

**FRIENDS OF SEA POINT PAVILION**  
**(Registration number 136-164 NPO)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2021**

**FRIENDS OF SEA POINT PAVILION**  
(Registration number: 136-164 NPO)  
Financial Statements for the year ended 28 February 2021

**GENERAL INFORMATION**

---

<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	The organisation aims to support the social and development needs of the pool community.
<b>Board members</b>	R Barkai A Cope K Palframan E Cassar M Sanderoff C Laubscher
<b>Registered office</b>	1 Glengariff Road Sea Point Western Cape 8005
<b>Practitioners</b>	HGG Professional Accountants Professional Accountants (SA)
<b>Organisation registration number</b>	136-164 NPO
<b>Tax reference number</b>	930040261
<b>Level of assurance</b>	These financial statements have not been audited or independently reviewed.

**FRIENDS OF SEA POINT PAVILION**  
(Registration number: 136-164 NPO)  
Financial Statements for the year ended 28 February 2021

**INDEX**

---

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

	<b>Page</b>
Board Members' Responsibilities and Approval	3
Board Members' Report	4
Practitioner's Compilation Report	5
Statement of Financial Position	6
Statement of Comprehensive Income	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Accounting Policies	10
Notes to the Financial Statements	11 - 12
Detailed Income Statement	13

**FRIENDS OF SEA POINT PAVILION**  
(Registration number: 136-164 NPO)  
Financial Statements for the year ended 28 February 2021

**BOARD MEMBERS' RESPONSIBILITIES AND APPROVAL**

---

The board members are required by the NPO Act 17 of 2000, 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 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 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 board 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 board members to meet these responsibilities, the board members 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 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 board 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The board members have reviewed the organisation's cash flow forecast for the year to 28 February 2022 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 financial statements set out on page 6-12, which have been prepared on the going concern basis, were approved by the board members on 20 August 2021 and were signed on its behalf by:

**Approval of financial statements**

---

R Barkai

---

K Palframan

---

C Laubscher

20 August 2021

**FRIENDS OF SEA POINT PAVILION**  
(Registration number: 136-164 NPO)  
Financial Statements for the year ended 28 February 2021

**BOARD MEMBERS' REPORT**

---

The board members have pleasure in submitting their report on the financial statements of the organisation for the year ended 28 February 2021.

**1. Nature of business**

Friends of Sea Point Pavilion 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 financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the NPO Act 17 of 2000. 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 financial statements.

**3. Board Members**

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

<b>Board Members</b>	<b>Changes</b>
R Barkai	
A Cope	
R Van Beest	Resigned October 2020
K Palframan	
E Cassar	
M Sanderoff	
C Laubscher	

**4. Property, plant and equipment**

There was no change in the nature of the property, plant and equipment of the organisation or in the policy regarding their use.

At 28 February 2021 the organisation's investment in property, plant and equipment amounted to R178,560 (2020:R174,483), of which R75,837 (2020: R71,395) was added in the current year through additions.

The organisation has a memorandum of understanding in place with City of Cape Town, a formal lease is being negotiated.

**5. Events after the reporting period**

The board members 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 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.

The board members believe that the organisation 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 board 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 board members are not aware of any new material changes that may adversely impact the organisation. The board 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.



professionele rekenmeesters  
professional accountants

## PRACTITIONER'S COMPILATION REPORT

### To the board members of Friends of Sea Point Pavilion NPO

We have compiled the financial statements of Friends of Sea Point Pavilion NPO as set out on pages 6 - 12, based on the information you have provided. These financial statements comprise the statement of financial position of Friends of Sea Point Pavilion NPO as at 28 February 2021, the statement of income and retained earnings and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.



