

ACRES OF LOVE, NPC
(Registration number 1999/013827/08)
Annual Financial Statements
for the year ended 28 February 2017

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Provision of comprehensive care for abandoned and HIV/Aids infants and children
Directors	GAM Audagnotti R Audagnotti L Carson ARN Brown
Postal address	PO Box 49 DOUGLASDALE 2165
Auditor's	BVA Gauteng Inc. Chartered Accountants (S.A.) Registered Auditors
Company registration number	1999/013827/08
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Compiler	The annual financial statements were independently compiled by: A Joubert AGA (S.A.)
Issued	18 September 2017

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Index

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

Index	Page
Directors' Responsibilities and Approval	3
Auditor's Report	4 - 5
Directors' Report	6 - 7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12 - 14
Notes to the Annual Financial Statements	15 - 21
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	22

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Directors' Responsibilities and Approval

The directors 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 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 auditor's is 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 board of directors 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.

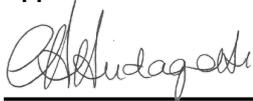
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The directors have reviewed the company's cash flow forecast for the year to 28 February 2018 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 auditor's 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 auditor's and their report is presented on page 4.

The annual financial statements set out on pages 6 to 22, which have been prepared on the going concern basis, were approved by the board of directors on 18 September 2017 and were signed on its behalf by:

Approval of financial statements



GAM Audagnotti



ARN Brown

Auditor's Report

To the directors of ACRES OF LOVE, NPC

Qualified opinion

We have audited the Annual Financial Statements of ACRES OF LOVE, NPC set out on pages 8 to 21, which comprise the Statement of Financial Position as at 28 February 2017, 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, except for the possible effect of the matter described in the basis for qualified opinion section of our report, the Annual Financial Statements present fairly, in all material respects, the financial position of ACRES OF LOVE, NPC as at 28 February 2017, 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 qualified opinion

In common with similar organisations, it is not feasible for the entity to institute accounting controls over cash collections from donations, events, appeals, sponsorship and sundry revenue prior to the initial entry of the receipts in the accounting records. Accordingly, it was impractical for us to extend our examination beyond the receipts actually recorded, and we were unable to satisfy ourselves as to the completeness of cash receipts and the completeness of revenue.

Other information

The directors are responsible for the other information. The other information comprises the Directors' 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.

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 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 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 of ACRES OF LOVE, NPC 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 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.



BVA Gauteng Inc.
Chartered Accountants (S.A.)
Registered Auditors
Per: LJ Fourie
Director

18 September 2017
Johannesburg

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of ACRES OF LOVE, NPC for the year ended 28 February 2017.

1. Nature of business

ACRES OF LOVE, NPC was incorporated in South Africa with interests in the Non-profit industry. The company operates in South Africa.

The company is engaged in the provision of comprehensive care for abandoned and HIV/Aids infants and children. The organisation has been approved as a public benefit organisation in terms of Section 30 of the Income Tax Act with NPO no. 023142 and operates principally 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 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 company are set out in these annual financial statements.

3. Directors

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

Directors	Nationality
GAM Audagnotti	South African
R Audagnotti	South African
L Carson	South African
ARN Brown	South African

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

4. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

5. Property, plant and equipment

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

6. 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.

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Directors' Report

7. Auditors

BVA Gauteng Inc. continued in office as auditors for the company for 2017.

At the AGM, the directors will be requested to reappoint BVA Gauteng Inc. as the independent external auditors of the company and to confirm Mr LJ Fourie CA (S.A.) as the designated lead audit partner for the 2018 financial year.

8. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on 18 September 2017. No authority was given to anyone to amend the financial statements after the date of issue.

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Statement of Financial Position as at 28 February 2017

	Notes	2017 R	2016 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	61 523 777	61 396 974
Loans to group companies	3	1 888 959	1 880 279
		63 412 736	63 277 253
Current Assets			
Trade and other receivables	4	490 436	518 533
Cash and cash equivalents	5	606 960	211 425
		1 097 396	729 958
Total Assets		64 510 132	64 007 211
Equity and Liabilities			
Equity			
Retained income		63 572 753	63 270 428
Liabilities			
Non-Current Liabilities			
Deferred income		345 000	-
Current Liabilities			
Trade and other payables	6	592 379	680 920
Bank overdraft	5	-	55 863
		592 379	736 783
Total Liabilities		937 379	736 783
Total Equity and Liabilities		64 510 132	64 007 211

