

**CONQUEST FOR LIFE NPC
COMPANY REG. NO: 1996/000027/08
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
29 FEBRUARY 2020**

CONQUEST FOR LIFE NPC

COMPANY REG. NO.	:	1996/000027/08	
NON PROFIT ORG. REG. NO	:	005 - 415 NPO	
PUBLIC BENEFIT ORGANISATION NO	:	930 003 994	
TAX EXEMPTION NO	:	RG/0243/08/04	
HEAD OFFICE	:	2nd Floor 21 Price Street Newclare 2093	
BOARD OF DIRECTORS	:	S. Cooper H. G. Steyn S. Bhala S. Martin D. Swartz R. Halim	(Chairperson) (C.E.O.) (Treasurer)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

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DIRECTORS' RESPONSIBILITIES AND APPROVAL

for the year ended 29 February 2020

The directors are required 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 association as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external reviewers are 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 association and places considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, they have 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 association and all employees are required to maintain the highest ethical standards in ensuring the association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the association is on identifying, assessing, managing and monitoring all known forms of risk across the association. While operating risk cannot be fully eliminated, the association endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

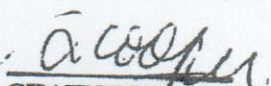
The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal control can provide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

The directors have reviewed the Association's cash flow forecast for the year ended 28 February 2021 and, in the light of this review and the current financial position, they are satisfied that the Association has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external reviewers are responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external reviewers and their report is presented on page 3.

APPROVAL OF FINANCIAL STATEMENTS

The annual financial statements and supplementary information set out on pages 4 to 14 have been approved by the board of directors at Parktown on 02 July 2020 and are signed on its behalf.


CHAIRPERSON


TREASURER

REPORT OF THE DIRECTORS
for the year ended 29 February 2020

To the Members

Your directors have pleasure in submitting their report for the year ended 29 February 2020.

NATURE OF BUSINESS AND OPERATIONS

The Association is a non profit making organisation and its main object is to promote, improve and better the quality of life of all people and specifically of those that have been disadvantaged.

GENERAL REVIEW AND FINANCIAL RESULTS

The company's affairs are clearly set out in the attached financial statements and need no further comment. No material facts or circumstances have occurred between the accounting date and the date of this report.

POST BALANCE SHEET EVENTS

No material facts or circumstances have occurred between the accounting date and the date of this report.

DIRECTORATE

The directors in office at the year end and the date of this report are S. Cooper, H.G. Steyn, S. Bhala, S. Martin, D. Swartz, and R Halim.

REVIEWERS

Karolia Jeena inc. will continue in office.

SECRETARY

The company has not officially appointed a secretary.

KAROLIA JEENA INC.

chartered accountants (S.A)

Registration No: 2000 / 007138 / 21

INDEPENDENT REVIEWERS' REPORT

3.

TO THE MEMBERS OF CONQUEST FOR LIFE NPC

We have reviewed the annual financial statements of **Conquest for Life NPC**, which comprise the statement of financial position as at 29 February 2020, the statement of comprehensive income and statement of cash flow for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 4 - 11.

Directors' Responsibility for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of these annual financial statements and for such internal control as the directors determine necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewers' Responsibility

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

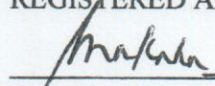
A review of financial statements in accordance with ISRE 2400 consists primarily of making inquiries of management and others within the entity involved in financial and accounting matters, applying analytical procedures, and evaluating the sufficiency and appropriateness of evidence obtained. A review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

The procedures performed in a review engagement 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 annual financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the annual financial statements do not present fairly, in all material respects, the financial position of Conquest for Life NPC as at 29 February 2020 and its financial performance and cash flows for the year then ended.

KAROLIA JEENA inc.
REGISTERED AUDITORS


Per M.A. Kaka, Chartered Accountant (SA), Registered Auditor
Parktown
02 July 2020

CONQUEST FOR LIFE NPC

4.

STATEMENT OF FINANCIAL POSITION
at 29 February 2020

	NOTE	2020 R	2019 R
ASSETS			
NON CURRENT ASSETS			
		1 974 142	1 974 142
Property, plant and equipment	4	1 910 035	1 910 035
Intangible assets	5	62 192	62 192
Investments	6	1 915	1 915
CURRENT ASSETS			
Cash and cash equivalents		39 403	686 141
TOTAL ASSETS		<u>2 013 545</u>	<u>2 660 283</u>
EQUITY AND LIABILITIES			
ACCUMULATED FUNDS			
		787 264	1 281 309
CURRENT LIABILITIES			
Trade and other payables	7	1 226 281	1 378 974
TOTAL EQUITY AND LIABILITIES		<u>2 013 545</u>	<u>2 660 283</u>

CONQUEST FOR LIFE NPC

5.

