

NELSON MANDELA TOWNSHIP CHANGE A LIFE

(Public Benefit Organisation Number : 9300033563)

ANNUAL FINANCIAL STATEMENTS

For the year ended 31 December 2015



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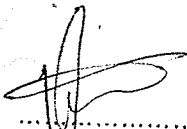
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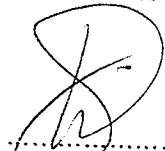
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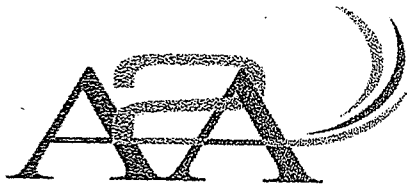
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The annual financial statements were approved by the board members and are signed on their behalf by:


.....
CHAIRPERSON


.....
TREASURER

PORT ALFRED
25 July 2016



KOPANO INCORPORATED

CHARTERED ACCOUNTANTS (S.A.)
& REGISTERED AUDITORS

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046 624 2512
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P.O. Box 2063, Port
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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 2015, 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 the accounting policies adopted by the entity. 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 2015, and of its financial performance for the year then ended in accordance with the accounting policies adopted by the entity.

Emphasis of Matter

Without further qualifying our opinion, we draw attention to the fact that the entity is a non-profit organisation 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
Chartered Accountants (SA)
Director: HA Wormald

A2A Kopano Incorporated

PORT ALFRED
25 July 2016

IRBA. NO. 901944-0011 • Co. Reg. No.: 1998/014078/21

Directors: Chairman: KJ Sithole
Chief Executive Officer: HAS Moosa
Chairman of Executive Committee: MSA Paruk
List of Directors available at the registered office or national website.

Offices in: Gauteng, Mpumalanga, Limpopo, Kwa-Zulu Natal, Eastern Cape, Western Cape and North West

Website: www.a2akopano.co.za

NELSON MANDELA TOWNSHIP CHANGE A LIFE
STATEMENT OF FINANCIAL POSITION – 31 December 2015

	Notes	2015 R	2014 R
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	1	14,365	11
Related party loan	2	<u>153,400</u>	<u>60,000</u>
		<u>167,765</u>	<u>60,011</u>
CURRENT ASSETS			
Cash and cash equivalents	3	<u>276,144</u>	<u>48,943</u>
TOTAL ASSETS		<u>443,909</u>	<u>108,954</u>
EQUITY AND LIABILITIES			
RESERVES			
Accumulated funds	4	<u>433,610</u>	<u>100,554</u>
CURRENT LIABILITIES			
Trade and other payables	5	<u>10,299</u>	<u>8,400</u>
TOTAL EQUITY AND LIABILITIES		<u>443,909</u>	<u>108,954</u>

NELSON MANDELA TOWNSHIP CHANGE A LIFE

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2015

	Note	2015 R	2014 R
REVENUE			
Sponsorships and grants	8	871,809	952,925
Donations received	6	340,203	59,823
		<u>1,212,012</u>	<u>1,012,748</u>
Less: EXPENSES			
		878,956	1,201,020
Audit fees		9,912	9,392
Affiliated clubs donations		176,781	116,229
Bank charges	7	3,935	5,851
Depreciation		22,945	8,649
Education expenses, empowerment and transport		374,416	684,313
Food expenses		132,885	169,683
Printing, postage and stationery		7,479	5,193
Rent		5,400	6,875
Repairs and maintenance		29,015	45,118
Salaries and wages		89,133	132,280
Small assets expensed		-	9,292
Telephone and fax		14,930	-
Medical expenses		12,125	8,145
Surplus / (Deficit) For The Year		<u>333,056</u>	<u>(188,272)</u>

NELSON MANDELA TOWNSHIP CHANGE A LIFE
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2015

ACCOUNTING POLICIES

The annual financial statements of the organisation are prepared in accordance with the accounting policies adopted by the entity 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	10.00%
Computer equipment	33.33%
Office equipment	16.66%

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 / (Deficit) from Operations

Surplus /(Deficit) from operations is stated before finance costs.

Revenue Recognition

Donation and funding income is recognised 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 2015

1. PROPERTY, PLANT AND EQUIPMENT

	OFFICE EQUIPMENT	FURNITURE AND FITTINGS R	COMPUTER EQUIPMENT R	TOTAL R
Carrying amount at 31 December 2014	2	1	8	11
At cost	3,319	1,302	9,374	13,995
Accumulated depreciation	(3,317)	(1,301)	(9,366)	(13,984)
Additions	21,707	5,389	10,203	37,299
Depreciation for the year	(7,366)	(5,386)	(10,193)	(22,945)
Carrying amount at 31 December 2015	14,343	4	18	14,365
At cost	25,026	6,691	19,577	51,294
Accumulated depreciation	(10,683)	(6,687)	(19,559)	(36,929)

2. RELATED PARTY LOAN

	2015 R	2014 R
Mike Thomson Change a Life Trust	153,400	-
Nelson Mandela Township Rowing Club – Matinyana Fund	-	60,000
	<u>153,400</u>	<u>60,000</u>

The amount outstanding is secured by an 50.5% interest in a vehicle registered in the Trust's name. The amount is interest free and an amount equal to the percentage interested held will be repaid if the vehicle is sold.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprises of balances with banks. The carrying amount approximates their fair value.

	2015 R	2014 R
FNB Cheque Account	<u>276,144</u>	<u>48,943</u>

4. ACCUMULATED FUNDS

	2015 R	2014 R
Balance at beginning of the year	100,554	288,826
Surplus/ (Deficit) for the year	333,056	(188,272)
Balance at the end of the year	<u>433,610</u>	<u>100,554</u>

NELSON MANDELA TOWNSHIP CHANGE A LIFE
 NOTES TO THE ANNUAL FINANCIAL STATEMENTS
 for the year ended 31 December 2015

5. TRADE AND OTHER PAYABLES

	2015 R	2014 R
Sundry creditors	449	-
Audit fee accrual	9,850	8,400
	10,299	8,400

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

6. DONATIONS RECEIVED

	2015 R	2014 R
Donations - International	306,367	19,236
- local	33,836	40,587
	340,203	59,823

7. AFFILIATED CLUB DONATIONS

	2015 R	2014 R
NEMATO Gymnastics Club	127,261	69,710
NEMATO Rowing Club	22,861	26,408
NEMATO Fencing Club	6,153	6,421
NEMATO Handball Club	20,506	13,690
	176,781	116,229

8. SPONSORSHIP AND GRANTS

	2015 R	2014 R
Mike Thompson Trust	458,337	782,000
Food fund receipt	-	7,123
ECFA and FLT refunds	-	11,743
NSFAS	-	9,329
Matinyana Fund	44,462	101,267
Church of Holland	-	41,463
Claude Leon Foundation	170,000	-
Alexander Van Assendelft	129,010	-
Mnandi Bestbier	70,000	-
	871,809	952,925