

IKAMVA LISEZANDLENI ZETHU
ANNUAL FINANCIAL STATEMENTS
30 NOVEMBER 2012

IKAMVA LISEZANDLENI ZETHU
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2012

Registration Number: 032-082 NPO

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APPROVAL AND STATEMENT OF RESPONSIBILITY

The directors of the association are 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 basis of accounting described in note 2 to the financial statements.

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 5 to 11 are the responsibility of the board of directors of the management committee and have been approved for issue by them on*8 August 2013*... and are signed by:


.....
J OLIVIER

IKAMVA LISEZANDLENI ZETHU
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2012

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 2012, and the income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 6 to 11.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting described in note 2, for determining that the basis of preparation is acceptable in the circumstances and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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 audit opinion.

Opinion

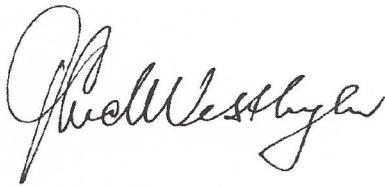
In our opinion, the financial statements present fairly, in all material respects, the financial position of Ikamva Lisezandleni Zethu as at 30 November 2012, and its financial performance and cash flows for the year then ended in accordance with the basis of accounting described in note 2.

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INDEPENDENT AUDITOR'S REPORT (Continued)

Other matter

We draw attention to the fact that supplementary information set out on page 12 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

6 August 2013

**IKAMVA LISEZANDLENI ZETHU
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DIRECTORS' REPORT

The directors have pleasure in submitting their report together with the annual financial statements for the year ended 30 November 2012.

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.

DIRECTORS

The directors of the management committee of the association at the date of this report are:

J Olivier
S Godlonton
T Bixa
L Meinert
C Beck
D Trollip

PRINCIPAL PLACE OF BUSINESS

53 Church Street
Cape Town
8001

AUDITOR

JC van der Westhuizen & Associates.

IKAMVA LISEZANDLENI ZETHU
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2012

BALANCE SHEET

	<u>Notes</u>	<u>2012</u> R	<u>2011</u> R
ASSETS			
Current assets		1 041 468	793 401
Trade and other receivables	3	13 193	2 038
Bank balances and cash on hand	4	1 028 275	791 363
Total assets		<u>1 041 468</u>	<u>793 401</u>
EQUITY AND LIABILITIES			
Reserves			
Accumulated surplus/(deficit)		990 377	772 544
Current liabilities		51 091	20 857
Trade and other payables	5	50 635	20 857
Bank overdrafts	4	456	-
Total equity and liabilities		<u>1 041 468</u>	<u>793 401</u>

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INCOME STATEMENT

	<u>Notes</u>	<u>2012</u> R	<u>2011</u> R
Revenue			
Donations received and sundry revenue	2	4 439 119	2 207 525
Expenditure			
Administration expenses and disbursements		(4 254 064)	(1 937 721)
Net operating surplus/(deficit) from operations		185 055	269 804
Interest received		32 778	5 209
Net operating surplus/(deficit) for the year before taxation	6	217 833	275 013
Taxation	7	-	-
Net operating surplus/(deficit) for the year		217 833	275 013
Accumulated surplus/(deficit) at the beginning of the year		772 544	497 531
Accumulated surplus/(deficit) at the end of the year		990 377	772 544

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CASH FLOW STATEMENT

	<u>Notes</u>	<u>2012</u> R	<u>2011</u> R
Cash flows from operating activities			
Cash derived from donations and sundry revenue		4 427 964	2 575 487
Cash paid to suppliers and beneficiaries		(4 224 286)	(1 920 301)
		<hr/>	<hr/>
Cash generated/(utilised) in operations	8	203 678	655 186
Interest received		32 778	5 209
		<hr/>	<hr/>
<i>Net cash inflow/(outflow) from operating activities</i>		236 456	660 395
		<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents		236 456	660 395
Cash and cash equivalents at beginning of the year		791 363	130 968
		<hr/>	<hr/>
Cash and cash equivalents at end of the year	4	1 027 819	791 363
		<hr/>	<hr/>

IKAMVA LISEZANDLENI ZETHU
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2012

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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

The basis of preparation and principal accounting policies of the company, are consistent in all material respects with those applied in the previous year, except as otherwise indicated.