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Statement of Comprehensive Income

	Note(s)	2017 R	2016 R
Revenue	7	22 784 640	40 630 829
Other income	8	1 102 454	787 058
Operating expenses		(23 496 643)	(22 033 038)
Operating profit		390 451	19 384 849
Investment revenue	9	3 357	388 133
Finance costs	10	(91 487)	(1 248)
Profit for the year		302 321	19 771 734

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Statement of Changes in Equity

	Retained income R	Total equity R
Balance at 01 March 2015	43 498 691	43 498 691
Changes in equity		
Total comprehensive income for the year	19 771 734	19 771 734
Total changes	19 771 734	19 771 734
Balance at 01 March 2016	63 270 425	63 270 425
Changes in equity		
Total comprehensive income for the year	302 322	302 322
Total changes	302 322	302 322
Balance at 28 February 2017	63 572 747	63 572 747

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Statement of Cash Flows

	Notes	2017 R	2016 R
Cash flows from operating activities			
Cash generated from operations	12	248 615	18 587 982
Interest income		3 357	388 133
Finance costs		(91 487)	(1 248)
Net cash from operating activities		160 485	18 974 867
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(918 531)	(25 844 140)
Sale of property, plant and equipment	2	1 218 124	705 114
Loans advanced to group companies		(8 680)	(3 700)
Net cash from investing activities		290 913	(25 142 726)
Total cash movement for the year		451 398	(6 167 859)
Cash at the beginning of the year		155 562	6 323 421
Total cash at end of the year	5	606 960	155 562

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Accounting Policies

1. Presentation of annual financial statements

The annual financial statements have been prepared 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 is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost 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 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
Buildings	Straight line	Indefinite
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 years
IT equipment	Straight line	3 years
Other property, plant and equipment	Straight line	6 years

Land is not depreciated

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 amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, 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.

Derivatives

Derivative financial instruments are measured at fair value at each reporting date. Changes in the fair value of derivative financial instruments are recognised in profit or loss as they arise.

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Accounting Policies

1.2 Financial instruments (continued)

Hedge accounting

The company designates a hedging relationship between a hedging instrument and a hedged item in such a way as to qualify for hedge accounting. In such cases, the gain or loss on the hedging instruments and hedged item are recognised in profit or loss at the same time.

Hedge accounting is only applied when the criteria for hedge accounting as specified in the standard are met. Hedge accounting is only applied to the following risks: interest rate risk of a debt instrument at amortised cost; foreign exchange or interest rate risk in a firm commitment or highly probable forecast transaction; price risk of a commodity that it holds or in a firm commitment or highly probable forecast transaction to purchase or sell a commodity; and for foreign exchange risk in a net investment in a foreign operation.

1.3 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences and for the carry forward of unused tax losses and unused tax credits.

Deferred tax assets and liabilities are measured at an amount that includes the effect of the possible outcomes of a review by the tax authorities using tax rates that, on the basis of enacted or substantively enacted tax law at the end of the reporting period, are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax asset balances are reviewed at every reporting date. When necessary, a valuation allowance is recognised against the deferred tax assets so that the net amount equals the highest amount that is more likely than not to be realised on the basis of current or future taxable profit.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.4 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its 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.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.5 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Accounting Policies

1.6 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.

1.7 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Notes to the Annual Financial Statements

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	59 604 770	-	59 604 770	59 194 845	-	59 194 845
Furniture and fixtures	3 985 754	(2 827 899)	1 157 855	3 512 007	(2 541 130)	970 877
Motor vehicles	2 693 052	(1 980 002)	713 050	3 007 252	(1 803 374)	1 203 878
Office equipment	111 485	(84 418)	27 067	85 294	(83 015)	2 279
IT equipment	342 944	(331 299)	11 645	334 275	(327 394)	6 881
Other property, plant and equipment	337 535	(328 145)	9 390	337 535	(319 321)	18 214
Total	67 075 540	(5 551 763)	61 523 777	66 471 208	(5 074 234)	61 396 974

