

CHUBBY CHUMS N P C
(Registration Number 2000/026162/08 (NPO 019-077))
Annual Financial Statements
for the year ended 28 February 2022

Reviewed Financial Statements
in compliance with Companies Act 71 of 2008
Prepared: LS Cooper (SAIPA)

LS Cooper Accounting Services

P O Box 14521, Bredell, 1623 | Cell: 082 881 5784 | Email: lscooper@global.co.za
Registered SARS Tax Practitioner | SAIPA Membership Number 4580



CHUBBY CHUMS N P C

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Annual Financial Statements for the year ended 28 February 2022

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

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CHUBBY CHUMS N P C

(Registration Number 2000/026162/08 (NPO 019-077))

Annual Financial Statements for the year ended 28 February 2022

General Information

Country of Incorporation and Domicile	South Africa
Nature of Business and Principal Activities	Distributor of Products to Other Charitable Organisations and as a Consultant to the Child Protection Unit
Directors	M H Barnard P Mqotywa B A Canning
Registered Office	136 Cydonia Road Primrose Hill 1401
Business Address	136 Cydonia Road Primrose Hill 1401
Bankers	FNB
Income Tax Registration Number	9161158143
Independent Reviewers	L S Cooper Accounting Services P O Box 14521 Bredell 1623



Independent Reviewer's Report

To the Shareholder of CHUBBY CHUMS N P C

We have reviewed the annual financial statements of CHUBBY CHUMS N P C set out on pages 5 to 9, which comprise the statement of financial position as at 28 February 2022, and the statement of comprehensive income for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Annual Financial Statements

The company's directors are responsible for the preparation and fair presentation of these annual 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 annual 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 annual financial statements based on our review. 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) 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 annual financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

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 these annual financial statements do not present fairly, in all material respects, the financial position of CHUBBY CHUMS N P C as at 28 February 2022, 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.

LS Cooper Accounting Services

26 July 2022

Per:
Director / Partner
Professional Accountant (SA)

P O Box 14521
Bredell
1623



Independent Reviewer's Report

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LS Cooper Accounting Services

26 July 2022

Per:
Director / Partner
Professional Accountant (SA)

P O Box 14521
Bredell
1623

CHUBBY CHUMS N P C

(Registration Number 2000/026162/08 (NPO 019-077))

Annual Financial Statements for the year ended 28 February 2022

Directors' Responsibilities and Approval

The directors are required by the South African Companies Act 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 satisfy the financial reporting standards as to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the annual financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The annual financial statements support the viability of the company.

The independent reviewers are responsible for independently reviewing and reporting on the company's annual financial statements. The independent reviewer's report is presented on page 2.

The annual financial statements as set out on pages 5 to 9 were approved by the board on 26 July 2022 and were signed on their behalf by:



M H Barnard



P Mqotywa

B A Canning

CHUBBY CHUMS N P C

(Registration Number 2000/026162/08 (NPO 019-077))

Annual Financial Statements for the year ended 28 February 2022

Directors' Report

The directors present their report for the year ended 28 February 2022.

1. Review of activities

Main business and operations

The principal activity of the company is distributor of Products to Other Charitable Organisations and as a Consultant to the Child Protection Unit and there were no major changes herein during the year.

The operating results and statement of financial position of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

The annual 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.

3. Directors

The directors of the company during the year and to the date of this report are as follows:

Name
M H Barnard
P Mqotywa
B A Canning

4. Independent Reviewers

L S Cooper Accounting Services were the independent reviewers for the year under review.

CHUBBY CHUMS N P C

(Registration Number 2000/026162/08 (NPO 019-077))

Financial Statements for the year ended 28 February 2022

Statement of Financial Position

Figures in R	Notes	2022	2021
Assets			
Non-Current Assets			
Property, plant and equipment	3	69,852	102,950
Current Assets			
Trade and other receivables	4	13,645	-
Cash and cash equivalents	5	2,312,200	1,246,527
		<u>2,325,845</u>	<u>1,246,527</u>
Total Assets		<u>2,395,697</u>	<u>1,349,477</u>
Equity and Liabilities			
Equity			
Retained earnings		2,198,342	1,168,089
Current Liabilities			
Trade and other payables	7	8,997	9,000
Loan from shareholder	6	188,358	172,388
		<u>197,355</u>	<u>181,388</u>
Total Equity and Liabilities		<u>2,395,697</u>	<u>1,349,477</u>

CHUBBY CHUMS N P C

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Financial Statements for the year ended 28 February 2022

Statement of Comprehensive Income

Figures in R	Note	2022	2021
Donations Received		3,648,265	2,819,605
Donations Distributed	9	(1,546,367)	(791,795)
Gross profit		<u>2,101,898</u>	<u>2,027,810</u>
Operating costs		(1,071,645)	(1,057,438)
Operating profit		<u>1,030,253</u>	<u>970,372</u>
Profit for the year		<u>1,030,253</u>	<u>970,372</u>

CHUBBY CHUMS N P C

(Registration Number 2000/026162/08 (NPO 019-077))

Financial Statements for the year ended 28 February 2022

Accounting Policies

1. General information

CHUBBY CHUMS N P C is a private company incorporated in South Africa.