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 29 February 2020

	NOTE	2020 R	2019 R
INCOME		452 642	1 583 852
EXPENDITURE		946 687	992 200
		<u>(494 045)</u>	<u>591 652</u>
(DEFICIT)/SURPLUS FOR THE YEAR TRANSFERRED TO ACCUMULATED FUNDS	8	<u>(494 045)</u>	<u>591 652</u>
ACCUMULATED FUNDS AT BEGINNING OF THE YEAR		1 281 309	689 657
ACCUMULATED FUNDS AT END OF THE YEAR		<u><u>787 264</u></u>	<u><u>1 281 309</u></u>

STATEMENT OF CASH FLOW WITH NOTE THERETO
for the year ended 29 February 2020

	NOTE	2020 R	2019 R
Cash flows from operating activities			
Cash receipts - donations and other income		452 642	1 583 852
Cash payments to suppliers and employees		(1 099 380)	(898 214)
Cash (utilized in)/generated by operations	1	<u>(646 738)</u>	<u>685 638</u>
<i>Net cash from operating activities</i>		<u>(646 738)</u>	<u>685 638</u>
Net movement in cash and cash equivalents		(646 738)	685 638
Cash and cash equivalents at beginning of year		686 141	503
Cash and cash equivalents at end of year		<u><u>39 403</u></u>	<u><u>686 141</u></u>

NOTE TO THE CASH FLOW STATEMENT**1. Cash (utilized in)generated by operations**

(Deficit)/surplus for the year	(494 045)	591 652
Adjustments for :		
Net movement in trade and other payables	(152 693)	93 986
	<u><u>(646 738)</u></u>	<u><u>685 638</u></u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 29 February 2020

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the International Standard of Financial Reporting for Small and Medium-sized Entities. The financial statements have been prepared on the historical cost basis of accounting and incorporate the following principal accounting policies which are consistent with those applied in the previous years.

1.1 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at historical cost less accumulated depreciation.

The cost of 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.

Cost of property, plant and equipment includes all directly attributable expenditure incurred in the acquisition, establishment and installation of such assets so as to bring them to a working condition for their intended use. Interest costs are not capitalised.

Depreciation is charged to income on a straight line basis so as to write off the cost of the assets over their expected useful lives.

The assumptions regarding estimated useful lives for the financial year are as follows:

Alarm systems	15%
Computers	25%
Machinery	20%
Motor vehicles	25%
Office furniture and equipment	25%

1.2 INTANGIBLE ASSETS

An intangible assets is recognised when:

- it is probable that future economic benefits associated with the asset will flow to the company; and
- the cost of the asset can be measured reliably.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets.

1.3 INVESTMENTS

Investments are stated at cost and are written down only when there is a permanent impairment in value.

1.4 FINANCIAL INSTRUMENTS

Financial instruments are measured at cost less impairments.

1.5 DONATIONS

Revenue from donations are recognised only when it is probable that the economic benefits associated with a donation will flow to the organisation and the amount of the donation can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 29 February 2020

2. ASSOCIATION'S INCORPORATION AND MAIN OBJECT

The company was incorporated as an "Association Not For Gain" under Section 21 of the Companies Act, on 3 January 1996. The company is therefore specifically prohibited from distributing in specie or kind any of its assets amongst its members.

The main object of the Association is to promote, improve and better the quality of life of all people and specifically of those that have been disadvantaged.

3. TAXATION

The Association has been approved as a Public Benefit Organisation in terms of section 30 of the Income Tax Act (the Act).

The Association is exempt from income tax in terms of Section 10(1)(CN) of the Act.

Donations to the Association are tax deductible in the hands of the donors in terms of and subject to the limitations prescribed in section 18A of the Act.

Donations by or to the Association are exempt from donations tax in terms of section 56(1)(h) of the Act.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 29 February 2020

(Continued)

	2020 R	2019 R
4. PROPERTY, PLANT AND EQUIPMENT		
Agricultural holdings - at cost, 2001	165 872	165 872
Comprising a farm situated at Holding 102 Dreamland Agricultural Holdings, Gauteng. Held under title deeds T18552/2001 measuring 2.0215 hectares There is an offer to purchase this property by New Hope Land Church for R 700 000. A deposit of R 230 000 has been received to date. This deposit has been included in trade and other payables as stated in note 7.		
Land and buildings	711 750	711 750
At cost, 2002	141 750	141 750
Additions - 2003	440 000	440 000
Additions - 2004	130 000	130 000
Stand no: 00589 - 000, Declare Township, Johannesburg, Gauteng. Held under title deeds T73765/2006 measuring 1 472 sqm.		
Land and buildings - at cost, 2006	185 000	185 000
At cost, 2006	180 000	180 000
Additions - 2007	5 000	5 000
Stand no 5504/184, 49 Allie Crescent, Ennerdale, Gauteng. Held under title deeds T47012/2006 measuring 469 sqm.		
Land and buildings - at cost, 2007	357 408	357 408
Erf 10466 Meadowlands, Gauteng. Held under title deeds T89/2007 measuring 253 sqm.		
Land and buildings - at cost, 2007	490 000	490 000
Erf 211 Fleurhof Township, Gauteng. This property is registered in the name of the director Mr H. G. Steyn.		
Balance carried forward	1 910 030	1 910 030

