

Ashraful Aid NPC
(Registration number 2020/794501/08)
Annual Financial Statements
for the year ended 28 February 2023

Ashrafal Aid NPC

(Registration number: 2020/794501/08)

Annual Financial Statements for the year ended 28 February 2023

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The non-profit company undertakes social welfare and humanitarian activities
Directors	Suhail Wadee Rehana Wadee Iqbal Mohammed Salin Latib
Registered office	14 Zinnia Drive Marlboro Gardens Sandton Gauteng 2062
Business address	14 Zinnia Drive Marlboro Gardens Sandton Gauteng 2062
Bankers	First National Bank Limited
Auditors	FAITZ Chartered Accountants Inc Chartered Accountants (SA) Registered Auditors
Company registration number	2020/794501/08
Tax reference number	9947461175
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The annual financial statements were independently compiled by: TSG Tax Professionals (Pty) Ltd

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Level of assurance

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

Preparer

TSG Tax Professionals (Pty) Ltd

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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 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 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 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 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 annual 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 2024 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 annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 5 - 6.

The annual financial statements set out on pages 7 to 12, which have been prepared on the going concern basis, were approved by the board of directors on 04 August 2023 and were signed on its behalf by:

Approval of annual financial statements



Suhail Wadee



Salin Latib

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Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Ashraful Aid NPC for the year ended 28 February 2023.

1. Nature of business

Ashraful Aid NPC was incorporated in South Africa with interests in the Non-profit industry. 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 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 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 annual financial statements.

3. Auditors

FAITZ Chartered Accountants Inc were in office as auditors for the company for 2023.

At the AGM, the shareholders will be requested to reappoint FAITZ Chartered Accountants Inc as the independent external auditors of the company and to confirm Mr Arshad Tayob as the designated lead audit partner for the 2024 financial year.

4. Directors

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

Directors

Suhail Wadee

Rehana Wadee

Iqbal Mohammed

Salin Latib

There have been no changes to the directorate for the period under review.

5. 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.

6. 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.



Chartered Accountants, Inc.

Independent Auditor's Report

To the Directors of Ashraful Aid NPC

Opinion

We have audited the annual financial statements of Ashraful Aid NPC set out on pages 7 to 12, which comprise the statement of financial position as at 28 February 2023, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the 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 Ashraful Aid NPC as at 28 February 2023, 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.

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 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 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 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 opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Ashraful Aid NPC annual financial statements for the year ended 28 February 2023", which includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on pages 13 to 14. The 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.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the 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.

In preparing the annual 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 Annual Financial Statements

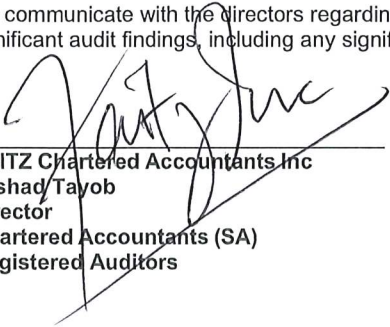
Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

Independent Auditor's Report

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



FAITZ Chartered Accountants Inc
Arshad Tayob
Director
Chartered Accountants (SA)
Registered Auditors

04 August 2023

Ashrafu! Aid NPC

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Annual Financial Statements for the year ended 28 February 2023

Statement of Financial Position as at 28 February 2023

Figures in Rand	Note(s)	2023	2022
Assets			
Current Assets			
Trade and other receivables	2	171 241	-
Cash and cash equivalents	3	1 946 710	418 774
		<u>2 117 951</u>	<u>418 774</u>
Total Assets		<u>2 117 951</u>	<u>418 774</u>
Equity and Liabilities			
Equity			
Retained income		2 008 528	387 996
Liabilities			
Current Liabilities			
Trade and other payables	4	109 423	30 778
Total Equity and Liabilities		<u>2 117 951</u>	<u>418 774</u>

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2023	2022
Revenue	5	26 183 913	4 661 606
Operating expenses		(24 563 381)	(4 273 610)
Operating profit		1 620 532	387 996
Profit for the year		1 620 532	387 996
Other comprehensive income		-	-
Total comprehensive income for the year		1 620 532	387 996

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Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Profit for the year	387 996	387 996
Other comprehensive income	-	-
Total comprehensive income for the year	387 996	387 996
Balance at 01 March 2022	387 996	387 996
Profit for the year	1 620 532	1 620 532
Other comprehensive income	-	-
Total comprehensive income for the year	1 620 532	1 620 532
Balance at 28 February 2023	2 008 528	2 008 528
Note(s)		

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Annual Financial Statements for the year ended 28 February 2023

Statement of Cash Flows

Figures in Rand	Note(s)	2023	2022
Cash flows from operating activities			
Cash receipts from customers		26 012 672	4 661 606
Cash paid to suppliers and employees		(24 484 736)	(4 242 832)
Cash generated from operations	7	1 527 936	418 774
Net cash from operating activities		1 527 936	418 774
Total cash movement for the year		1 527 936	418 774
Cash and cash equivalents at the beginning of the year		418 774	-
Total cash at end of the year	3	1 946 710	418 774

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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 of South Africa. The annual financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, 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 annual financial statements.

