

# **Emyezweni School and Daycare Centre (Nomfaneleko)**

**Annual Financial Statements  
for the year ended 29 February 2020**

# Emyezweni School and Daycare Centre (Nomfaneleko)

Annual Financial Statements for the year ended 29 February 2020

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# Emyezweni School and Daycare Centre (Nomfaneleko)

Annual Financial Statements for the year ended 29 February 2020

## General Information

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<b>Country of Incorporation and Domicile</b>	South Africa
<b>Nature of Business and Principal Activities</b>	School and Daycare Centre
<b>Trustee</b>	Trustee
<b>Business Address</b>	Schapenberg Road Somerset West 7129
<b>Auditors</b>	Naude & Partners 7 Lourensford Road Somerset West 7129
<b>Preparer</b>	Naude & Partners 7 Lourensford Road Somerset West 7129



## Report of the Compiler

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### To the Trustee of Emyezweni School and Daycare Centre (Nomfaneleko)

We have compiled the accompanying financial statements of Emyezweni School and Daycare Centre (Nomfaneleko) based on information you have provided. These financial statements comprise the statement of financial position as at 29 February 2020, the statement of changes in trust funds and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

### Naudé & Partners



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I du Toit

Registered Auditor

16-11-2020

# Emyezweni School and Daycare Centre (Nomfaneleko)

Annual Financial Statements for the year ended 29 February 2020

## Trustee's Responsibilities and Approval

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The trustee is required to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is his responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the trust, and explain the transactions and financial position of the business of the trust at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the trust and supported by reasonable and prudent judgements and estimates.

The trustee acknowledges that he is ultimately responsible for the system of internal financial control established by the trust and places considerable importance on maintaining a strong control environment. To enable the trustee to meet these responsibilities, the trustee sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the trust and all employees are required to maintain the highest ethical standards in ensuring the trust's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the trust is on identifying, assessing, managing and monitoring all known forms of risk across the trust. While operating risk cannot be fully eliminated, the trust endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustee is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the trustee has no reason to believe that the trust will not be a going concern in the foreseeable future. The financial statements support the viability of the trust.

The annual financial statements set out on pages 6 to 12 which have been prepared on the going concern basis, were approved by the trustee and were signed on 16 November 2020



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Trustee

# Emyezweni School and Daycare Centre (Nomfaneleko)

Annual Financial Statements for the year ended 29 February 2020

## Trustee's Report

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The trustee presents his report for the year ended 29 February 2020.

### 1. Review of activities

#### Main business and operations

The principal activity of the trust is school and daycare centre. There were no major changes herein during the year.

The operating results and statement of financial position of the trust are fully set out in the attached financial statements and do not in my opinion require any further comment.

### 2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

### 3. Events after reporting date

The trustee is not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the trust.

# Emyezweni School and Daycare Centre (Nomfaneleko)

Financial Statements for the year ended 29 February 2020

## Statement of Financial Position

Figures in R	Notes	2020	2019
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	2,688	3,560
<b>Total non-current assets</b>		<b>2,688</b>	<b>3,560</b>
<b>Current assets</b>			
Cash and cash equivalents	4	80,757	113,589
<b>Total current assets</b>		<b>80,757</b>	<b>113,589</b>
<b>Total assets</b>		<b>83,445</b>	<b>117,149</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Accumulated surplus		80,754	91,242
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5	2,691	25,907
<b>Total liabilities</b>		<b>2,691</b>	<b>25,907</b>
<b>Total equity and liabilities</b>		<b>83,445</b>	<b>117,149</b>

# Emyezweni School and Daycare Centre (Nomfaneleko)

Annual Financial Statements for the year ended 29 February 2020

## Detailed Income Statement

Figures in R

	Note	2020	2019
<b>Income</b>	6		
Donations		104,389	99,058
School Fees Received		228,785	225,245
Ukuthaza Child and Teacher sponsorships		214,717	192,220
Urban Voice - Monthly assistance		129,000	129,000
Western Cape Education Department		336,000	388,800
Western Cape Department of Social Development		166,826	161,634
<b>Total revenue</b>		<b>1,179,717</b>	<b>1,195,957</b>
<b>Administrative expenses</b>			
Accounting fees		(12,003)	(6,600)
Bank charges		(23,697)	(19,389)
Computer expenses		(11,642)	(3,967)
Subscriptions		(500)	(2,372)
Telecommunication		(5,363)	(2,131)
<b>Total administrative expenses</b>		<b>(53,205)</b>	<b>(34,459)</b>
<b>Other expenses</b>			
Advertising		-	(260)
Depreciation - property, plant and equipment		(872)	(872)
Educational Material/ Utensils/ Teaching Aids		(27,636)	(25,563)
Employee costs - salaries		(886,437)	(859,475)
Entertainment		(6,145)	(18,880)
First Aid		(6,183)	-
Food and Cleaning		(85,218)	(91,859)
Functions		-	(1,597)
General expenses		(700)	-
Gifts		-	(9,495)
Motor vehicle expense		-	(200)
Municipal charges		(22,784)	(60,254)
Postage		(56)	(181)
Printing and stationery		-	(279)
Rent Paid School		(1,111)	(287)
Rent Paid/ Living Allowance		-	(1,343)
Repairs and maintenance		(26,520)	(25,870)
School Excursions		(15,175)	(10,107)
Security		(13,898)	(27,611)
Staff welfare		(11,240)	(461)
Training		(14,287)	-
Transport		(6,800)	(4,499)
Ukuthaza Healthy Bones		(11,938)	(14,405)
Volunteer contracts		-	(12,632)
<b>Total other expenses</b>		<b>(1,137,000)</b>	<b>(1,166,130)</b>
<b>Deficit from operating activities</b>		<b>(10,488)</b>	<b>(4,632)</b>
<b>Deficit for the year</b>		<b>(10,488)</b>	<b>(4,632)</b>



