

Emyezweni School and Daycare Centre (Nomfaneleko)

**Annual Financial Statements
for the year ended 28 February 2022**

Emyezweni School and Daycare Centre (Nomfaneleko)

Annual Financial Statements for the year ended 28 February 2022

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Emyezweni School and Daycare Centre (Nomfaneleko)

Annual Financial Statements for the year ended 28 February 2022

General Information

Country of Incorporation and Domicile	South Africa
Nature of Business and Principal Activities	Is a School and Daycare Centre
Trustee	Trustee
Business Address	Schapenberg Road Somerset West 7129
Auditors	Naude & Partners 1st Floor West Peak Building 13 Lourensford Road Somerset West 7130



Report of the Compiler

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 28 February 2022, 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

I Du Toit

Registered Auditor

1-2-2023

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Emyezweni School and Daycare Centre (Nomfaneleko)

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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 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 1/2/2023



Trustee

Emyezweni School and Daycare Centre (Nomfaneleko)

Annual Financial Statements for the year ended 28 February 2022

Trustee's Report

The trustee presents his report for the year ended 28 February 2022.

1. Review of activities

Main business and operations

The principal activity of the trust is a 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. Objective of the trust

The primary object of the trust is is a School and Daycare Centre.

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.

IMPACT OF COVID - 19

This is a pre school and a aftercare which was closed for most of 2020 due to Covid 19. This affected the school fee income drastically, however operating expenses still had to be paid.

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 trust.

Emyezweni School and Daycare Centre (Nomfaneleko)

Financial Statements for the year ended 28 February 2022

Statement of Financial Position

Figures in R	Notes	2022	2021
Assets			
Non-current assets			
Property, plant and equipment	3	945	1,817
Total non-current assets		945	1,817
Current assets			
Cash and cash equivalents	4	30,061	55,866
Total current assets		30,061	55,866
Total assets		31,006	57,683
Equity and liabilities			
Equity			
Accumulated surplus		4,468	57,681
Liabilities			
Current liabilities			
Trade and other payables	5	26,538	2
Total liabilities		26,538	2
Total equity and liabilities		31,006	57,683

Emyezweni School and Daycare Centre (Nomfaneleko)

Annual Financial Statements for the year ended 28 February 2022

Detailed Income Statement

Figures in R

	Note	2022	2021
Income	6		
Donations		122,199	113,715
Other revenue		22,521	-
School Fees Received		149,270	70,490
Ukuthaza Child and Teacher sponsorships		154,270	119,145
Urban Voice - Monthly assistance		133,989	132,407
Western Cape Education Department		362,908	372,000
Western Cape Department of Social Development		244,156	127,020
Total revenue		1,189,313	934,777
Administrative expenses			
Accounting fees		(4,550)	(3,000)
Bank charges		(12,086)	(11,417)
Computer expenses		(4,031)	(3,059)
Subscriptions		(1,000)	-
Telecommunication		(5,704)	(5,859)
Total administrative expenses		(27,371)	(23,335)
Other expenses			
Covid 19 Expenses		(1,800)	(13,878)
Depreciation - property, plant and equipment		(872)	(872)
Educational Material/ Utensils/ Teaching Aids		(52,071)	(28,243)
Employee costs - salaries		(904,839)	(791,200)
Entertainment		(13,936)	(11,254)
First Aid		-	(40)
Food and Cleaning		(48,833)	(35,036)
Insurance		-	41,870
Municipal charges		(43,600)	(47,778)
Postage		(1,536)	-
Printing and stationery		(1,633)	(2,463)
Professional Services		(36,217)	-
Repairs and maintenance		(67,104)	(21,440)
School Excursions		-	(3,490)
Security		(25,484)	(9,656)
Staff welfare		(6,610)	(8,535)
Training		(4,681)	-
Transport		(4,099)	(2,500)
Ukuthaza Healthy Bones		(1,640)	-
Volunteer contracts		(200)	-
Total other expenses		(1,215,155)	(934,515)
Deficit from operating activities		(53,213)	(23,073)
Deficit for the year		(53,213)	(23,073)

