

THE ANGEL GOWN INITIATIVE NPO
(Registration number 203-283 NPO)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2019

Exceed (Johannesburg) Inc.
Chartered Accountants (SA)
Registered Auditors
Issued 29 March 2019



The Angel Gown Initiative NPO

(Registration number: 203-283 NPO)

Annual Financial Statements for the year ended 28 February 2019

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	NPO providing burial garments
Members	A van Wyk E Erasmus RM van Zyl
Registered office	31 West Crescent Gordon's Bay 7140
Postal address	31 West Crescent Gordon's Bay 7140
Bankers	First National Bank
Auditors	Exceed (Johannesburg) Inc. Chartered Accountants (SA) Registered Auditors IRBA Reg No.: 975269
Company registration number	203-283 NPO
Tax reference number	9971609169
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were internally compiled by: E Erasmus

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Members' Responsibilities and Approval

The members are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the organisation as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the organisation and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the office bearers 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 organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The members have reviewed the organisation'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 organisation has or has access to adequate resources to continue in operational existence for the foreseeable future.

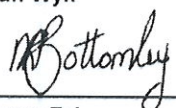
The external auditors are responsible for independently auditing and reporting on the organisation's annual financial statements. The annual financial statements have been examined by the organisation's external auditors and their report is presented on page 5.

The annual financial statements set out on pages 7 to 14, which have been prepared on the going concern basis, were approved by the members on 29 March 2019 and were signed by them:


Approval of annual financial statements



A van Wyk



RM van Zyl



E Erasmus

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Members' Report

The members have pleasure in submitting their report on the annual financial statements of The Angel Gown Initiative NPO for the year ended 28 February 2019.

1. Nature of business

The Angel Gown Initiative NPO was incorporated in South Africa with interests in the Non-profit industry. The organisation operates in South Africa.

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

2. Review of financial results and activities

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

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

3. Events after the reporting period

The members 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 members believe that the organisation has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The members have satisfied themselves that the organisation is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The members are not aware of any new material changes that may adversely impact the organisation. The members 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 organisation.

5. Auditors

Exceed (Johannesburg) Inc. continued in office as auditors for the organisation for 2019.

At the AGM, the members will be requested to reappoint Exceed (Johannesburg) Inc. as the independent external auditors of the organisation and to confirm Mr Jonathan Cohen as the designated lead audit partner for the 2020 financial year.

Independent Auditor's Report

To the members of The Angel Gown Initiative NPO

Opinion

We have audited the annual financial statements of The Angel Gown Initiative NPO set out on pages 7 to 13, 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 annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of The Angel Gown Initiative NPO as at 28 February 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the organisation 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 annual 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

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

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

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

Responsibilities of the members for the Annual Financial Statements

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

In preparing the annual financial statements, the members are responsible for assessing the organisation'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 members either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' 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 organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the members 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.

Exceed (Johannesburg) Inc.

Exceed (Johannesburg) Inc.
Chartered Accountants (SA)
Registered Auditors
IRBA Reg No.: 975269

29 March 2019

First Floor
Zotos House
183 Smit Street
Fairland
2170

Per: J Cohen
Director

The Angel Gown Initiative NPO

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Annual Financial Statements for the year ended 28 February 2019

Statement of Financial Position as at 28 February 2019

	Note	2019 R
Assets		
Non-Current Assets		
Property, plant and equipment	2	6,953
Current Assets		
Cash and cash equivalents	3	731
Total Assets		7,684
Equity and Liabilities		
Equity		
Retained income		(35,955)
Liabilities		
Non-Current Liabilities		
Loans from members	4	43,639
Total Equity and Liabilities		43,639
		7,684

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Statement of Comprehensive Income

	Note	2019 R
Revenue	5	49,301
Operating expenses		(85,256)
Operating loss		(35,955)
Loss for the year		(35,955)
Other comprehensive income		-
Total comprehensive loss for the year		(35,955)

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Statement of Changes in Equity

	Retained income R	Total equity R
Loss for the year	(35,955)	(35,955)
Other comprehensive income	-	-
Total comprehensive loss for the year	(35,955)	(35,955)
Balance at 28 February 2019	(35,955)	(35,955)

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Statement of Cash Flows

	Note	2019 R
Cash flows from operating activities		
Cash used in operations		<u>(35,323)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	2	<u>(7,585)</u>
Cash flows from financing activities		
Repayment of shareholders loan		<u>43,639</u>
Net cash from financing activities		<u>43,639</u>
Total cash movement for the year		<u>731</u>
Total cash at end of the year	3	<u>731</u>

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Annual Financial Statements for the year ended 28 February 2019

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 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 carried at cost less accumulated depreciation and accumulated impairment losses.

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.

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.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	6 years

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.

Gains and losses on disposals are recognised in profit or loss.

1.2 Financial instruments

Initial measurement

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

Financial instruments at 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.

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Annual Financial Statements for the year ended 28 February 2019

Accounting Policies

1.3 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.

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Notes to the Annual Financial Statements

2019
R

2. Property, plant and equipment

	2019		
	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	7,585	(632)	6,953

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	-	7,585	(632)	6,953

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	731
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4. Loans from members

E Elronde	2,135
R Erasmus	41,504
	<u>(43,639)</u>

5. Revenue

Donations received	<u>49,301</u>
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6. Taxation

No provision has been made for 2019 tax as the company has no taxable income.

The Angel Gown Initiative NPO

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Detailed Income Statement

	Note	2019 R
Revenue		
Donations received		49,301
Operating expenses		
Advertising		5,490
Bank charges		1,190
Consumables		3,158
Delivery expenses		36,461
Depreciation		632
General expenses		636
Gifts		2,394
Legal expenses		21,125
Packaging		507
Postage		117
Printing and stationery		2,802
Repairs and maintenance		10,744
		85,256
Loss for the year		(35,955)