following:

Operating lease charges		
Premises		
• Contractual amounts	80,700	40,415
Depreciation on property, plant and equipment	21,402	15,061
Employee costs	1,429,271	767,602

9. Investment revenue

Interest revenue		
Bank	3,711	5,141

10. Finance costs

Late payment of tax	374	1,017

11. Taxation

Major components of the tax expense

Current taxation		
South African normal tax - year	-	38,070

No provision has been made for 2019 tax as the company has obtained tax exemption status with SARS effective 19 January 2018.

12. Cash generated from operations

Profit before taxation	1,080,004	126,832
Adjustments for:		
Depreciation and amortisation	21,402	15,061
Interest received	(3,711)	(5,141)
Finance costs	374	1,017
Changes in working capital:		
Trade and other payables	11,209	24,748
	1,109,278	**162,517**

13. Tax paid

Balance at beginning of the year	(38,070)	(144,681)
Current tax for the year recognised in profit or loss	-	(38,070)
Balance at end of the year	(37,090)	38,070
	(75,160)	**(144,681)**

GIN SSOGIE NPC

(Registration number: 2015/142748/08)
Financial Statements for the year ended 28 February 2019

Detailed Income Statement

	Note(s)	2019 R	2018 R
Revenue			
Donations		5,366,506	3,493,820
Other income			
Interest received	9	3,711	5,141
Profit and loss on exchange differences		75,949	-
		79,660	**5,141**
Operating expenses			
Accounting and secretarial fees		85,618	60,280
Administration and management fees		44,808	46,534
Advertising		-	120,000
Assets less than R7000		9,436	4,947
Bank charges		66,749	30,029
Cleaning		2,800	-
Computer expenses		8,835	-
Conference expenses		268,126	465,148
Consulting and professional fees		567,853	886,863
Consumables		-	28,082
Depreciation, amortisation and impairments		21,402	15,061
Employee costs		1,429,271	767,602
Entertainment		92,911	12,562
Gifts		14,819	-
Insurance		4,927	1,239
Lease rentals on operating lease		80,700	40,415
Legal expenses		-	1,500
Penalties paid in respect of taxes		12,248	6,614
Postage		2,007	2,393
Printing and stationery		46,809	18,909
Profit and loss on exchange differences		-	34,274
Seed funding		-	119,456
Subscriptions		18,261	14,392
Telephone and fax		6,088	7,769
Travel - local		714,224	508,141
Travel - overseas		867,896	178,902
		4,365,788	**3,371,112**
Operating profit	8	**1,080,378**	**127,849**
Finance costs	10	(374)	(1,017)
Profit before taxation		**1,080,004**	**126,832**
Taxation	11	-	(38,070)
Profit for the year		**1,080,004**	**88,762**