

**NELSON MANDELA TOWNSHIP GYMNASTICS CLUB**

**PORT ALFRED**

**ANNUAL FINANCIAL STATEMENTS**

**for the year ended 31 December 2010**

NELSON MANDELA TOWNSHIP GYMNASTICS CLUB  
PORT ALFRED

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for the year ended 31 December 2010

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

.....  
LUNGA VULINDLU (CHAIRPERSON)

.....  
XOLANI TOKOTA (TREASURER)

PORT ALFRED  
14 January 2011

# Charteris & Barnes

CHARTERED ACCOUNTANTS (S.A.)

PARTNERS C.A.(SA)

HUGH ANTHONY WORMALD  
GAVIN JEAN LE ROUX  
IGNATIUS WALTER WAIT  
GLENN LESLIE THARRATT  
ANDREW IVAN GEORGE ALT  
GARY BRIAN McI FAN  
LANA JOY HANNER

Refer

## REPORT of the INDEPENDENT AUDITORS

### TO THE MEMBERS OF NELSON MANDELA TOWNSHIP GYMNASTICS CLUB

#### Report On The Financial Statements

We have audited the accompanying financial statements of Nelson Mandela Township Gymnastics Club, which comprise the balance sheet as at 31 December 2010, and the income statement for the year 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 Gymnastics Club, 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 annual financial statements of the matter referred to in the preceding paragraph, the annual financial statements present fairly, in all material respects, the financial position of Nelson Mandela Township Gymnastics Club as of 31 December 2010, and of its financial performance for the year then ended in accordance with generally accepted accounting practice.

  
CHARTERIS & BARNES  
Registered Auditors

PORT ALFRED  
14 January 2011

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## NELSON MANDELA TOWNSHIP GYMNASTICS CLUB

## BALANCE SHEET – 31 December 2010

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|                                     | Notes | 2010<br>R    | 2009<br>R    |
|-------------------------------------|-------|--------------|--------------|
| <b>ASSETS</b>                       |       |              |              |
| <b>CURRENT ASSETS</b>               |       |              |              |
| Cash and cash equivalent            | 1     | <u>5,517</u> | <u>1,269</u> |
| <b>TOTAL ASSETS</b>                 |       | <u>5,517</u> | <u>1,269</u> |
| <b>EQUITY AND LIABILITIES</b>       |       |              |              |
| <b>RESERVES</b>                     |       |              |              |
| Accumulated funds                   | 2     | <u>4,263</u> | <u>129</u>   |
| <b>CURRENT LIABILITIES</b>          |       |              |              |
| Trade and other payables            | 3     | <u>1,254</u> | <u>1,140</u> |
| <b>TOTAL EQUITY AND LIABILITIES</b> |       | <u>5,517</u> | <u>1,269</u> |



NELSON MANDELA TOWNSHIP GYMNASTICS CLUB

INCOME STATEMENT  
for the year ended 31 December 2010

|                                      | Note | 2010<br>R     | 2009<br>R    |
|--------------------------------------|------|---------------|--------------|
| <b>REVENUE</b>                       |      |               |              |
| Donations received                   | 4    | <u>23,939</u> | <u>7,300</u> |
| <b>Less: EXPENSES</b>                |      | 19,805        | 7,171        |
| Activities                           |      | 2,759         | 1,740        |
| Audit fees                           |      | 1,254         | 1,140        |
| Bank charges                         |      | 784           | 341          |
| Competition expenses                 |      | 8,853         | -            |
| Interest paid - creditors            |      | 5             | -            |
| Small assets expensed                |      | 6,150         | 3,950        |
| <b>Surplus For The Year / Period</b> |      | <u>4,134</u>  | <u>129</u>   |

**NELSON MANDELA TOWNSHIP GYMNASTICS CLUB**  
**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 December 2010**

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**ACCOUNTING POLICIES**

The annual 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 equivalent**

Cash and cash equivalent is stated at its 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 GYMNASTICS CLUB

NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 December 2010

1. CASH AND CASH EQUIVALENT

|                    | 2010<br>R    | 2009<br>R    |
|--------------------|--------------|--------------|
| FNB Cheque Account | <u>5,517</u> | <u>1,269</u> |

2. ACCUMULATED FUNDS

|                                  | 2010<br>R    | 2009<br>R  |
|----------------------------------|--------------|------------|
| Balance at beginning of the year | 129          | -          |
| Surplus for the year / period    | 4,134        | 129        |
| Balance at the end of the year   | <u>4,262</u> | <u>129</u> |

3. TRADE AND OTHER PAYABLES

|            | 2010<br>R    | 2009<br>R    |
|------------|--------------|--------------|
| Audit fees | <u>1,254</u> | <u>1,140</u> |

4. DONATIONS RECEIVED

|                  | 2010<br>R     | 2009<br>R    |
|------------------|---------------|--------------|
| Jan Blom         | -             | 2,500        |
| Sundry donations | 23,939        | 4,800        |
|                  | <u>23,939</u> | <u>7,300</u> |