Emyezweni School and Daycare Centre (Nomfaneleko)

Financial Statements for the year ended 28 February 2022

Statement of Changes in Trust Funds

Figures in R	Retained income	Total
Balance at 1 March 2020	80,754	80,754
Changes in equity		
Deficit for the year	(23,073)	(23,073)
Total comprehensive income	(23,073)	(23,073)
Balance at 28 February 2021	57,681	57,681
Balance at 1 March 2021	57,681	57,681
Changes in equity		
Deficit for the year	(53,213)	(53,213)
Total comprehensive income	(53,213)	(53,213)
Balance at 28 February 2022	4,468	4,468

Emyezweni School and Daycare Centre (Nomfaneleko)

Financial Statements for the year ended 28 February 2022

Statement of Cash Flows

Figures in R	Note	2022	2021
Cash flows used in operations			
Deficit for the year		(53,213)	(23,073)
Adjustments to reconcile deficit			
Adjustments for (decrease) / increase in trade accounts payable		(2)	2
Adjustments for increase / (decrease) in other operating payables		26,538	(2,691)
Adjustments for depreciation and amortisation expense		872	872
Total adjustments to reconcile deficit		27,408	(1,817)
Net cash flows used in operations		(25,805)	(24,890)
Cash flows used in investing activities			
Proceeds from sales of property, plant and equipment		-	(1)
Cash flows used in investing activities		-	(1)
Net decrease in cash and cash equivalents		(25,805)	(24,891)
Cash and cash equivalents at beginning of the year		55,866	80,757
Cash and cash equivalents at end of the year	4	30,061	55,866

Emyezweni School and Daycare Centre (Nomfaneleko)

Financial Statements for the year ended 28 February 2022

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. 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 28 February 2022

Notes to the Financial Statements

Figures in R

2022

2021

3. Property, plant and equipment

Balances at year end and movements for the year

	Fixtures and fittings	Total
Reconciliation for the year ended 28 February 2022		
Balance at 1 March 2021		
At cost	11,544	11,544
Accumulated depreciation	(9,727)	(9,727)
Net book value	1,817	1,817
Movements for the year ended 28 February 2022		
Depreciation	(872)	(872)
Property, plant and equipment at the end of the year	945	945
Closing balance at 28 February 2022		
At cost	11,544	11,544
Accumulated depreciation	(10,599)	(10,599)
Net book value	945	945
Reconciliation for the year ended 28 February 2021		
Balance at 1 March 2020		
At cost	11,544	11,544
Accumulated depreciation	(8,856)	(8,856)
Net book value	2,688	2,688
Movements for the year ended 28 February 2021		
Depreciation	(872)	(872)
Disposals	1	1
Property, plant and equipment at the end of the year	1,817	1,817
Closing balance at 28 February 2021		
At cost	11,544	11,544
Accumulated depreciation	(9,727)	(9,727)
Net book value	1,817	1,817

Emyezweni School and Daycare Centre (Nomfaneleko)

Financial Statements for the year ended 28 February 2022

Notes to the Financial Statements

Figures in R

2022

2021

4. Cash and cash equivalents

Cash and cash equivalents comprise:

Cash

Balances with banks

30,061

55,866

Total cash

30,061

55,866

Total cash and cash equivalents included in current assets

30,061

55,866

Net cash and cash equivalents

30,061

55,866

5. Trade and other payables

Trade and other payables comprise:

Trade creditors

-

2

Accrued liabilities

26,538

-

Total trade and other payables

26,538

2

6. Revenue

Revenue comprises:

Donations

122,199

113,715

Western Cape Department of Social Development

244,156

127,020

Western Cape Education Department

362,908

372,000

Urban Voice - Monthly assistance

133,989

132,407

Fees received

149,270

70,490

Ukuthaza Child and Teacher Sponsorships

176,791

119,145

Total revenue

1,189,313

934,777