

Akkerdoppies Pre-Primary School
(A division of Sibusisiwe Community Care, Limited by Guarantee
(Association Incorporated Under Section 21))
Annual financial statements
for the year ended 28 February 2011

Akkerdoppies Pre-Primary School (A division of Sibusisiwe Community Care, Limited by Guarantee
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General Information

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The annual financial statements set out on pages 3 to 12, which have been prepared on the going concern basis, were approved by the board on 25 January 2012 and were signed on its behalf by:

D de Villiers

R O Le Roux



**COMPILATION REPORT TO THE MEMBERS OF
AKKERDOPPIES PRE-PRIMARY SCHOOL (A DIVISION OF SIBUSISIWE COMMUNITY
CARE, LIMITED BY GUARANTEE (ASSOCIATION INCORPORATED UNDER SECTION
21))**

On the basis of information provided by management we have compiled, in accordance with the International Standard on related Services applicable to compilation engagements, the balance sheet of Akkerdoppies Pre-Primary School (A division of Sibusisiwe Community Care, Limited by Guarantee (Association Incorporated under Section 21)) as at 28 February 2011, the income statement, the statement of changes in equity, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 3 to 12. Management is responsible for these financial statements. We have not audited or reviewed these financial statements and accordingly express no opinion or assurance thereon.

These financial statements have been prepared in accordance with the South African Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities as described in note 1 to the financial statements.

Hennie Nel
Director
Chartered Accountant (SA)
Cape Town

25 January 2012

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Executive: S P Kana (Chief Executive Officer) T P Blandin de Chalain D J Fölscher P J Mothibe S Subramoney F Tonelli
D J Fölscher (Chief Executive Officer, Western Cape region)
The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682

Akkerdoppies Pre-Primary School (A division of Sibusisiwe Community Care, Limited by Guarantee
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Annual Financial Statements for the year ended 28 February 2011

Balance Sheet

Figures in Rand

	Notes	2011	2010 Restated
Assets			
Current Assets			
Trade and other receivables	2	46,168	31,258
Cash and cash equivalents	3	288,541	31,415
		<u>334,709</u>	<u>62,673</u>
Non-Current Assets			
Property, plant and equipment	4	674,642	856,721
Total Assets		<u>1,009,351</u>	<u>919,394</u>
Equity and Liabilities			
Liabilities			
Current Liabilities			
Trade and other payables	5	1,782	-
Other liabilities	6	93,377	32,526
		<u>95,159</u>	<u>32,526</u>
Equity			
Accumulated funds		914,192	886,868
Total Equity and Liabilities		<u>1,009,351</u>	<u>919,394</u>

The notes on pages 10 to 12 are an integral part of these financial statements.

Akkerdoppies Pre-Primary School (A division of Sibusisiwe Community Care, Limited by Guarantee
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Annual Financial Statements for the year ended 28 February 2011

Income statement

Figures in Rand

	Notes	2011	2010 Restated
Revenue			
School fees		708,182	309,953
Corporate donations		144,200	957,200
Other donations		135,000	218,935
	7	987,382	1,486,088
Other income			
Other income		9,310	3,684
Interest received	9	-	1,169
		9,310	4,853
Operating expenses			
Assets (less than R7,000 per item)		55,829	171,699
Bad debts		30,948	-
Bank charges		1,042	965
Cleaning		4,555	-
Computer expenses		9,390	-
Depreciation		221,446	42,208
Employee costs		430,020	148,230
Entertainment		12,189	-
Food		85,308	40,061
Garden services		12,207	7,660
General expenses		954	29,778
Jack and Jill Project		-	24,690
Printing and stationery		1,074	1,168
Rental expense		40,260	36,600
Repairs and maintenance		29,806	140,930
Security		2,683	2,794
Telephone and fax		7,401	5,836
Utilities		24,256	13,741
		969,368	666,360
Profit for the year		27,324	824,581
Other comprehensive income		-	-
Total comprehensive income		27,324	824,581

The notes on pages 10 to 12 are an integral part of these financial statements.

Akkerdoppies Pre-Primary School (A division of Sibusisiwe Community Care, Limited by Guarantee
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 Annual Financial Statements for the year ended 28 February 2011

Statement of Changes in Equity

Figures in Rand	Accumulated funds	Total equity
Balance at 01 March 2009	62,287	62,287
Changes in equity		
Total comprehensive income for the year	824,581	824,581
Total changes	<u>824,581</u>	<u>824,581</u>
Balance at 01 March 2010	886,868	886,868
Changes in equity		
Total comprehensive income for the year	27,324	27,324
Total changes	<u>27,324</u>	<u>27,324</u>
Balance at 28 February 2011	<u>914,192</u>	<u>914,192</u>

The notes on pages 10 to 12 are an integral part of these financial statements.