---

G. DROSTE

**HGG PROFESSIONAL ACCOUNTANTS**

**Professional Accountants (SA)**

20 August 2021

Durbanville

HGG Durbanville (Edms.) Bpk. / (Pty) Ltd • Reg no: 2009/023182/07  
Direkteure / Directors: Hendrik Gerrys, Gunter Droste

6 HERITAGE SQUARE • VREDESTRAAT / STREET • DURBANVILLE  
POSBUS / PO BOX 190 • DURBANVILLE • 7551

Praktyk / Practice no: 7985 • Opleidingsentrum / Training Centre no: 542

Lid van die HGG Finansiële Groep / Member of the HGG Financial Group

T 021 979 3900  
F 021 979 3998  
info@hggroep.co.za  
www.hggroep.co.za

**FRIENDS OF SEA POINT PAVILION**  
(Registration number: 136-164 NPO)  
Financial Statements for the year ended 28 February 2021

**STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2021**

Figures in Rand	Note(s)	2021	2020
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	178,560	174,483
<b>Current Assets</b>			
Trade and other receivables	3	2,979	6,971
Cash and cash equivalents		1,125,435	1,122,233
		<u>1,128,414</u>	<u>1,129,204</u>
<b>Total Assets</b>		<u>1,306,974</u>	<u>1,303,687</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		1,262,456	1,148,483
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	4	44,518	155,204
<b>Total Equity and Liabilities</b>		<u>1,306,974</u>	<u>1,303,687</u>

**FRIENDS OF SEA POINT PAVILION**  
(Registration number: 136-164 NPO)  
Financial Statements for the year ended 28 February 2021

**STATEMENT OF COMPREHENSIVE INCOME**

Figures in Rand	Note(s)	2021	2020
Revenue	5	410,451	522,175
Operating expenses		(296,478)	(248,936)
<b>Operating surplus</b>		<u>113,973</u>	<u>273,239</u>
<b>Surplus for the year</b>		<u>113,973</u>	<u>273,239</u>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<u>113,973</u>	<u>273,239</u>

**FRIENDS OF SEA POINT PAVILION**  
 (Registration number: 136-164 NPO)  
 Financial Statements for the year ended 28 February 2021

**STATEMENT OF CHANGES IN EQUITY**

Figures in Rand	Retained income	Total equity
<b>Balance at 01 March 2019</b>	<b>875,242</b>	<b>875,242</b>
Surplus for the year	273,239	273,239
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>273,239</b>	<b>273,239</b>
<b>Balance at 01 March 2020</b>	<b>1,148,481</b>	<b>1,148,481</b>
Surplus for the year	113,973	113,973
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>113,973</b>	<b>113,973</b>
<b>Balance at 28 February 2021</b>	<b>1,262,454</b>	<b>1,262,454</b>
Note(s)		

**FRIENDS OF SEA POINT PAVILION**  
(Registration number: 136-164 NPO)  
**Financial Statements for the year ended 28 February 2021**

**STATEMENT OF CASH FLOWS**

Figures in Rand	Note(s)	2021	2020
<b>Cash flows from operating activities</b>			
Cash receipts from customers		410,451	522,175
Cash paid to suppliers and employees		<u>(331,412)</u>	<u>(115,070)</u>
Cash generated from operations	6	<u>79,039</u>	<u>407,105</u>
<b>Net cash from operating activities</b>		<u><b>79,039</b></u>	<u><b>407,105</b></u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	<u>(75,837)</u>	<u>(71,395)</u>
<b>Total cash movement for the year</b>		<b>3,202</b>	<b>335,710</b>
Cash at the beginning of the year		<u>1,122,233</u>	<u>786,523</u>
<b>Total cash at end of the year</b>		<u><b>1,125,435</b></u>	<u><b>1,122,233</b></u>

**FRIENDS OF SEA POINT PAVILION**  
(Registration number: 136-164 NPO)  
Financial Statements for the year ended 28 February 2021

**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 NPO Act 17 of 2000. The financial statements have been prepared on the historical cost basis, except for the measurement of investment properties and certain financial instruments at fair value, 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 organisation 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 organisation 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 organisation.

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

---

Item	Depreciation method	Average useful life
Other permanent fixtures	Straight line	20%
Pool equipment	Straight line	20%
Kiosk	Straight line	20%
Gym Equipment	Straight line	20%

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 Tax**

**Current tax assets and liabilities**

No provision for tax was made, as the previous years are still being assessed by SARS. As soon as the outcomes are certain, the tax liability will be raised.

