

**NELSON MANDELA TOWNSHIP FENCING CLUB**

**ANNUAL FINANCIAL STATEMENTS**

**For the year ended 31 December 2015**



**KOPANO  
INCORPORATED**

**NELSON MANDELA TOWNSHIP FENCING CLUB**

**ANNUAL FINANCIAL STATEMENTS**

**for the year ended 31 December 2015**

NELSON MANDELA TOWNSHIP FENCING CLUB

ANNUAL FINANCIAL STATEMENTS

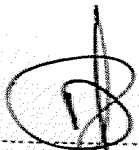
for the year ended 31 December 2015

INDEX

---

	Page
REPORT OF THE INDEPENDENT AUDITORS	1
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF COMPREHENSIVE INCOME	3
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS	4
NOTES TO THE ANNUAL FINANCIAL STATEMENTS	5 - 6

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

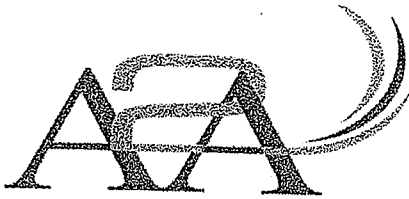


CHAIRPERSON



TREASURER

PORT ALFRED  
22 July 2016



# KOPANO INCORPORATED

CHARTERED ACCOUNTANTS (S.A.)  
& REGISTERED AUDITORS

046 624 5073  
046 624 2512  
ecpa@a2akopano.co.za  
1 Keey Street, Port Alfred,  
6170  
P.O. Box 2083, Port  
Alfred, 6170

## REPORT of the INDEPENDENT AUDITORS TO THE BOARD MEMBERS OF NELSON MANDELA TOWNSHIP FENCING CLUB

### Report On The Annual Financial Statements

We have audited the accompanying annual financial statements of Nelson Mandela Township Fencing Club, 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 financial statements in accordance with the accounting practices 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 Fencing 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 financial statements of the matter referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of Nelson Mandela Township Fencing Club as of 31 December 2015, and of its financial performance for the year then ended in accordance with the accounting practices adopted by the entity.

### 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**  
Chartered Accountants (SA)  
Director: HA Wormald

*A2A Kopano Incorporated*

**PORT ALFRED**  
22 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](http://www.a2akopano.co.za)

**NELSON MANDELA TOWNSHIP FENCING CLUB**  
**STATEMENT OF FINANCIAL POSITION – 31 December 2015**

	Notes	2015 R	2014 R
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	1	<u>126,073</u>	<u>23,359</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	<u>150</u>	<u>20</u>
<b>TOTAL ASSETS</b>		<u><u>126,223</u></u>	<u><u>23,379</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>RESERVES</b>			
Accumulated funds	3	<u>119,423</u>	<u>17,979</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	4	<u>6,800</u>	<u>5,400</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>126,223</u></u>	<u><u>23,379</u></u>

NELSON MANDELA TOWNSHIP FENCING CLUB

STATEMENT OF COMPREHENSIVE INCOME  
for the year ended 31 December 2015

	Note	2015 R	2014 R
<b>REVENUE</b>			
Donations received	5	<u>121,278</u>	<u>14,922</u>
<b>Less: EXPENSES</b>			
		19,834	22,064
Audit fees		7,553	5,892
Bank charges		770	940
Competition expenses and activities		-	9,557
Depreciation		11,511	3,265
Repairs and maintenance		-	2,410
<b>Surplus / (Deficit) For The Year</b>		<u><u>101,444</u></u>	<u><u>(7,142)</u></u>

NELSON MANDELA TOWNSHIP FENCING CLUB

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 practices adopted by the entity using the historical cost convention.

**Cash and cash equivalents**

Cash and cash equivalents are stated at their nominal value.

**Taxation**

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

**Surplus / (Deficit) from Operations**

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

**Revenue Recognition**

Donations and funding income is recognised 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.

**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, over their estimated useful lives, using the straight-line method, on the following basis:

Sports equipment	10 years
------------------	----------

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.

**Borrowings**

Borrowings are recognised initially at the transaction price (that is, the present value of cash payable at the bank, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the corporation has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

NELSON MANDELA TOWNSHIP FENCING CLUB

NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 December 2015

1. PROPERTY, PLANT AND EQUIPMENT

	SPORTS EQUIPMENT R	TOTAL R
At cost	32,654	32,654
Accumulated depreciation	(9,295)	(9,295)
Carrying amount at 31 December 2014	23,359	23,359
Additions	114,225	114,225
Depreciation for the year	(11,511)	(11,511)
Carrying amount at 31 December 2015	126,073	126,073
At cost	146,879	146,879
Accumulated depreciation	(20,806)	(20,806)

2. CASH AND CASH EQUIVALENTS

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

	2015 R	2014 R
FNB Cheque Account	150	20

3. ACCUMULATED FUNDS

	2015 R	2014 R
Balance at beginning of the year	17,979	25,121
Surplus / (Deficit) for the year	101,444	(7,142)
Balance at the end of the year	119,423	17,979

4. TRADE AND OTHER PAYABLES

	2015 R	2014 R
Audit fee	6,800	5,400



NELSON MANDELA TOWNSHIP FENCING CLUB  
NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 December 2015

---

5. DONATIONS RECEIVED

	2015 R	2014 R
NEMATO Gymnastic Club	114,225	-
NEMATO Change A Life	6,153	6,422
Sundry donations and sponsorships	900	8,500
	<u>121,278</u>	<u>14,922</u>