1.2 Financial instruments

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 profit or loss.

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
2. Trade and other receivables		
Trade receivables	20 004	-
VAT	151 237	-
	171 241	-
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	1 946 710	418 774
4. Trade and other payables		
Accrued leave pay	72 431	10 778
Accrued audit fees	30 000	20 000
Other payables	6 992	-
	109 423	30 778
5. Revenue		
Sales	262 043	-
Lilah donations received	9 108 439	2 254 256
Zakaat donations received	16 808 431	2 407 350
Water revenue	5 000	-
	26 183 913	4 661 606
6. Auditor's remuneration		
Fees	30 000	20 000
7. Cash generated from operations		
Net profit before taxation	1 620 532	387 996
Changes in working capital:		
(Increase) decrease in trade and other receivables	(171 241)	-
Increase (decrease) in trade and other payables	78 645	30 778
	1 527 936	418 774

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Detailed Income Statement

Figures in Rand	Note(s)	2023	2022
Donations			
	Donations Received	26 183 913	4 661 606
Total Donations Received		26 183 913	4 661 606
Program Expenses			
	Food	9 168 023	2 045 680
	Water	1 270 982	
	Social Development	4 757 069	439 745
	Disaster Relief	2 192 304	
	Education	1 277 363	434 140
Total Program Expenses		18 665 741	2 919 565
Gross Donations Surplus/(Deficit)		7 518 172	1 742 041
Fundraising Costs			
	Billboard/Signage	139 689	15 147
	Branded Items	126 259	13 691
	Digital	193 053	20 933
	Events	33 550	3 538
	Print	399 018	43 327
	Radio	322 805	35 003
	TV	217 893	23 627
Total Fundraising Costs		1 432 267	155 266
Operating Expenses			
Employee Cost			
	Salaries and Wages (Leave Accrual)	72 431	670 501
	Medical Aid Co.	98 229	
	Salaries and Wages (Basic)	1 450 864	
	Salaries and Wages (Bonus)	67 795	
	Salaries and Wages (Casual Wages)	260 328	
	Salaries and Wages (Leave Payout)	6 542	
	Salaries and Wages (Overtime)	16 066	
	UIF Co.	16 155	
	Training & Education	51 987	
	Commission	5 704	
	Staff Welfare	25 956	
Total Employee Cost		2 072 057	670 501
Consulting Fees			
	Accounting and Audit	223 410	30 619
	Audit fee expense	30 000	20 000
	HR	7 975	

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Detailed Income Statement

Figures in Rand	Note(s)	2023	2022
	Legal	1 206	
	Management	518 187	145 630
Total Consulting Fees		780 778	196 249
Office Costs			
	Cleaning	5 800	
	Clothing	31 205	
	Computer Expense	260	
	Staff Welfare	3 386	
	Equipment Hire	2 340	6 088
	Freight & Courier	6 975	
	Groceries	11 266	
	General Expense Levies	1 217	30 453
	Light, Power, Heating	1 046	
	Office Expenses	37 143	
	Packaging	20 678	
	Rent	48 150	
	Repairs and	113 596	17 683
	Maintenance Security	198 976	
	Small Assets <R7K	9 850	
	Stationery	44 969	
	Subscriptions Telephone	95 060	33 333
	& Internet	26 473	
		15 902	
Total Office Costs		674 292	87 557
Travel and Accommodation			
	International Travel Local		
	Travel	431 108	
		232 135	175 052
Total Travel and Accommodation		663 243	175 052
Motor Vehicle Costs			
	Fuel		
	Vehicle Repairs and	82 547	39 516
	Maintenance	154 974	25 995
	Toll Fees, Parking &		
	Licensing	1 732	
Total Motor Vehicle Costs		239 253	65 511
Other Costs			
	Bank Fees	35 750	3 909
Total Other Costs		35 750	3 909
Total Operating Expenses		5 897 640	1 354 045
Gross Donations Surplus/(Deficit)		1 620 532	387 996