**1.3 Revenue**

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The Stage of completion is determined by surveys of work performed. When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

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

**FRIENDS OF SEA POINT PAVILION**  
(Registration number: 136-164 NPO)  
Financial Statements for the year ended 28 February 2021

**NOTES TO THE FINANCIAL STATEMENTS**

Figures in Rand 2021 2020

**2. Property, plant and equipment**

	2021			2020		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Kiosks	401,032	(330,250)	70,782	325,195	(293,195)	32,000
Gym equipment	207,822	(207,822)	-	207,822	(207,822)	-
Pool equipment	85,768	(35,880)	49,888	85,768	(18,727)	67,041
Other permanent fixtures	87,759	(29,869)	57,890	87,759	(12,317)	75,442
<b>Total</b>	<b>782,381</b>	<b>(603,821)</b>	<b>178,560</b>	<b>706,544</b>	<b>(532,061)</b>	<b>174,483</b>

**Reconciliation of property, plant and equipment - 2021**

	Opening balance	Additions	Depreciation	Closing balance
Kiosks	32,000	75,837	(37,055)	70,782
Pool equipment	67,041	-	(17,153)	49,888
Other permanent fixtures	75,442	-	(17,552)	57,890
	<b>174,483</b>	<b>75,837</b>	<b>(71,760)</b>	<b>178,560</b>

**Reconciliation of property, plant and equipment - 2020**

	Opening balance	Additions	Depreciation	Closing balance
Kiosks	64,000	-	(32,000)	32,000
Gym equipment	41,564	-	(41,564)	-
Pool equipment	66,340	15,527	(14,826)	67,041
Other permanent fixtures	30,827	55,868	(11,253)	75,442
	<b>202,731</b>	<b>71,395</b>	<b>(99,643)</b>	<b>174,483</b>

**Details of properties**

Public Open Space Erven 151,153 and 318, Sea Point West, the property is owned and operated by the City of Cape Town, no formal lease is in place.

**3. Trade and other receivables**

Prepayments	2,979	6,971
-------------	-------	-------

**4. Trade and other payables**

Amounts received in advance	-	60,259
Accrued expense	37,918	74,945
Deposits received	6,600	20,000
	<b>44,518</b>	<b>155,204</b>

**5. Revenue**

Rental Income	372,476	470,340
Interest received	37,975	51,835
	<b>410,451</b>	<b>522,175</b>

**FRIENDS OF SEA POINT PAVILION**  
(Registration number: 136-164 NPO)  
Financial Statements for the year ended 28 February 2021

**NOTES TO THE FINANCIAL STATEMENTS**

FIGURES IN RAND	2021	2020
<b>6. Cash generated from operations</b>		
Surplus before taxation	113,973	273,239
<b>Adjustments for:</b>		
Depreciation	71,760	99,643
<b>Changes in working capital:</b>		
Trade and other receivables	3,992	7,015
Trade and other payables	(110,686)	27,208
	<u>79,039</u>	<u>407,105</u>

**7. Comparative figures**

Certain comparative figures have been reclassified.

**FRIENDS OF SEA POINT PAVILION**  
 (Registration number: 136-164 NPO)  
 Financial Statements for the year ended 28 February 2021

**DETAILED INCOME STATEMENT**

Figures in Rand	Note(s)	2021	2020
<b>Revenue</b>			
Rental Income		372,476	470,340
Interest received		37,975	51,835
	5	<u>410,451</u>	<u>522,175</u>
<b>Operating expenses</b>			
Accounting fees		(7,000)	(18,087)
Bank charges		(1,032)	(1,406)
Cleaning		(49,581)	(60,687)
Depreciation		(71,760)	(99,643)
Development swimming		(3,694)	(23,397)
Donations		(16,379)	-
Insurance		(993)	(5,502)
Legal expenses		(11,805)	-
Other expenses		(2,472)	(17,887)
Pool improvements and enhancements		(17,331)	(16,984)
Repairs and maintenance		(114,431)	(5,343)
		<u>(296,478)</u>	<u>(248,936)</u>
<b>Surplus for the year</b>		<u>113,973</u>	<u>273,239</u>