Basis of preparation

The financial statements have been prepared on the historical cost basis, unless otherwise stated.

Equipment

Items of equipment consist of teaching aids in the form of computer equipment, furniture, fittings and office equipment. These items have limited useful lives and resale values and are charged to the income statement on acquisition.

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 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.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<u>2012</u>	<u>2011</u>
	R	R
3. TRADE AND OTHER RECEIVABLES		
Other receivables	13 193	-
Staff loans	-	2 038
	<u>13 193</u>	<u>2 038</u>
4. BANK BALANCES AND CASH ON HAND		
Short term deposit account	509 100	574 384
Current account and cash balances	519 175	216 979
	<u>1 028 275</u>	<u>791 363</u>
Bank overdrafts	(456)	-
	<u>1 027 819</u>	<u>791 363</u>
5. TRADE AND OTHER PAYABLES		
Other payables	50 635	20 857
	<u>50 635</u>	<u>20 857</u>
6. NET SURPLUS/(DEFICIT) BEFORE TAXATION		
Net surplus/(deficit) before taxation is derived after taking the following items into account:		
Income		
Revenue from:		
Donations received	4 439 119	2 207 525
	<u>4 439 119</u>	<u>2 207 525</u>
Expenses		
Audit fees	8 550	6 840
Teaching aids, furniture, fittings and equipment	202 545	163 814
Rental paid	55 083	7 463
Staff costs	2 181 419	933 101
	<u>2 447 597</u>	<u>1 111 218</u>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<u>2012</u> R	<u>2011</u> R
7. TAXATION		
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.		
8. NOTES TO THE CASH FLOW STATEMENT		
Reconciliation of net surplus/(deficit) before taxation to cash utilised in operations		
Net surplus/(deficit) before taxation	217 833	275 013
Adjusted for:		
Interest received	(32 778)	(5 209)
Operating surplus/(deficit) before working capital changes	185 055	269 804
Working capital changes:		
(Increase)/decrease in trade and other receivables	(11 155)	367 962
Increase/(decrease) in trade and other payables	29 778	17 420
Cash generated/(utilised) in operations	203 678	655 186

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DETAILED INCOME STATEMENT

	2012 R	2011 R
Income	4 439 119	2 207 525
Donations received and sundry revenue	4 439 119	2 207 525
Expenses	4 254 064	1 937 721
Accommodation	3 623	43 050
Annual report	10 980	-
Application and registration fees	40 933	4 582
Audit fees	8 550	6 840
Bank charges	32 667	22 047
Bookkeeping charges	-	46 899
Catering	19 600	132 791
Computer expenses	1 587	22 451
Consultants fees	113 767	23 755
Course material and consumables	14 623	9 004
Donations	-	59 106
Feasibility study Social Enterprise	69 040	-
Entertainment	10 329	1 788
General expenses	1 716	3 970
Gifts	4 142	16 967
Insurance	18 060	6 888
Learner club costs	1 558	-
Learners excursions	28 024	-
Marketing expenses	71 220	-
Office supplies	8 526	-
Postage and courier	2 368	1 904
Printing and stationery	57 627	34 069
Prize giving	14 573	-
Repairs and maintenance	19 047	26 692
Rental equipment	1 853	3 771
Rental office	53 230	3 692
Security	840	-
Staff costs	2 181 419	933 101
Strategic planning sessions	173 387	-
Staff training and development	15 840	22 010
Teaching aids, furniture, fittings and equipment	202 545	163 814
Telephone, cell phone and internet	173 776	76 528
Transport and travel expenses	440 211	233 335
Volunteer appreciation	22 645	-
Website development and maintenance	42 678	38 667
Winter school	393 080	-
Operating surplus/(deficit) for the year	185 055	269 804
Interest received	32 778	5 209
Net surplus/(deficit) for the year	217 833	275 013