

**IKAMVA LISEZANDLENI ZETHU**  
**ANNUAL FINANCIAL STATEMENTS**  
**30 NOVEMBER 2009**

## IKAMVA LISEZANDLENI ZETHU

---

Registration Number: 032-082 NPO

### ANNUAL FINANCIAL STATEMENTS 30 NOVEMBER 2009

CONTENTS	PAGE
Approval of annual financial statements	1
Report of the independent auditors	2-3
Report of the directors	4
Balance sheet	5
Income statement	6
Cash flow statement	7
Notes to the annual financial statements	8-10
Detailed income statement	11

### APPROVAL AND STATEMENT OF RESPONSIBILITY

The board of directors of the management committee of the association is responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with the South African Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities.

The directors are also responsible for the association's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatement and loss. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the association has adequate resources in place to continue in operation for the foreseeable future.

The annual financial statements set out on pages 4 to 11 are the responsibility of the board of directors of the management committee and have been approved for issue by them 19 August 2010 and are signed by:

  
.....  
JOLIVIER

## IKAMVA LISEZANDLENI ZETHU

---

### INDEPENDENT AUDITOR'S REPORT

*To the Members of Ikamva Lisezandleni Zethu*

We have audited the annual financial statements of Ikamva Lisezandleni Zethu, which comprise the balance sheet as at 30 November 2009, and the income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the directors' report, as set out on pages 4 to 10.

#### *Directors' Responsibility for the Financial Statements*

The association's directors are responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of 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 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 judgement, 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 entity'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 entity'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 qualified audit opinion.

#### *Basis for Qualified Opinion*

In common with similar organisations, it is not feasible for the association to institute accounting controls over cash collections from donations prior to initial entry of the collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts actually recorded. In addition, as a result of the nature of the association's activities, a portion of the association's expenses are settled by way of cash disbursements. There was no system of control over such disbursements on which we could rely for the purpose of our audit, and there were no satisfactory auditing procedures that we could perform to obtain reasonable assurance that all such disbursements were properly recorded.

#### *Qualified Opinion*

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Ikamva Lisezandleni Zethu as at 30 November 2009, and its financial performance and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice.

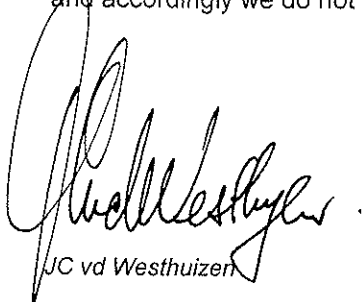
IKAMVA LISEZANDLENI ZETHU

---

**INDEPENDENT AUDITOR'S REPORT (Continued)**

*Other matter*

We draw attention to the fact that supplementary information set out on page 11 do not form part of the annual financial statements and is presented as additional information. We have not audited this schedule and accordingly we do not express an opinion on it.



JC vd Westhuizen

*JC van der Westhuizen & Associates*

*Registered Accountant and Auditor*

*Chartered Accountant (SA)*

*Suite 205 Foyer 3*

*The Colosseum*

*Century Boulevard*

*Century City*

*19 August 2010*

## IKAMVA LISEZANDLENI ZETHU

---

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2009**

The director has pleasure in submitting her report together with the annual financial statements for the year ended 30 November 2009.

#### **GENERAL REVIEW**

Ikamva Lisezandleni Zethu is a voluntary association. The principal activity of the association is to broaden post-school opportunities for disadvantaged youth.

#### **FINANCIAL RESULTS**

The results of the association for the year under review are fully set out in the attached financial statements and require no further comment.

#### **POST BALANCE SHEET EVENTS**

No material fact or circumstance, which requires comment, has occurred between the accounting date and the date of this report.

#### **DIRECTOR**

The sole director representing the management committee of the association at the date of this report is:

J Olivier

#### **AUDITOR**

JC van der Westhuizen & Associates.

IKAMVA LISEZANDLENI ZETHU

BALANCE SHEET  
30 NOVEMBER 2009

	<u>Notes</u>	<u>2009</u> R	<u>2008</u> R
<b>ASSETS</b>			
<b>Current assets</b>			
Bank balances and cash on hand	3	390 688	200 075
<b>Total assets</b>		<u>390 688</u>	<u>200 075</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Reserves</b>			
Retained income		390 688	198 321
<b>Current liabilities</b>			
Trade and other payables	4	-	1 754
<b>Total equity and liabilities</b>		<u>390 688</u>	<u>200 075</u>

IKAMVA LISEZANDLENI ZETHU

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 NOVEMBER 2009**

	<u>Notes</u>	<u>2009</u> R	<u>2008</u> R
<b>Revenue</b>			
Donations received and sundry revenue	2	875 407	596 238
<b>Expenditure</b>			
Administration expenses and disbursements		(685 634)	(576 281)
<b>Net operating profit/(loss) from operations</b>		189 773	19 957
Interest received		2 594	5 331
<b>Net operating profit/(loss) for the year before taxation</b>	5	192 367	25 288
Taxation	6	-	-
<b>Net operating profit/(loss) for the year</b>		192 367	25 288
<b>Retained profit at the beginning of the year</b>		198 321	173 033
<b>Retained profit at the end of the year</b>		390 688	198 321

