

EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

**Annual Financial Statements
for the year ended 28 February 2019**

Compiled Financial Statements

EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

Annual Financial Statements for the year ended 28 February 2019

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The reports and statements set out below comprise the annual financial statements presented to the trustee:

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EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

Annual Financial Statements for the year ended 28 February 2019

General Information

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
OBJECTIVE OF THE TRUST	School and Daycare Centre
BUSINESS ADDRESS	Schapenberg Road Somerset West 7129
Compilers	Naude & Partners 7 Lourensford Road Somerset West 7129



Naudé & Partners

Registered accountants and auditors

Report of the Compiler

To the Trustee of the 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 of Emyezweni School and Daycare Centre (Nomfaneleko) as at 28 February 2019, the statement of comprehensive income, the statement of changes in capital funds and the statement of cash flows for the year then ended, 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 International Financial Reporting Standards for Small- and Medium-sized Entities (IFRS for SMEs). 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 IFRS for SMEs.

Naudé & Partners

I Du Toit

Registered Auditor

14/10/2019

WT Naudé - CA (SA) • I Du Toit CA (SA)

PO Box 2788 Somerset West 7129 • 7 Lourensford Road, Somerset West 7130
Tel 021 852 4166 / 021 852 7589 Fax 021 851 5081 • e-mail ilonka@naude-partners.co.za willem@naude-partners.co.za

EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

(Registration Number)

Annual Financial Statements for the year ended 28 February 2019

Trustee's Responsibilities and Approval

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 as to form and content and present fairly the statement of financial position, results of operations of the entity, and explain the transactions and financial position of the business of the entity 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.

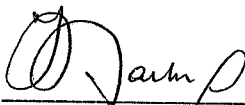
The trustee acknowledges that he is ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the trustee to meet these responsibilities, the trustee sets standards for internal 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 trustee are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. 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 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 entity.

The professional accountants are responsible for reporting on the annual financial statements. The compilation report is presented on page 3.

The annual financial statements have been prepared on the going concern basis and are not subject to any material changes to the present financial status. The annual financial statements as set out on pages 6 to 11 were approved by the trustee on 14 October 2019 and were signed by him.



Trustee

EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

(Registration Number)

Annual Financial Statements for the year ended 28 February 2019

Report of the Trustee

The trustee presents his annual report for the year ended 28 February 2019.

1. Financial results

The financial statements reflect the financial position of the trust at 28 February 2019 and the result of its activities for the year then ended.

2. Business and operations

The entity's business and operations and the results thereof are clearly reflected in the attached financial statements. No material fact or circumstance has occurred between the accounting date and the date of this report. There was no major change in the nature of the business.

3. 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.

4. 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 entity.

EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

(Registration Number)

Financial Statements for the year ended 28 February 2019

Statement of Financial Position

Figures in R	Notes	2019	2018
Assets			
Non-Current Assets			
Property, plant and equipment	3	3,560	4,432
Current Assets			
Cash and cash equivalents	4	113,589	91,442
Total Assets		117,149	95,874
Trust Funds and Liabilities			
Trust Fund			
Retained earnings		91,244	95,873
Current Liabilities			
Trade and other payables		25,905	1
		25,905	1
Total Funds and Liabilities		117,149	95,874

EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

(Registration Number)

Financial Statements for the year ended 28 February 2019

Statement of Comprehensive Income

Figures in R	Note	2019	2018
Income	5	1,195,957	1,097,975
Operating costs		<u>(1,200,586)</u>	<u>(1,113,307)</u>
Operating loss		(4,629)	(15,332)
Net loss for the year		<u>(4,629)</u>	<u>(15,332)</u>

EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

(Registration Number)

Financial Statements for the year ended 28 February 2019

Statement of Changes in Capital Funds

Figures in R	Retained earnings	Total
Balance at 1 March 2017	111,205	111,205
Total comprehensive income for the year		
Loss for the year	(15,332)	(15,332)
Total comprehensive income for the year	<u>(15,332)</u>	<u>(15,332)</u>
Balance at 28 February 2018	<u>95,873</u>	<u>95,873</u>
Balance at 1 March 2018	95,873	95,873
Total comprehensive income for the year		
Loss for the year	(4,629)	(4,629)
Total comprehensive income for the year	<u>(4,629)</u>	<u>(4,629)</u>
Balance at 28 February 2019	<u>91,244</u>	<u>91,244</u>

EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

(Registration Number)

