

**NELSON MANDELA TOWNSHIP CHANGE A LIFE
(Public Benefit Organisation Number : 9300033563)**

PORT ALFRED

**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2013**

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(Public Benefit Organisation Number : 9300033563)

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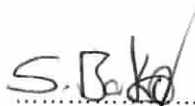
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The annual financial statements were approved by the board members and are signed on their behalf by:



CHAIRPERSON



TREASURER

PORT ALFRED
22 April 2014



KOPANO
INCORPORATED

CHARTERED ACCOUNTANTS (SA)
& REGISTERED AUDITORS

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**REPORT OF THE INDEPENDENT AUDITOR'S
TO THE BOARD MEMBERS OF NELSON MANDELA TOWNSHIP CHANGE A LIFE**

Report on the financial statements

We have audited the accompanying annual financial statements of Nelson Mandela Township Change A Life, 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 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 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 Change A Life, to institute accounting controls over cash collections from donations and fund raising 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 Change A Life 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, we draw attention to the fact that the entity is a non-profit organization and is dependent on the continued financial support of its donors and funders in order to continue operating as a going concern.

A2A Kopano Incorporated
A2A KOPANO INCORPORATED
Registered Auditors

PORT ALFRED
22 April 2014

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

Directors:

GL Tharoli, GB Molea, R Marula, I Waiddeen, Y Mohamed, HAS Moosa (Managing Director), CA Jadwal, JH Van Wyk, M Stenekamp, MJ Sondyabo (Chairman), KJ Sithole, IW West, MBA Panik, YD Kadwa, HM Panyis, GJ La Roux, AIG Alt, MA Schaafsa, S Marula, HA Wormald, L Mokawem, M Motar, M Raupentramer, AM Knowles, MR Amog

Offices in:

Eastern Cape, Mpumalanga, Limpopo, Free State, Kwa-Zulu Natal, Eastern Cape and Western Cape

NELSON MANDELA TOWNSHIP CHANGE A LIFE
STATEMENT OF FINANCIAL POSITION – 31 December 2013

	Notes	2013 R	2012 R
ASSETS			
Property, plant and equipment	1	4	-
Related party loan	2	60,000	68,000
		<u>60,004</u>	<u>68,000</u>
CURRENT ASSETS			
Cash and cash equivalents	3	236,605	44,775
TOTAL ASSETS		<u>296,609</u>	<u>112,775</u>
EQUITY AND LIABILITIES			
RESERVES			
Accumulated funds	4	288,826	105,927
CURRENT LIABILITIES			
Trade and other payables	5	7,783	6,848
TOTAL EQUITY AND LIABILITIES		<u>296,609</u>	<u>112,775</u>

NELSON MANDELA TOWNSHIP CHANGE A LIFE

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2013

	Note	2013 R	2012 R
REVENUE			
Sponsorships	8	920,716	619,875
Donations received	6	44,244	32,457
		<u>964,960</u>	<u>652,332</u>
Less: EXPENSES		782,061	571,549
Activities		-	13,592
Audit fees		8,400	8,570
Affiliated clubs donations	7	92,243	68,391
Bank charges		5,470	4,215
Depreciation		4,033	-
Education expenses		390,284	252,286
Food expenses		156,671	115,398
Printing, postage and stationery		3,135	5,444
Rent		5,150	-
Repairs and maintenance		16,693	-
Salaries and wages		89,890	76,507
Small assets expensed		-	12,832
Telephone and fax		10,092	14,314
Surplus For The Year		<u>182,899</u>	<u>80,783</u>

NELSON MANDELA TOWNSHIP CHANGE A LIFE

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2013

ACCOUNTING POLICIES

The annual financial statements of the organisation are prepared in accordance with generally accepted accounting practice using the historical cost convention. The basis of preparation is consistent with those applied in the previous year except as otherwise indicated.

Property, plant and equipment

Property, 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, other than land and properties under construction, over their estimated useful lives, using the straight-line method, on the following base

Furniture and fittings	10 years
Computer equipment	3 years

The depreciable amount is calculated as the cost of the asset less its residual value. The residual value is the estimated amount that the entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and condition expected at the end of its useful life.

Cash and cash equivalents

Cash and cash equivalents are stated at their nominal value.

Trade and other payables

Trade and other payables are stated at their nominal value.

Taxation

The organisation is exempt from taxation in terms of Section 10(1)(cN) of the Income Tax Act No. 58 of 1962.

Surplus from Operations

Surplus from operations is stated before finance costs.

Revenue Recognition

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

Loans

Related entity loans are stated at their nominal value.

NELSON MANDELA TOWNSHIP CHANGE A LIFE
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2013

1. PROPERTY, PLANT AND EQUIPMENT

	FURNITURE AND FITTINGS R	COMPUTER R	TOTAL R
Additions	1,302	2,735	4,037
Depreciation for the year	(1,301)	(2,732)	(4,033)
Carrying amount at 31 December 2013	1	3	4
At cost	1,302	2,735	4,037
Accumulated depreciation	(1,301)	(2,732)	(4,033)

2. RELATED PARTY LOAN

	2013 R	2012 R
	Amount owed by related party	
Nelson Mandela Township Rowing Club – Matinyana Fund	60,000	68,000

Nelson Mandela Township Rowing Club is a related party because the organisations are run by Mr Jan Blom.

The amount outstanding is unsecured and is run on a current account basis. No guarantee has been given. The amount is interest free.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprises of balances with banks. The carrying amount approximates their fair value.

	2013 R	2012 R
FNB Business Transact Account	233,350	1,671
FNB Cheque Account	3,255	43,104
	<u>236,605</u>	<u>44,775</u>

4. ACCUMULATED FUNDS

	2013 R	2012 R
Balance at beginning of the year	105,927	25,144
Surplus for the year	182,899	80,783
Balance at the end of the year	<u>288,826</u>	<u>105,927</u>

NELSON MANDELA TOWNSHIP CHANGE A LIFE
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2013

5. TRADE AND OTHER PAYABLES

	2013 R	2012 R
Sundry creditors	783	848
Provision for audit fees	7,000	6,000
	7,783	6,848

The board members consider that the carrying amount of trade and other payables approximates their fair value.

6. DONATIONS RECEIVED

	2013 R	2012 R
Donations - International	21,305	23,057
- local	22,939	9,400
	44,244	32,457

7. AFFILIATED CLUB DONATIONS

	2013 R	2012 R
NEMATO Gymnastics Club	59,775	29,233
NEMATO Rowing Club	6,288	-
NEMATO Fencing Club	14,816	38,158
NEMATO Handball Club	11,364	1,000
	92,243	68,391

8. SPONSORSHIP

	2013 R	2012 R
Computershare Learning Trust	480,000	360,000
NSFAS	320,000	130,000
Matinyana Fund	7,300	-
Church Of Holland	74,735	129,875
	38,682	-
	920,717	619,875