

NELSON MANDELA TOWNSHIP CHANGE A LIFE
(Formally Trading As Nelson Mandela Township Sports Federation)
(Public Benefit Organisation Number : 9300033563)

PORT ALFRED

ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2012

NELSON MANDELA TOWNSHIP CHANGE A LIFE
(Formally Trading As Nelson Mandela Township Sports Federation)
(Public Benefit Organisation Number : 9300033563)

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ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2012

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



.....
SIMLINDILE VETO (CHAIRPERSON)



.....
SIPHAMANDLA BATAU (TREASURER)

PORT ALFRED
24 April 2013

**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 balance sheet as at 31 December 2012, and the income statement 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 2012, 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 nonprofit 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
Registered Auditors

PORT ALFRED
24 April 2013

IRBA. NO. 901944

Directors:

GL Tharratt, GB Mclean, R Marula, I Wajodeen, Y Mohamed, HAS Moosa (Managing Director), CA Jadwat, JH Van Wyk, MI Stenekamp, MJ Sondiyazi (Chairman), KJ Sithole, IW Wait, MSA Paruk, YD Kadwa, HM Pieters, GJ Le Roux, AIG Alt, MA Schaafsa, S Makda, HA Wormald, L Mokawem, M Motala, M Raubenheimer, AM Knowles, MR Amod

Offices in:

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

NELSON MANDELA TOWNSHIP CHANGE A LIFE
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BALANCE SHEET – 31 December 2012

	Notes	2012 R	2011 R
ASSETS			
Related party loan	5	<u>68,000</u>	<u>741</u>
CURRENT ASSETS			
Cash and cash equivalents	1	<u>44,775</u>	<u>28,103</u>
TOTAL ASSETS		<u><u>112,775</u></u>	<u><u>28,844</u></u>
 EQUITY AND LIABILITIES			
RESERVES			
Accumulated funds	2	<u>105,927</u>	<u>25,144</u>
CURRENT LIABILITIES			
Trade and other payables	3	<u>6,848</u>	<u>3,700</u>
TOTAL EQUITY AND LIABILITIES		<u><u>112,775</u></u>	<u><u>28,844</u></u>

NELSON MANDELA TOWNSHIP CHANGE A LIFE

(Formally Trading As Nelson Mandela Township Sports Federation)

DETAILED INCOME STATEMENT
for the year ended 31 December 2012

	Note	2012 R	2011 R
REVENUE			
Sponsorships		619,875	51,000
Donations received	4	<u>32,457</u>	<u>61,790</u>
		652,332	112,790
Less: EXPENSES		571,549	98,582
Activities		13,592	5,285
Audit fees		8,570	2,538
Affiliated clubs		68,391	42,496
Bank charges		4,215	1,688
Education expenses		252,286	-
Food expenses		115,398	39,430
Printing, postage and stationery		5,444	840
Salaries and wages		76,507	-
Small assets expensed		12,832	6,245
Telephone and fax		14,314	60
Surplus For The Year		<u>80,783</u>	<u>14,208</u>

NELSON MANDELA TOWNSHIP CHANGE A LIFE

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**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2012**

ACCOUNTING POLICIES

The annual financial statements of the organisation are prepared in accordance with South African Statements of 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.

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 (The Act).

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

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2012

1. CASH AND CASH EQUIVALENTS

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

	2012 R	2011 R
FNB Business Transact Account	1,671	4,746
FNB Cheque Account	43,104	23,357
	<u>44,775</u>	<u>28,103</u>

2. ACCUMULATED FUNDS

	2012 R	2011 R
Balance at beginning of the year	25,144	10,936
Surplus for the year	80,783	14,208
Balance at the end of the year	<u>105,927</u>	<u>25,144</u>

3. TRADE AND OTHER PAYABLES

	2012 R	2011 R
Provision for audit fees	<u>6,848</u>	<u>3,700</u>

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

4. DONATIONS RECEIVED

	2012 R	2011 R
Other income	-	875
Donations - International	23,057	41,550
- local	9,400	19,365
	<u>32,457</u>	<u>61,790</u>

5. RELATED ENTITY LOANS

	2012 R	2011 R
	Amount owed by related entities	
Nelson Mandela Township Gymnastics Club	-	741
Nelson Mandela Township Rowing Club	68,000	-
	<u>68,000</u>	<u>741</u>

Nelson Mandela Township Gymnastics Club and Nelson Mandela Township Rowing Club are both related entities because all 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.