Akkerdoppies Pre-Primary School (A division of Sibusisiwe Community Care, Limited by Guarantee
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 Annual Financial Statements for the year ended 28 February 2011

Statement of Cash Flows

Figures in Rand

	Notes	2011	2010 Restated
Cash flows from operating activities			
Cash generated from operations	10	235,642	834,362
Interest income		-	1,169
Net cash from operating activities		<u>235,642</u>	<u>835,531</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	4	<u>(39,367)</u>	<u>(898,929)</u>
Cash flows from financing activities			
Movement in other liabilities		<u>60,851</u>	<u>32,526</u>
Net increase in cash, cash equivalents for the year		257,126	(30,872)
Cash, cash equivalents at the beginning of the year		<u>31,415</u>	<u>62,287</u>
Cash, cash equivalents at end of the year	3	<u>288,541</u>	<u>31,415</u>

The notes on pages 10 to 12 are an integral part of these financial statements.

Accounting Policies

1. Basis of presentation

The annual financial statements have been prepared in accordance with the South African Statement of Generally Accepted Accounting Practice for Small and Medium Sized Entities (SA GAAP for SME's), and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are expected to be used during more than one period.

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.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment.

This includes cost incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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 management.

The company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Land is not depreciated. Depreciation on other assets is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item	Average useful life
Leasehold improvements	Period of the lease
Furniture and fixtures	6 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item and have significantly different patterns of consumption of economical benefits is depreciated separately over its useful life.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Accounting Policies

1.2 Financial instruments

Financial instruments at amortised cost

Financial instruments may be designated to be measured at amortised cost less any impairment using the effective interest method. These include trade and other receivables, loans and trade and other payables. At the end of each reporting period date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised in profit and loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

All financial assets whose fair value cannot otherwise be measured reliably, and which do not meet the criteria to be designated as an instruments measured at amortised cost, are measured at cost less impairments.

Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

1.4 Impairment of assets

At each reporting date, property, plant and equipment, intangible assets, and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount.

If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Accounting Policies

1.4 Impairment of assets (continued)

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Interest is recognised, in profit or loss, using the effective interest rate method.

Donations are recognised when deposited in the bank account.

School fee income is recognised on an accrual basis in the period when the services are rendered.

Notes to the Annual Financial Statements

Figures in Rand

	2011	2010 Restated
2. Trade and other receivables		
Trade receivables	46,168	31,258

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1,000	3,011
Bank balances	287,541	28,404
Total	288,541	31,415

4. Property, plant and equipment

	2011			2010		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Leasehold improvements	810,295	(234,207)	576,088	792,615	(33,026)	759,589
Furniture and fixtures	128,001	(29,447)	98,554	106,314	(9,182)	97,132
Total	938,296	(263,654)	674,642	898,929	(42,208)	856,721

Reconciliation of property, plant and equipment - 2011

	Opening balance	Additions	Depreciation	Total
Leasehold improvements	759,589	17,680	(201,181)	576,088
Furniture and fixtures	97,132	21,687	(20,265)	98,554
	856,721	39,367	(221,446)	674,642

Reconciliation of property, plant and equipment - 2010

	Opening balance	Additions	Depreciation	Total
Leasehold improvements	-	792,615	(33,026)	759,589
Furniture and fixtures	-	106,314	(9,182)	97,132
	-	898,929	(42,208)	856,721

5. Trade and other payables

Other payables	1,782	-
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6. Other liabilities

Sponsor a child donations	93,377	32,526
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Notes to the Annual Financial Statements

Figures in Rand

	2011	2010 Restated
7. Revenue		
School fees	708,182	309,953
Corporate donations	144,200	957,200
Other donations	135,000	218,935
	<u>987,382</u>	<u>1,486,088</u>
8. Other income		
Fundraising activities	<u>9,310</u>	<u>3,684</u>
9. Investment revenue		
Interest revenue		
Attorney trust account	<u>-</u>	<u>1,169</u>
10. Cash generated from operations		
Profit before taxation	27,324	824,581
Adjustments for:		
Depreciation and amortisation	221,446	42,208
Interest received	-	(1,169)
Changes in working capital:		
Trade and other receivables	(14,910)	(31,258)
Trade and other payables	1,782	-
	<u>235,642</u>	<u>834,362</u>

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Annual Financial Statements for the year ended 28 February 2011

Notes to the Annual Financial Statements

Figures in Rand

2011

2010
Restated

11. Prior period restatements

During the year ended 28 February 2010, certain assets were expensed in the income statement. In terms of the South African Statement of Generally Accepted Accounting Practice for Small and Medium Sized Entities (SA GAAP for SME's) these assets should have been capitalised and depreciated over their useful lives.

During the year ended 28 February 2010, an asset was not created for school fees receivable. In terms of the South African Statement of Generally Accepted Accounting Practice for Small and Medium Sized Entities (SA GAAP for SME's) an asset should have been created for trade receivables and disclosed on the balance sheet.

During the year ended 28 February 2010, a liability not was created for sponsor a child donations. In terms of the South African Statement of Generally Accepted Accounting Practice for Small and Medium Sized Entities (SA GAAP for SME's) a liability should have been created for sponsor a child donations and disclosed on the balance sheet.

The comparative financial information has been restated to reflect the impact of the above as follows:

Increase in profit before income tax	-	855,453
Increase / (decrease) in income tax expense	-	-
	<u>-</u>	<u>855,453</u>
Increase in property plant and equipment	-	856,721
Increase in trade and other receivables	-	31,258
Increase in other payables	-	(32,526)
	<u>-</u>	<u>855,453</u>