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Disposals	Depreciation	Total
Land	59 194 845	409 925	-	-	59 604 770
Furniture and fixtures	970 877	473 747	-	(286 769)	1 157 855
Motor vehicles	1 203 878	-	(213 411)	(277 417)	713 050
Office equipment	2 279	26 190	-	(1 402)	27 067
IT equipment	6 881	8 669	-	(3 905)	11 645
Other property, plant and equipment	18 214	-	-	(8 824)	9 390
	61 396 974	918 531	(213 411)	(578 317)	61 523 777

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Land	34 224 783	24 970 062	-	59 194 845
Furniture and fixtures	411 757	716 978	(157 858)	970 877
Motor vehicles	1 437 676	157 100	(390 898)	1 203 878
Office equipment	3 686	-	(1 407)	2 279
IT equipment	14 519	-	(7 638)	6 881
Other property, plant and equipment	36 405	-	(18 191)	18 214
	36 128 826	25 844 140	(575 992)	61 396 974

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Notes to the Annual Financial Statements

	2017 R	2016 R
2. Property, plant and equipment (continued)		
Details of properties		
Property 1		
Erf 4791 Bryanston Extension 45. Measuring in extent of 1,500 square metres and held under title deed number T155085/2002. The title deed to the property is held as security for the bank overdraft facility.		
- Purchase price: 30 May 2002	500 000	500 000
- Additions since purchase or valuation	14 446	14 446
- Capitalised expenditure	40 092	49 092
	554 538	563 538
Property 2		
Erf 286 Olivedale Extension 2. Measuring in extent of 1,567 square metres and held under title deed number T80764/2003.		
- Purchase price: 27 March 2003	600 000	600 000
- Capitalised expenditure	1 587	15 876
	601 587	615 876
Property 3		
Erf 529 Jukskei Park. Measuring in extent of 2,347 square metres and held under title deed number T175051/2004.		
- Purchase price: 5 June 2004	690 000	690 000
- Additions since purchase or valuation	38 847	38 847
- Capitalised expenditure	30 123	30 123
	758 970	758 970
Property 4		
Erf 1692 Blairgowrie, Randburg. Measuring in extent of 1,043 square metres and held under title deed number T37634/2005.		
- Purchase price: 26 November 2004	740 000	740 000
- Additions since purchase or valuation	41 139	41 139
- Capitalised expenditure	27 753	27 753
	808 892	808 892
Property 5		
Erf 3434 Northmead, Benoni. Measuring in extent of 952 square metres and held under title deed number T31288/2005.		
- Purchase price: 21 January 2005	780 000	780 000
- Capitalised expenditure	48 407	48 407
	828 407	828 407
Property 6		
Erf 2825 Blairgowrie, Randburg. Measuring in extent of 798 square metres and held under title deed number T68242/2005.		
- Purchase price: 9 February 2005	800 000	800 000
- Additions since purchase or valuation	84 600	-
- Capitalised expenditure	11 777	11 777
	896 377	811 777

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Notes to the Annual Financial Statements

	2017 R	2016 R
2. Property, plant and equipment (continued)		
Property 7		
Erf 1252 Blairgowrie, Randburg. Measuring in extent of 959 square metres and held under title deed number T17042/2006.		
- Purchase price: 31 October 2005	1 000 000	1 000 000
- Capitalised expenditure	79 308	79 308
	1 079 308	1 079 308
Property 8		
Erf 3109 Northmead, Benoni. Measuring in extent of 952 square metres and held under title deed number T23351/2006.		
- Purchase price: 20 February 2006	860 000	860 000
- Additions since purchase or valuation	380 000	380 000
	1 240 000	1 240 000
Property 9		
Erf 3050 Northmead, Benoni. Measuring in extent of 1,385 square metres and held under title deed number T57433/2006.		
- Purchase price: 8 July 2006	880 000	880 000
- Capitalised expenditure	5 216	5 216
	885 216	885 216
Property 10		
Erf 3743 Benoni Ext 10, Farrarmere. Measuring in extent of 1,190 square metres and held under title deed number T19767/2007.		
- Purchase price: 20 April 2007	1 130 000	1 130 000
- Additions since purchase or valuation	11 955	11 955
- Capitalised expenditure	13 363	13 363
	1 155 318	1 155 318
Property 11		
Erf 465 Sharonlea Ext 10. Measuring in extent of 809 square metres and held under title deed number T29580/2007.		
- Purchase price: 11 June 2007	1 200 000	1 200 000
- Additions since purchase or valuation	41 362	41 362
- Capitalised expenditure	50 581	50 581
	1 291 943	1 291 943
Property 12		
Erf 6407 Northmead Ext 4. Measuring in extent of 999 square metres and held under title deed number T29041/2008.		
- Purchase price: 19 June 2008	1 475 000	1 475 000
- Capitalised expenditure	49 265	49 265
	1 524 265	1 524 265