2. Summary of significant accounting policies

These annual financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in South African Rands.

2.1 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Costs include 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 is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been significant change from the previous estimates.

Plant and equipment	20.00%
Motor vehicles	20.00%
Furniture and fittings	15.00%
Office equipment	20.00%
Computer Equipment	33.30%

2.2 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown under current liabilities on the statement of financial position.

2.3 Trade payables

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

CHUBBY CHUMS N P C

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Financial Statements for the year ended 28 February 2022

Notes to the Annual Financial Statements

Figures in R

2022

2021

3. Property, plant and equipment

	Cost	Accumulated depreciation	2022 Carrying value	Cost	Accumulated depreciation	2021 Carrying value
<i>Owned assets</i>						
Plant and equipment	116,361	(51,441)	64,920	116,361	(31,642)	84,719
Motor vehicles	159,100	(159,097)	3	159,100	(148,598)	10,502
Leasehold Improvements	37,373	(37,371)	2	37,373	(37,371)	2
Office equipment	41,620	(41,601)	19	41,620	(41,601)	19
Computer Equipment	31,767	(26,859)	4,908	31,767	(24,059)	7,708
	<u>386,221</u>	<u>(316,369)</u>	<u>69,852</u>	<u>386,221</u>	<u>(283,271)</u>	<u>102,950</u>

4. Trade and other receivables

Prepaid expenses		<u>13,645</u>	<u>-</u>
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5. Cash and cash equivalents

Favourable cash balances

Bank Social Development Fund		72,248	72,558
Bank balance		2,239,952	1,173,969
		<u>2,312,200</u>	<u>1,246,527</u>

6. Loan from shareholder

Loan M H Barnard		<u>188,358</u>	<u>172,388</u>
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7. Trade and other payables

Trade creditors		<u>8,997</u>	<u>9,000</u>
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8. Income tax in the statement of financial position

Current tax in the Statement of Financial Position represents:

Provision for tax for the year		-	-
Provisional tax paid		-	-

Provision for tax relating to previous years

		-	-
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No Provision has been made for Taxation as the company is exempt therefrom in terms of Section 30 of the Income Tax Act

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9. Donations Distributed

Donations Distributed (see attached Addendum for Breakdown)		<u>1,546,367</u>	<u>791,795</u>
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CHUBBY CHUMS N P C

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Financial Statements for the year ended 28 February 2022

Notes to the Annual Financial Statements

Figures in R

2022

2021

10. Directors Stipends

M H Barnard	-	-	-	-	60,800	47,000
N F Gaza	-	-	-	-	-	18,500
B A Canning	-	-	-	-	-	-
P Mqotywa	-	-	-	-	-	-
	-	-	-	-	60,800	65,500

CHUBBY CHUMS N P C

(Registration Number 2000/026162/08 (NPO 019-077))

Financial Statements for the year ended 28 February 2022

Detailed Income Statement

Figures in R	Note	2022	2021
Gross Revenue			
Donations Cash		870,052	607,503
Donations - Non Cash		2,778,213	2,212,102
		<u>3,648,265</u>	<u>2,819,605</u>
Cost of Sales			
Donations Distributed		1,546,367	791,795
Gross Profit			
		<u>2,101,898</u>	<u>2,027,810</u>
		<u>2,101,898</u>	<u>2,027,810</u>
Expenditure			
Accounting fees and Annual Duty		9,338	9,450
Administration		78,000	43,300
Bank charges		33,165	27,733
Computer expenses		3,567	439
Depreciation		33,098	26,591
Directors Stipends	10	60,800	65,500
Entertainment		2,056	810
Fundraising and Commission Expenses		414,372	554,930
Lease rental on operating lease		73,548	43,500
Motor vehicle expense		244,745	198,880
Printing and stationery		22,853	14,066
Protective clothing		998	-
Repairs and maintenance		22,449	20,880
Staff welfare		6,659	546
Stipends		567	1,250
Subscriptions		-	100
Telephone and fax		65,430	49,463
		<u>1,071,645</u>	<u>1,057,438</u>
Profit for the year			
		<u>1,030,253</u>	<u>970,372</u>

Chubby Chum NPC

(Registration number 2000/026162/08 (NPO 019-0777))

Financial Statements for the year ended 28 February 2022

Note 7

	<u>2022</u>	<u>2021</u>
Donations Distributed		
Adeladi	51,800	24,800
Bienvu Shelter		49,000
Bread For Organisations	92,000	35,400
Cancer Associatons	18,200	30,800
Caroline Safe House	85,830	50,000
Chance Childrens Home	63,500	62,190
Chubby NGO	628,237	111,915
E P Childrens Home	27,300	19,720
Hawk Academy	55,050	8,500
Homemac	39,000	26,900
Home of Hope	18,000	26,350
Ithebelle Home	77,000	35,000
Malvern Home	101,000	140,065
Mpumelo Creche	85,000	18,500
Safe House E Cape	0	50,000
Shelter Refugee	68,500	
Soup Kitchen	82,450	67,155
Thusong House	53,500	35,500
ZZW		
	<u>1,546,367</u>	<u>791,795</u>