**IKAMVA LISEZANDLENI ZETHU**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 NOVEMBER 2009**

	<u>Notes</u>	<u>2009</u> R	<u>2008</u> R
<b>Cash flows from operating activities</b>			
Cash derived from donations and sundry revenue		875 407	596 393
Cash paid to suppliers		(687 388)	(582 679)
		<hr/>	<hr/>
Cash generated/(utilised) in operations	7	188 019	13 714
Interest received		2 594	5 331
		<hr/>	<hr/>
<i>Net cash inflow/(outflow) from operating activities</i>		190 613	19 045
		<hr/>	<hr/>
<b>Net increase/(decrease) in cash and cash equivalents</b>		190 613	19 045
Cash and cash equivalents at beginning of the year		200 075	181 030
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of the year</b>	3	390 688	200 075
		<hr/> <hr/>	<hr/> <hr/>



## IKAMVA LISEZANDLENI ZETHU

---

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS 30 NOVEMBER 2009

#### 1. GENERAL INFORMATION

Ikamva Lisezandleni Zethu is a voluntary association. The principal activity of the association is to broaden post-school opportunities of disadvantaged youth.

#### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

##### *Basis of preparation*

The financial statements have been prepared in accordance with the Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities as approved by the Accounting Practices Board.

##### *Financial instruments*

Financial instruments as stated on the balance sheet include cash and bank balances, investments, receivables, trade creditors and borrowings. These instruments are generally stated at their estimated fair values.

##### *Revenue*

Revenue comprises donations received and revenue from the provision of educational facilities and is recorded in the financial statements at the date of receipt.

Interest received is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the association.

##### *Cash flows*

For the purposes of the cash flow statement, cash includes cash on hand, deposits held on call with banks, investments in money market instruments, and bank overdrafts.

##### *Comparative figures*

Where necessary, comparative figures have been adjusted to conform to any changes in presentation in the current year

**IKAMVA LISEZANDLENI ZETHU**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
30 NOVEMBER 2009**

	<u>2009</u> R	<u>2008</u> R
<b>3. BANK BALANCES AND CASH ON HAND</b>		
Short term deposit account	42 855	40 260
Current account balances	347 833	159 815
	390 688	200 075
<b>4. TRADE AND OTHER PAYABLES</b>		
Other payables	-	1 754
	-	1 754
<b>5. NET PROFIT/(LOSS) BEFORE TAXATION</b>		
Net profit/(loss) before taxation is derived after taking the following items into account:		
<b>Income</b>		
Revenue from:		
Donations received	875 407	596 238
	875 407	596 238
<b>Expenses</b>		
Audit fees	3 500	3 990
Salaries, bursaries and disbursements	474 323	296 956
	477 823	300 946
<b>6. TAXATION</b>		
South African current normal taxation	-	-
	-	-

No taxation has been provided for as the association is exempt from tax in terms of section 10(1) of the Income Tax Act.

IKAMVA LISEZANDLENI ZETHU

NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
30 NOVEMBER 2009

	<u>2009</u> R	<u>2008</u> R
<b>7. NOTES TO THE CASH FLOW STATEMENT</b>		
Reconciliation of net profit/(loss) before taxation to cash utilised in operations		
Net profit/(loss) before taxation	192 367	25 288
Adjusted for:		
Interest received	(2 594)	(5 331)
	189 773	19 957
Operating profit/(loss) before working capital changes		
Working capital changes:		
Increase/(decrease) in trade and other receivables	-	155
Increase/(decrease) in trade and other payables	(1 754)	(6 398)
	188 019	13 714
Cash generated/(utilised) in operations	188 019	13 714

**IKAMVA LISEZANDLENI ZETHU**

**DETAILED INCOME STATEMENT  
FOR THE YEAR ENDED 30 NOVEMBER 2009**

	<u>2009</u> R	<u>2008</u> R
<b>Income</b>	875 407	596 238
Donations received and sundry revenue	875 407	596 238
<b>Expenses</b>	685 634	576 281
Audit fees	3 500	3 990
Bank charges	8 137	6 553
Bookkeeping charges	2 090	3 962
Catering	73 671	68 895
Computer expenses	20 301	25 033
Insurance	10 593	5 020
Postage and courier	-	856
Printing and stationery	4 303	15 757
Repairs and maintenance	638	46 268
Salaries, bursaries and disbursements	474 323	296 956
Subscriptions	-	22 898
Telephone	31 085	18 490
Transport and travel expenses	56 993	61 603
<b>Operating profit/(loss) for the year</b>	189 773	19 957
Interest received	2 594	5 331
<b>Net profit/(loss) for the year</b>	192 367	25 288