Financial Statements for the year ended 28 February 2019

Statement of Cash Flows

Figures in R	Note	2019	2018
Cash flows from / (used in) operating activities			
Loss for the year		(4,629)	(15,332)
<i>Adjustments for:</i>			
Depreciation of tangible assets		872	799
Operating cash flow before working capital changes		(3,757)	(14,533)
<i>Working capital changes</i>			
Increase in trade and other payables		25,904	1
Net cash flows from / (used in) operations		22,147	(14,532)
Net cash flows from / (used in) operating activities		22,147	(14,532)
Cash flows used in investing activities			
Property, plant and equipment acquired	3	-	(5,230)
Net cash flows used in investing activities		-	(5,230)
Net increase / (decrease) in cash and cash equivalents		22,147	(19,762)
Cash and cash equivalents at beginning of the year		91,442	111,204
Cash and cash equivalents at end of the year	4	113,589	91,442

EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

(Registration Number)

Financial Statements for the year ended 28 February 2019

Accounting Policies

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. Summary of significant accounting policies

These financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in South African Rand.

2.1 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and/or services in the ordinary course of the entity's activities. Revenue is shown net of value-added tax, returns, and discounts.

The trust recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the entity's activities.

2.1.1 Government grants

Government grants received are included in 'income' in profit or loss.

2.2 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

Furniture and fittings	16.66%
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EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

(Registration Number)

Financial Statements for the year ended 28 February 2019

Notes to the Annual Financial Statements

Figures in R 2019 2018

3. Property, plant and equipment

	Cost	Accumulated depreciation	2019 Carrying value	Cost	Accumulated depreciation	2018 Carrying value
<i>Owned assets</i>						
Furniture and fittings	11,544	(7,984)	3,560	11,544	(7,112)	4,432

The carrying amounts of property, plant and equipment can be reconciled as follows:

	Carrying value at beginning of year	Additions / Fair value gains	Classified as held for sale / Disposals	Depreciation / Impairments	2019 Carrying value at end of year
<i>Owned assets</i>					
Furniture and fittings	4,432	-	-	(872)	3,560

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2018 Carrying value at end of year
<i>Owned assets</i>					
Furniture and fittings	1	5,230	-	(799)	4,432

4. Cash and cash equivalents

Favourable cash balances

Bank balances	113,589	91,442
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5. Income

An analysis of income is as follows:

Donations	99,058	109,841
Western Cape Department of Social Services	161,634	146,520
Western Cape Education Department	388,800	290,498
School fees received	225,245	223,100
Fund raising income	-	700
Helderberg Christian Church - monthly assistance	129,000	175,885
Ukuthaza child and teacher sponsorships	192,220	150,579
Sundry Income	-	852
	1,195,957	1,097,975

EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

(Registration Number)

Financial Statements for the year ended 28 February 2019

Detailed Income Statement

Figures in R	2019	2018
Income		
Donations	99,058	109,841
Western Cape Department of Social Services	161,634	146,520
Western Cape Education Department	388,800	290,498
School fees received	225,245	223,100
Fund raising income	-	700
Helderberg Christian Church - monthly assistance	129,000	175,885
Ukuthaza child and teacher sponsorships	192,220	150,579
Sundry Income	-	852
	<u>1,195,957</u>	<u>1,097,975</u>
Expenditure		
Accounting Fees	6,600	6,600
Advertising	260	-
Bank Charges	19,386	21,693
Computer Expenses	3,967	1,563
Courier & Postage	181	405
Depreciation - Tangible assets	872	799
Electricity and Water	60,254	55,251
Entertainment	18,880	15,164
First Aid	-	218
Food & Cleaning	91,859	74,695
Functions	1,597	3,221
General Expenses	-	7,540
Gifts	9,495	3,434
Motor Vehicle Expense	200	50
Printing and Stationery	279	471
Rent Paid School	287	171
Rent Paid/Living Allowance	1,343	-
Repairs and Maintenance	25,870	31,210
Salaries & Wages	859,475	760,495
School excursions	10,107	10,815
Security	27,611	9,711
Small assets written off	25,563	14,543
Staff welfare	461	-
Subscriptions	2,372	-
Telephone and Fax	2,131	3,920
Training	-	11,382
Transport Costs/Fuel	4,499	2,995
Ukuthaza Healthy Bones	14,405	1,370
Volunteer contracts	12,632	75,591
	<u>1,200,586</u>	<u>1,113,307</u>

EMYEZWENI SCHOOL AND DAYCARE CENTRE (NOMFANELEKO)

(Registration Number)

Financial Statements for the year ended 28 February 2019

Detailed Income Statement

Figures in R	2019	2018
Operating loss before distributions	(4,629)	(15,332)
Distributions paid		
Distribution	-	-
Loss after distribution	(4,629)	(15,332)