# Emyezweni School and Daycare Centre (Nomfaneleko)

Financial Statements for the year ended 29 February 2020

## Statement of Changes in Trust Funds

Figures in R	Retained income	Total
<b>Balance at 1 March 2018</b>	95,874	95,874
<b>Changes in equity</b>		
Deficit for the year	(4,632)	(4,632)
Total comprehensive income	(4,632)	(4,632)
<b>Balance at 28 February 2019</b>	<b>91,242</b>	<b>91,242</b>
<b>Balance at 1 March 2019</b>	91,242	91,242
<b>Changes in equity</b>		
Deficit for the year	(10,488)	(10,488)
Total comprehensive income	(10,488)	(10,488)
<b>Balance at 29 February 2020</b>	<b>80,754</b>	<b>80,754</b>

# Emyezweni School and Daycare Centre (Nomfaneleko)

Financial Statements for the year ended 29 February 2020

## Statement of Cash Flows

Figures in R	Note	2020	2019
<b>Cash flows (used in) / from operations</b>			
Deficit for the year		(10,488)	(4,632)
<b>Adjustments to reconcile deficit</b>			
Adjustments for (decrease) / increase in trade accounts payable		(2)	2
Adjustments for (decrease) / increase in other operating payables		(23,214)	25,905
Adjustments for depreciation and amortisation expense		872	872
<b>Total adjustments to reconcile deficit</b>		<b>(22,344)</b>	<b>26,779</b>
<b>Net cash flows (used in) / from operations</b>		<b>(32,832)</b>	<b>22,147</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(32,832)</b>	<b>22,147</b>
Cash and cash equivalents at beginning of the year		113,589	91,442
<b>Cash and cash equivalents at end of the year</b>	<b>4</b>	<b>80,757</b>	<b>113,589</b>

# Emyezweni School and Daycare Centre (Nomfaneleko)

Financial Statements for the year ended 29 February 2020

## Accounting Policies

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### 1. General information

Emyezweni School and Daycare Centre (Nomfaneleko) is a entity founded in South Africa. The type of entity and its principal activities is that of a School and Daycare Centre.

### 2. Basis of preparation and summary of significant accounting policies

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the trust's accounting policies.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the trustee.

Asset class	Useful life / depreciation rate
Fixtures and fittings	6 Years

#### 2.2 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

Grants from the government are recognised at their fair value in profit or loss where there is a reasonable assurance that the grant will be received and the trust has complied with all attached conditions. Grants received where the trust has yet to comply with all attached conditions are recognised as a liability (and included in deferred income within trade and other payables) and released to income when all attached conditions have been complied with. Government grants received are included in 'other income' in profit or loss.

# Emyezweni School and Daycare Centre (Nomfaneleko)

Financial Statements for the year ended 29 February 2020

## Notes to the Financial Statements

Figures in R

2020

2019

### 3. Property, plant and equipment

Balances at year end and movements for the year

	Fixtures and fittings	Total
<b>Reconciliation for the year ended 29 February 2020</b>		
<b>Balance at 1 March 2019</b>		
At cost	11,544	11,544
Accumulated depreciation	(7,984)	(7,984)
<b>Net book value</b>	<b>3,560</b>	<b>3,560</b>
<b>Movements for the year ended 29 February 2020</b>		
Depreciation	(872)	(872)
<b>Property, plant and equipment at the end of the year</b>	<b>2,688</b>	<b>2,688</b>
<b>Closing balance at 29 February 2020</b>		
At cost	11,544	11,544
Accumulated depreciation	(8,856)	(8,856)
<b>Net book value</b>	<b>2,688</b>	<b>2,688</b>
<b>Reconciliation for the year ended 28 February 2019</b>		
<b>Balance at 1 March 2018</b>		
At cost	11,544	11,544
Accumulated depreciation	(7,112)	(7,112)
<b>Net book value</b>	<b>4,432</b>	<b>4,432</b>
<b>Movements for the year ended 28 February 2019</b>		
Depreciation	(872)	(872)
<b>Property, plant and equipment at the end of the year</b>	<b>3,560</b>	<b>3,560</b>
<b>Closing balance at 28 February 2019</b>		
At cost	11,544	11,544
Accumulated depreciation	(7,984)	(7,984)
<b>Net book value</b>	<b>3,560</b>	<b>3,560</b>

### 4. Cash and cash equivalents

Cash and cash equivalents comprise:

#### Cash

Balances with banks	80,757	113,589
<b>Total cash</b>	<b>80,757</b>	<b>113,589</b>
<b>Total cash and cash equivalents included in current assets</b>	<b>80,757</b>	<b>113,589</b>
<b>Net cash and cash equivalents</b>	<b>80,757</b>	<b>113,589</b>

# Emyezweni School and Daycare Centre (Nomfaneleko)

Financial Statements for the year ended 29 February 2020

## Notes to the Financial Statements

Figures in R

2020

2019

### 5. Trade and other payables

Trade and other payables comprise:

Trade creditors	-	2
Accrued liabilities	2,691	25,905
<b>Total trade and other payables</b>	<b>2,691</b>	<b>25,907</b>

### 6. Revenue

Revenue comprises:

Donations	104,389	99,058
Western Cape Department of Social Development	166,826	161,634
Western Cape Education Department	336,000	388,800
Urban Voice - Monthly assistance	129,000	129,000
Fees received	228,785	225,245
Ukuthaza Child and Teacher Sponsorships	214,717	192,220
<b>Total revenue</b>	<b>1,179,717</b>	<b>1,195,957</b>