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Notes to the Annual Financial Statements

	2017 R	2016 R
2. Property, plant and equipment (continued)		
Property 13		
Erf 1244 Blairgowrie. Measuring in extent of 969 square metres and held under title deed number T52850/2008.		
- Purchase price: 4 June 2008	1 260 000	1 260 000
- Additions since purchase or valuation	55 916	55 916
- Capitalised expenditure	12 247	12 247
	1 328 163	1 328 163
Property 14		
Erf 2692 Blairgowrie. Measuring in extent of 1,108 square metres and held under title deed number T79403/2008.		
- Purchase price: 25 August 2008	1 275 000	1 275 000
- Capitalised expenditure	15 981	15 981
	1 290 981	1 290 981
Property 15		
Erf 57 Robin Acres. Measuring in extent of 1,487 square metres and held under title deed number T35435/2009.		
- Purchase price: 30 June 2009	1 250 000	1 250 000
- Capitalised expenditure	52 763	52 763
	1 302 763	1 302 763
Property 16		
Erf 533 Bryanston. Measuring in extent of 5,237 square metres and held under title deed number T37199/2009.		
- Purchase price: 8 July 2009	9 000 000	9 000 000
- Capitalised expenditure	48 485	48 485
	9 048 485	9 048 485
Property 17		
Erf 219 Robindale. Measuring in extent of 1,346 square metres and held under title deed number T82818/2009.		
- Purchase price: 18 December 2009	1 300 000	1 300 000
- Capitalised expenditure	18 288	18 288
	1 318 288	1 318 288
Property 18		
Erf 436 Randpark Ext 5. Measuring in extent of 371 square metres and held under title deed number T73473/2011.		
- Purchase price: 17 October 2011	900 000	900 000
- Capitalised expenditure	54 182	54 182
	954 182	954 182

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Notes to the Annual Financial Statements

	2017 R	2016 R
2. Property, plant and equipment (continued)		
Property 19		
Erf 1453 Somerset West. Measuring in extent of 1,500 square metres and held under title deed number T40247/2013.		
- Purchase price: 21 August 2013	<u>3 134 671</u>	<u>3 134 671</u>
Property 20		
Erf 5035 Somerset West. Measuring in extent of 1,063 square metres and held under title deed number T56576/2013.		
- Purchase price: 22 October 2013	1 741 450	1 741 450
- Capitalised expenditure	66 372	66 372
	<u>1 807 822</u>	<u>1 807 822</u>
Property 21		
Erf 2796 Strand. Measuring in extent of 496 square metres and held under title deed number T32670/2014.		
- Purchase price: 27 June 2014	<u>1 312 797</u>	<u>1 312 797</u>
Property 22		
Erf 10387 Strand. Measuring in extent of 700 square metres and held under title deed number T32670/2015.		
- Purchase price: 9 June 2015	<u>1 922 365</u>	<u>1 922 365</u>
Property 23		
Erf 71 Constantia. Measuring in extent of 8111 square metres and held under title deed number T1303/2016.		
- Purchase price: 20 January 2016	24 098 676	24 098 676
- Capitalised expenditure	437 527	112 202
	<u>24 536 203</u>	<u>24 210 878</u>
3. Loans to (from) group companies		
Acres of Love Siyabonga NPC	1 878 703	1 874 363
Forever Homes Cape Town NPC	3 000	3 000
Acres of Love & Living Faith Ministries NPC	7 256	2 916
	<u>1 888 959</u>	<u>1 880 279</u>

The loans are unsecured and no repayments are required within the next twelve months.

