

NELSON MANDELA TOWNSHIP ROWING CLUB

ANNUAL FINANCIAL STATEMENTS

31 December 2008

NELSON MANDELA TOWNSHIP ROWING CLUB

**ANNUAL FINANCIAL STATEMENTS
31 DECEMBER 2008**

The following reports and statements are presented by the Board:

	Pages
Independent auditor's report	2
Balance sheet	3
Statement of changes in equity	4
Notes to the annual financial statements	5
Detailed income statement	6

Board approval and statement of responsibility

The board 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 1 to the financial statements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The board are also responsible for the club'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 board 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 board has every reason to believe that the club has adequate resources in place to continue in operation for the foreseeable future.

The annual financial statements set out on pages 1 to 6 are the responsibility of the board and have been approved for issue by the board and are signed on their behalf by:



Jan Blom van Assendelft



Nolufefe Ngontsa

1st Floor, Block B, Metropolitan Centre
279 Cape Road, Newton Park
Port Elizabeth 6045
P.O. Box 35074, Newton Park
Port Elizabeth 6055
Telephone +27 (0)41 363 4547
Facsimile +27 (0)41 363 4548
Email: info@tiam.co.za
Website: www.tiam.co.za

REPORT OF THE INDEPENDENT AUDITOR'S

To the Management Board of the Nelson Mandela Township Rowing Club

We have audited the annual financial statements of Nelson Mandela Township Rowing Club, which comprise the balance sheet as at 31 December 2008, the income statement and the statement of changes in equity for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 3 to 6.

Management Board's Responsibility for the Financial Statements

The management board is responsible for the preparation and fair presentation of these annual financial statements in accordance with the basis of accounting described in note 1 to the financial statements for the purpose of providing financial information to the management board and the stakeholders of the Club. This responsibility includes determining that the basis is an acceptable basis for preparing and presenting the financial statements in the circumstances; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the 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 annual financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual 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 the board, as well as evaluating the overall presentation of the financial statements.

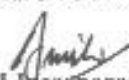
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the annual financial statements fairly present, in all material respects, the financial position of the Club as at 31 December 2008, and its financial performance for the year then ended in accordance with the basis of accounting described in note 1.

Other Matter – Restriction on Use

The financial statements have been prepared in accordance with the basis of accounting described in note 1 for the purposes of providing financial information to the management board and the stakeholders of the Club. The financial statements and our auditor's report may not be suitable for any other purpose.


TIAM Incorporated
Registered Auditors
15/07/2009
Date

NELSON MANDELA TOWNSHIP ROWING CLUB

BALANCE SHEET AT 31 DECEMBER 2008

	Notes	2008 R	2007 R
ASSETS			
Current assets		131,316	26,098
Bank and cash balances	3	131,316	26,098
Total assets		<u>131,316</u>	<u>26,098</u>
EQUITY AND LIABILITIES			
Equity		131,316	26,098
Retained income		131,316	26,098
Total equity and liabilities		<u>131,316</u>	<u>26,098</u>

NEILSON MANDELA TOWNSHIP ROWING CLUB

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED
31 DECEMBER 2008

	Retained Income R	Total R
Balance at 28 February 2006	15,086	15,086
Net surplus for the period	11,012	11,012
Balance at 28 February 2007	<u>26,098</u>	<u>26,098</u>
Net surplus for the period	105,218	105,218
Balance at 28 February 2008	<u><u>131,316</u></u>	<u><u>131,316</u></u>

NELSON MANDELA TOWNSHIP ROWING CLUB

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008**

1. General information

Nemato is a non-profit club which promotes the sport of rowing, especially amongst the previously disadvantaged communities in Ndlambe. The club is located in the geographical area of the Eastern Cape

2. Basis of preparation and accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

Property, plant and equipment

Property, plant and equipment is written off in the year of acquisition.

Revenue

Revenue is accounted for when it is received

Comparative figures

Where necessary, comparative figures have been adjusted to conform with any changes in presentation in the current year.

3. Bank and cash balances

Bank and cash balances at year end comprise:

	2008 R	2007 R
Petty cash	215	4,624
Current account	8,101	21,474
Funds on call	123,000	0
	<u>131,316</u>	<u>26,098</u>

4. Advances from Rowing South Africa

Rowing South Africa is administering the LOTTO grants on behalf of the club. Funds are transferred to the club as they are needed.

5. Taxation

The club is a non-profit organisation and is exempt from income tax under section 10(1)(d) of the Income Tax Act.

NELSON MANDELA TOWNSHIP ROWING CLUB

DETAILED INCOME STATEMENT FOR THE YEAR ENDED
31 DECEMBER 2008

	2008 R	2007 R
Revenue	305,204	305,923
Advances from Rowing South Africa	136,000	165,846
Donations	169,204	140,077
Other income	3,821	0
Interest Received	3,821	0
Total Income	309,025	305,923
Operating expenses	203,807	294,909
Accounting Fees	700	0
Adventure Camp	9,100	0
Advertising	0	1,003
Affiliation Fees	500	0
Auditing Fees	8,175	0
Bank Charges	2,015	1,154
Computer Expenses	0	6,313
Competition Expenses	60,466	53,041
Coaching	4,670	10,441
Electricity & Water	1,950	650
Entertainment Expenses	1,271	3,497
Equipment & Consumables - Rowers	43,564	119,623
Printing & Stationery	3,158	2,931
Registrations	0	4,160
Repairs & Maintenance	160	0
Lease Rentals	3,000	0
Salary - Head Coach	54,600	74,615
Transport	3,301	6,495
Telephone & Fax	7,177	10,986
Net Surplus for the Period	105,218	11,013