

NELSON MANDELA TOWNSHIP SPORTS FEDERATION

PORT ALFRED

FINANCIAL STATEMENTS

for the period ended 31 December 2010

NELSON MANDELA TOWNSHIP SPORTS FEDERATION

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for the period ended 31 December 2010

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The financial statements were approved by the board and are signed on their behalf by:

.....
LUNGA VULINDLU (CHAIRPERSON)

.....
XOLANI TOKOTA (TREASURER)

PORT ALFRED
3 February 2011

Charteris & Barnes

CHARTERED ACCOUNTANTS (S.A.)

PARTNERS C.A.(SA)

HUGH ANTHONY WORMALD
GAVIN JFAN LE ROUX
IGNATIUS WALTER WAIT
GLENN LESLIE THARRATT
ANDREW IVAN GEORGE ALT
GARY BRIAN McLEAN
LANA JOY HANNER
LAURENE MOKAWFM
Refer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NELSON MANDELA TOWNSHIP SPORTS FEDERATION REPORT ON THE FINANCIAL STATEMENTS

Report on the Financial Statements

We have audited the accompanying financial statements of Nelson Mandela Township Sports Federation, which comprise the balance sheet as at 31 December 2010, and the income statement for the period then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 judgment, 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 organisation'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 organisation'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.

Qualification

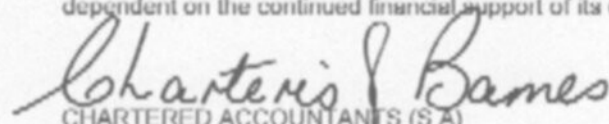
In common with similar organisations, it is not feasible for Nelson Mandela Township Sports Federation, to institute accounting controls over cash collections from donations and fund raising prior to the initial entry of the collection in the accounting records. Accordingly it was impractical for us to extend our examination beyond the receipts actually recorded.

Opinion

In our opinion, except for the effect on the financial statements of the matter referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of Nelson Mandela Township Sports Federation as of 31 December 2010, and of its financial performance for the period then ended in accordance with generally accepted accounting practice.

Emphasis of Matter

Without further qualifying our opinion, we draw attention to the fact that the entity is a nonprofit organization and is dependent on the continued financial support of its donors and funders in order to continue operating as a going concern.


CHARTERED ACCOUNTANTS (S.A.)
Registered Auditors

PORT ALFRED
3 February 2011

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Director of Associated Companies: M D H Campbell
Professional Consultants: B G Littleford, D J W Newman, J T Pieterse, C A Schenk
Associates: R Noyes
BQA, NO. 949914

NELSON MANDELA TOWNSHIP SPORTS FEDERATION

BALANCE SHEET – 31 December 2010

	Notes	2010 (11 months) R
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	1	<u>14,136</u>
TOTAL ASSETS		<u>14,136</u>
EQUITY AND LIABILITIES		
RESERVES		
Accumulated funds	2	<u>10,936</u>
CURRENT LIABILITIES		
Trade and other payables	3	<u>3,200</u>
TOTAL EQUITY AND LIABILITIES		<u>14,136</u>

NELSON MANDELA TOWNSHIP SPORTS FEDERATION

INCOME STATEMENT
for the period ended 31 December 2010

	Note	2010 R
REVENUE		
Donations received	4	<u>51,705</u>
Less: EXPENSES		40,769
Audit fees		3,200
Bank charges		1,323
Food expenses		35,626
Small assets expensed		620
Surplus For The Period		<u>10,936</u>

NELSON MANDELA TOWNSHIP SPORTS FEDERATION
ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2010

ACCOUNTING POLICIES

The financial statements of the organisation are prepared in accordance with South African Statements of Generally Accepted Accounting Practice using the historical cost convention.

Cash and cash equivalents

Cash and cash equivalents are stated at their nominal value.

Trade and other payables

Trade and other payables are stated at their nominal value.

Taxation

The entity is currently in the process of registering as a tax payer.

Surplus from Operations

Surplus from operations is stated before finance costs.

Revenue Recognition

Donation and funding income is recognized when the organisation's right to receive payment has been established.

NELSON MANDELA TOWNSHIP SPORTS FEDERATION

NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2010

1. CASH AND CASH EQUIVALENTS

	2010 R
FNB Business Transact Account	10,369
FNB Cheque Account	3,767
	<u>14,136</u>

2. ACCUMULATED FUNDS

	2010 R
Balance at beginning of the year	-
Surplus for the period	10,936
Balance at the end of the year	<u>10,936</u>

3. TRADE AND OTHER PAYABLES

	2010 R
Provision for audit fees	<u>3,200</u>

4. DONATIONS RECEIVED

	2010 R
Other income	12,930
Sundry donations	38,775
	<u>51,705</u>

5. COMPARATIVE FIGURES

No comparative figures have been provided as this is the first year of the organisation's existence.