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Notes to the Annual Financial Statements

	2017 R	2016 R
4. Trade and other receivables		
Sundry receivables	20 000	189 844
Deposits	40 405	40 405
VAT	66 682	288 284
Prepayments	363 349	-
	490 436	518 533
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	(401)	54 675
Bank balances	262 079	151 558
Short-term deposits	345 282	5 192
Bank overdraft	-	(55 863)
	606 960	155 562
Current assets	606 960	211 425
Current liabilities	-	(55 863)
	606 960	155 562
6. Trade and other payables		
Trade payables	289 090	328 642
Other accrued expenses	119 381	165 721
Other payables	183 908	186 557
	592 379	680 920
7. Revenue		
Donations received	17 983 892	36 259 925
Government subsidy : Benoni	1 478 288	1 412 070
Government subsidy : Johannesburg	3 322 460	2 958 834
	22 784 640	40 630 829
8. Other income		
Profit and loss on sale of assets and liabilities	1 004 713	705 114
Rental income	12 000	12 500
Recoveries	85 741	69 444
	1 102 454	787 058
9. Investment revenue		
Interest revenue		
Bank	89	351 440
Other interest	3 268	36 693
	3 357	388 133

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Notes to the Annual Financial Statements

	2017 R	2016 R
10. Finance costs		
Bank	91 487	1 248
11. Taxation		
The company has been approved as a public benefit organisation (PBO) in terms of Section 30 of the income tax Act.		
12. Cash generated from operations		
Profit before taxation	302 321	19 771 734
Adjustments for:		
Depreciation and amortisation	578 317	575 993
Profit on sale of assets	(1 004 713)	(705 114)
Interest received	(3 357)	(388 133)
Finance costs	91 487	1 248
Changes in working capital:		
Trade and other receivables	28 101	(399 045)
Trade and other payables	(88 541)	(268 701)
Deferred income	345 000	-
	248 615	18 587 982

13. Related parties

Relationships

Director with significant influence
Affiliated Organisations

G Audagnotti
Acres of Love Inc. USA
Acres of Love Siyabonga NPC
Acres of Love and Living Faith Ministries
Forever Homes Cape Town NPC

14. Directors' remuneration

Executive

2017

	Emoluments	Total
GAM Audagnotti	180 000	180 000

2016

	Emoluments	Total
GAM Audagnotti	180 000	180 000

ACRES OF LOVE, NPC

(Registration number 1999/013827/08)

Annual Financial Statements for the year ended 28 February 2017

Detailed Income Statement

	Notes	2017 R	2016 R
Revenue			
Donations received		17 983 892	36 259 925
Government subsidy : Benoni		1 478 288	1 412 070
Government subsidy : Johannesburg		3 322 460	2 958 834
	7	22 784 640	40 630 829
Other income			
Rental income		12 000	12 500
Recoveries		85 741	69 444
Interest received	9	3 357	388 133
Gains on disposal of assets		1 004 713	705 114
		1 105 811	1 175 191
Operating expenses			
Accounting fees		(305 785)	(123 538)
Advertising		(1 742)	(980)
Auditors remuneration		(26 000)	(19 500)
Bank charges		(80 402)	(77 095)
Child therapy and support fees		(334 973)	(529 159)
Cleaning		(103 507)	(93 957)
Computer expenses		(73 174)	(43 521)
Crockery and cutlery		(77 457)	(26 152)
Depreciation, amortisation and impairments		(578 317)	(575 993)
Direct care team		(6 816 400)	(6 068 596)
Food, linen and clothing		(3 110 280)	(2 840 842)
Gifts and toys		(335 212)	(87 494)
Insurance		(225 018)	(209 326)
Late payment of tax		(3 636)	-
Legal expenses		(16 390)	(74 110)
Medical expenses		(1 273 412)	(1 569 767)
Nappies		(34 506)	(112 854)
Printing and stationery and postage		(61 355)	(102 341)
Recreational expenses		(100 981)	(142 183)
Rent paid		(35 715)	(7 933)
Repairs and maintenance		(1 437 215)	(1 385 347)
School fees and school expenses		(3 783 461)	(3 893 829)
Security		(145 351)	(116 350)
Small assets written off		(283 422)	(159 342)
Staff welfare		(2 600)	-
Subscriptions		(6 846)	(5 827)
Telephone and fax		(212 262)	(227 754)
Training		(10 881)	(15 068)
Transport		(2 283 714)	(2 007 795)
Utilities		(1 736 629)	(1 516 385)
		(23 496 643)	(22 033 038)
Operating profit		393 808	19 772 982
Finance costs	10	(91 487)	(1 248)
Profit for the year		302 321	19 771 734