

**NELSON MANDELA TOWNSHIP HANDBALL CLUB**

**PORT ALFRED**

**ANNUAL FINANCIAL STATEMENTS**

**for the year ended 31 December 2013**

NELSON MANDELA TOWNSHIP HANDBALL CLUB

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for the year ended 31 December 2013

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The annual financial statements were approved by the board members and are signed on their behalf by:



.....  
CHAIRPERSON



.....  
TREASURER

PORT ALFRED  
23 April 2014

**REPORT OF THE INDEPENDENT AUDITORS  
TO THE BOARD MEMBERS OF NELSON MANDELA TOWNSHIP HANDBALL CLUB**

**Report On The Annual Financial Statements**

We have audited the accompanying annual financial statements of Nelson Mandela Township Handball Club, which comprise the statement of financial position as at 31 December 2013, and the statement of comprehensive income for the year then ended, and a summary of significant accounting policies and other explanatory notes.

**Management's Responsibility for the Annual Financial Statements**

Management is responsible for the preparation and fair presentation of these annual financial statements in accordance with generally accepted accounting practice. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organisation's preparation and fair presentation of the annual financial statements 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 organisation's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Qualification**

In common with similar organisations, it is not feasible for Nelson Mandela Township Handball Club, to institute accounting controls over cash collections from donations and fundraising prior to the initial entry of the collection in the accounting records. Accordingly it was impractical for us to extend our examination beyond the receipts actually recorded.

**Opinion**

In our opinion, except for the effect on the annual financial statements of the matter referred to in the preceding paragraph, the annual financial statements present fairly, in all material respects, the financial position of Nelson Mandela Township Handball Club as of 31 December 2013, and of its financial performance for the year then ended in accordance with generally accepted accounting practice.

**Emphasis of Matter**

Without further qualifying our opinion above, we draw your attention to the fact that the entity's ability to continue operating as a going concern is dependant on the continued support of its donors and sponsors.

*A2A Kopano Incorporated*  
**A2A KOPANO INCORPORATED**  
Registered Auditors

**PORT ALFRED**

23 April 2014

IRBA. NO. 901944-0006 • Co. Reg. No.: 1998/014078/21

**Directors:** HAS Moosa (Managing Director), KJ Sithole (Chairman), AIG Ali, MR Amod, J Botha, OJ Cornelissen, FRL Eksteen, CA Jadwat, F Jeeva, YD Kadwa, AM Knowles, S Makida, OB McLean, S Meyer, Y Mohamed, L Mokawein, M Mouta, GJ Le Roux, MSA Paruk, HM Pieters, ME Raubenheimer, MI Stenokamp, GL Tharratt, D van Zyl, IW Wait, I Wajooddeen, HA Wormald

**Offices in:** Cape Town, Mpumalanga, Limpopo, Kwa Zulu Natal, Eastern Cape and Western Cape

**NELSON MANDELA TOWNSHIP HANDBALL CLUB**  
**STATEMENT OF FINANCIAL POSITION – 31 December 2013**

	Notes	2013 R	2012 R
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	1	<u>3</u>	<u>-</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalent	2	<u>54</u>	<u>159</u>
<b>TOTAL ASSETS</b>		<u><u>57</u></u>	<u><u>159</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>RESERVES</b>			
Accumulated funds	3	<u>(3,843)</u>	<u>(1,786)</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	4	<u>3,900</u>	<u>1,945</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>57</u></u>	<u><u>159</u></u>

NELSON MANDELA TOWNSHIP HANDBALL CLUB

STATEMENT OF COMPREHENSIVE INCOME  
for the year ended 31 December 2013

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	Note	2013 R	2012 R
<b>REVENUE</b>			
Donations received	5	<u>12,764</u>	<u>1,450</u>
<b>Less: EXPENSES</b>		<u>14,821</u>	<u>3,482</u>
Audit fees		5,530	1,945
Bank charges		757	713
Competition expenses		6,948	-
Depreciation		1,586	-
Small assets expensed		-	824
<b>Deficit For The Year</b>		<u>(2,057)</u>	<u>(2,032)</u>

**NELSON MANDELA TOWNSHIP HANDBALL CLUB**  
**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 December 2013**

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**ACCOUNTING POLICIES**

The annual financial statements of the organisation are prepared in accordance with generally accepted accounting practice using the historical cost convention.

**Property, Plant and Equipment**

Plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the depreciable amount of assets, over their estimated useful lives, using the straight-line method, on the following basis:

Handball equipment	10 years
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The depreciable amount is calculated as the cost of the asset less its residual value. The residual value is the net amount that the entity expects to obtain for an asset at the end of its useful life after deducting the expected costs of disposal, if the asset was already of the age and condition expected at the end of its useful life.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

**Cash and cash equivalent**

Cash and cash equivalent is stated at its nominal value.

**Taxation**

The entity is in the process of applying for tax exemption.

**Deficit from Operations**

Deficit from operations is stated before investment income and finance costs.

**Revenue Recognition**

Donations and funding income is recognized when the organisation's right to receive payment has been established.

**Trade and other payables**

Trade and other payables are stated at their nominal value.

**NELSON MANDELA TOWNSHIP HANDBALL CLUB**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 December 2013

**1. PROPERTY, PLANT AND EQUIPMENT**

	<b>HANDBALL EQUIPMENT R</b>	<b>TOTAL R</b>
Additions	1,589	1,589
Depreciation for the year	(1,586)	(1,586)
	3	3
Carrying amount at 31 December 2013		
At cost	1,589	1,589
Accumulated depreciation	(1,586)	(1,586)

**2. CASH AND CASH EQUIVALENT**

Cash and cash equivalent in the balance sheet comprises a balance with a bank. The carrying amount approximates its fair value.

	<b>2013 R</b>	<b>2012 R</b>
FNB Cheque Account	54	159

**3. ACCUMULATED FUNDS**

	<b>2013 R</b>	<b>2012 R</b>
Balance at beginning of the year		
Deficit for the year	(1,786)	246
Balance at the end of the year	(2,057)	(2,032)
	(3,843)	(1,786)

**4. TRADE AND OTHER PAYABLES**

	<b>2013 R</b>	<b>2012 R</b>
Audit fees	3,900	1,945

**5. DONATIONS RECEIVED**

	<b>2013 R</b>	<b>2012 R</b>
NEMATO Change A Life	11,364	-
Sundry donation and sponsorship	1,400	1,450
	12,764	1,450