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 29 February 2020

(Continued)

	2020 R	2019 R
4. PROPERTY, PLANT AND EQUIPMENT (Continued...)		
<i>Balance brought forward</i>	1 910 030	1 910 030
Alarm systems		
Cost	1	1
Less: Accumulated depreciation	485 484	485 484
Computers		
Cost	1	1
Less: Accumulated depreciation	468 938 468 937	468 938 468 937
Machinery		
Cost	1	1
Less: Accumulated depreciation	56 468 56 467	56 468 56 467
Motor vehicles		
Cost	1	1
Less: Accumulated depreciation	531 550 531 549	531 550 531 549
Office furniture and equipment		
Cost	1	1
Less: Accumulated depreciation	808 246 808 245	808 246 808 245
Carrying value	1 910 035	1 910 035
4.1 Directors valuation of land and buildings	5 000 000	5 000 000
5. INTANGIBLE ASSETS		
Trademark - at cost	62 192	62 192
Registration of the "Conquest for Life" name and logo in South Africa , United Kingdom and United States of America.		
6. INVESTMENTS		
Shares at cost		
- 1 000 000 Ordinary shares in Uni - Africa Investment Holdings Ltd	1 000	1 000
- Sasol shares	915	915
	1 915	1 915

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 29 February 2020

(Continued)

	2020 R	2019 R
7. TRADE AND OTHER PAYABLES		
Various councils in respect of charges for utilities	827 700	955 386
Uif, paye and salaries owing	168 581	213 588
Deposit received on pending sale of Dreamland property as per note 4.	230 000	210 000
	<u>1 226 281</u>	<u>1 378 974</u>
8. (DEFICIT)/SURPLUS FOR THE YEAR		
The (deficit)/surplus for the year is stated after taking into account the following items :		
Reviewers' remuneration		
Fee for review	20 700	29 228
Executive director's emoluments		
- Management services	<u>396 000</u>	<u>168 000</u>

CONQUEST FOR LIFE NPC

12.

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 29 February 2020

	NOTE	2020 R	2019 R
INCOME		452 642	1 583 852
Donations received	1	356 112	1 516 372
Dividends received		-	3 390
Recovery of transport expenses		-	6 367
Rental received		96 530	57 600
Sundry income		-	123
EXPENDITURE		946 687	992 200
(Per schedule of expenditure - page 13)			
(DEFICIT)/SURPLUS FOR THE YEAR		<u>(494 045)</u>	<u>591 652</u>

CONQUEST FOR LIFE NPC

SCHEDULE OF EXPENDITURE
for the year ended 29 February 2020

	2020 R	2019 R
Bank charges	8 627	10 610
Computer and internet expenses	9 445	-
Entertainment and meals	28 138	58 328
- Administration	2 814	5 833
- Diversion	12 240	25 373
- Youth Development Project	1 688	3 500
- Just for Kids/Youth 2 Youth	1 126	2 333
- Youth enrichment programme	10 270	21 290
Equipment rental	-	2 800
General expenses	6 470	1 373
Printing, postage, stationery and office expenses	9 991	46 109
- Administration	999	4 611
- Diversion	4 346	20 057
- Youth Development Project	599	2 767
- Just for Kids/Youth 2 Youth	400	1 844
- Youth enrichment programme	3 647	16 830
Rent and municipal charges (2019 - prior years over provision reversed by city councils)	27 098	(82 046)
Repairs and maintenance	4 551	30 041
Reviewers' remuneration	20 700	29 228
Salaries and wages	777 599	678 016
- Administration	77 760	67 802
- Diversion	338 256	294 937
- Youth Development Project	46 656	40 681
- Just for Kids/Youth 2 Youth	31 104	27 121
- Youth enrichment programme	283 824	247 476
Small assets written off	-	6 952
Telephone, cell phone, internet, fax and postage	19 541	49 259
- Administration	1 954	4 926
- Diversion	8 500	21 428
- Youth Development Project	1 172	2 956
- Just for Kids/Youth 2 Youth	782	1 970
- Youth enrichment programme	7 132	17 980
Vehicle, travelling and accommodation	34 527	161 530
- Administration	3 453	16 153
- Diversion	15 019	70 266
- Youth Development Project	2 072	9 692
- Just for Kids/Youth 2 Youth	1 381	6 461
- Youth enrichment programme	12 602	58 958
TOTAL EXPENDITURE	946 687	992 200

NOTES TO THE SUPPLEMENTARY INFORMATION
for the year ended 29 February 2020

	2020	2019
	<u>R</u>	<u>R</u>
1. DONATIONS RECEIVED		
CTP Ltd	5 000	10 000
Credit Guarantee	-	2 000
Department of Social Development	248 112	420 372
Frederick Wartenwell	50 000	50 000
Global Payment Technologies	45 000	142 000
HCI Foundation	-	80 000
National Lotteries Commission	-	554 000
RB Hagard Trust	-	250 000
SR and A Winer Educational & Benefit Trust	8 000	8 000
	<u>356 112</u>	<u>1 516 372</u>