

**WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
(Registration number 2009/013994/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To provide services in community care, support and empowerment, in order to improve health outcomes and livelihoods and access to social protection rights.
Directors	SR Hedden BN Memela NJ Nxasane
Registered office	Woza Moya Community Centre District Road 64 Chibini Community 3276
Postal address	PO Box 847 Ixopo Durban 3276
Bankers	First National Bank Limited
Auditors	Mazars Registered Auditor
Company registration number	2009/013994/08
Level of assurance	These annual financial statements have been audited ,
Preparer	The annual financial statements were independently compiled by: DB Bates Chartered Accountant (South Africa)

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
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The reports and statements set out below comprise the annual financial statements presented to the members:

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The following supplementary information **does** not form part of the annual financial statements and is unaudited:

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INDEPENDENT AUDITOR'S REPORT

To the members of Woza Moya Community Development Project (RF) NPC

We have audited the annual financial statements of Woza Moya Community Development Project (RF) NPC, as set out on pages 7 to 14, which comprise the statement of financial position as at 30 June 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Annual Financial Statements

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these annual 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 annual 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 annual 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 management, as well as evaluating the overall presentation of the annual financial statements.

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

Continued-/

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Basis for Qualified Opinion

In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections from donations prior to the initial entry of collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts actually recorded.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the annual financial statements present fairly, in all material respects, the financial position of Woza Moya Community Development Project (RF) NPC as at 30 June 2013, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

Other matter

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on page 15 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Other reports

As part of our audit of the financial statements for the year ended 30 June 2013, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between this report and the audited annual financial statements. This report is the responsibility of the respective preparer. Based on reading this report we have not identified material inconsistencies between this report and the audited annual financial statements. However, we have not audited this report and accordingly do not express an opinion on this report.

Mazars

MAZARS
Partner: NB Olivier
Registered Auditor
09 October 2013
Durban

**WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
Directors' Responsibilities and Approval**

The directors are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are 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 directors have reviewed the company's cash flow forecast for the year to 30 June 2014 and, in the light of this review and the current financial position, they are satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditor and the report is presented on pages 3 to 4.

The annual financial statements set out on pages 6 to 15, which have been prepared on the going concern basis, were approved by the board of directors on 09 October 2013 and were signed on its behalf by:



SR Hedden



BN Memela



NJ Nxasane

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
Directors' Report

The directors submit their report for the year ended 30 June 2013.

1. Review of activities

Main business and operations

The company engages in providing services in community care, support and empowerment, in order to improve health outcomes and livelihoods and access to social protection and rights and operates principally in South Africa.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

The company's mission is to provide quality community care and support for people infected and affected by HIV and Aids. By providing home-based care, orphan intervention and food security, the company aims to alleviate hunger, poverty and suffering through a holistic and integrated approach. Social-economic conditions, a person's psychological and spiritual health, as well as their physical welfare all need to be considered and taken care of.

The company is located in the Ufafa area- Ward 3 of the Ubuhlebezwe, in the Sisobke district in Kwazulu-Natal, South Africa. The Woza Moya Community Centre is situated on the tribal land in the Chibini community of Ufafa.

2. 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.

3. Events after the reporting period

The directors' are not aware of any matter or circumstance arising since the end of the financial year.

4. Directors

The directors of the company during the year and to the date of this report are as follows:

SR Hedden
BN Memela
NJ Nxasane

5. Secretary

The company had no secretary during the year.

6. Auditors

Mazars will continue in office.

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
Statement of Financial Position as at 30 June 2013

Figures in Rand	Notes	2013	2012
Assets			
Non-Current Assets			
Property, plant and equipment	2	<u>1,029,121</u>	<u>1,101,243</u>
Current Assets			
Trade and other receivables	3	17,407	17,939
Cash and cash equivalents	4	<u>1,104,602</u>	<u>1,278,218</u>
		<u>1,122,009</u>	<u>1,296,157</u>
Total Assets		<u>2,151,130</u>	<u>2,397,400</u>
Equity and Liabilities			
Equity			
Retained income		<u>2,141,390</u>	<u>2,393,199</u>
Liabilities			
Current Liabilities			
Trade and other payables		<u>9,740</u>	<u>4,201</u>
Total Equity and Liabilities		<u>2,151,130</u>	<u>2,397,400</u>

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
Statement of Comprehensive Income

Figures in Rand	Note	2013	2012
Revenue		2,233,078	1,912,338
Other income		180,645	81,704
Operating expenses		(2,711,553)	(2,008,698)
Operating deficit	5	(297,830)	(14,656)
Investment revenue		46,021	42,745
(Deficit) surplus for the year		(251,809)	28,089

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
Statement of Changes in Equity

Figures in Rand	Retained income
Balance at 01 July 2011	2,365,110
(Deficit)surplus for the year	28,089
Balance at 01 July 2012	2,393,199
(Deficit)surplus for the year	(251,809)
Balance at 30 June 2013	2,141,390

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
Statement of Cash Flows

Figures in Rand	Notes	2013	2012
Cash flows from operating activities			
Cash (used in) generated from operations	7	(219,637)	63,437
Interest income		46,021	42,745
Net cash from operating activities		(173,616)	106,182
Total cash movement for the year		(173,616)	106,182
Cash at the beginning of the year		1,278,218	1,172,036
Total cash at end of the year	4	1,104,602	1,278,218

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
Accounting Policies

1. Presentation of Financial Statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. 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 held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Property, plant and equipment is initially recognised at cost. Cost is the cash price equivalent at the recognition date.

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.

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

Depreciation 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
Buildings	25 years
Motor vehicles	5 years
Office equipment	6 years
Computer equipment	3 years

The residual value, depreciation method and the useful life of each asset are reviewed at each annual reporting period if there are indicators present that there is a change from the previous estimate.

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.

1.2 Financial instruments

Trade and other receivables

Trade and other receivables are recognised initially at the transaction price and subsequently at the undiscounted amount of the cash or other consideration expected to be received, less provision for impairment.

Trade and other payables

Trade and other payables are recognised initially at the transaction price and subsequently at the undiscounted amount of the cash or other consideration expected to be paid.

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. These balances are measured at amortised cost.

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
Accounting Policies

1.3 Revenue

Revenue comprises donation income. Donation income is recognised when received, except to the extent that it relates to future periods, in which case it is deferred and recognised in the period it relates to.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of discounts, volume rebates, and value added tax.

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

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
Notes to the Annual Financial Statements

Figures in Rand **2013** **2012**

2. Property, plant and equipment

	2013			2012		
	Cost	Accumulated depreciation and impairments	Carrying value	Cost	Accumulated depreciation and impairments	Carrying value
Buildings	1,267,031	(245,059)	1,021,972	1,267,031	(194,377)	1,072,654
Motor vehicles	107,200	(100,053)	7,147	107,200	(78,613)	28,587
Office equipment	9,420	(9,419)	1	9,420	(9,419)	1
Computer equipment	28,180	(28,179)	1	28,180	(28,179)	1
Total	1,411,831	(382,710)	1,029,121	1,411,831	(310,588)	1,101,243

Reconciliation of property, plant and equipment - 2013

	Opening balance	Depreciation	Total
Buildings	1,072,654	(50,682)	1,021,972
Motor vehicles	28,587	(21,440)	7,147
Office equipment	1	-	1
Computer equipment	1	-	1
	1,101,243	(72,122)	1,029,121

Reconciliation of property, plant and equipment - 2012

	Opening balance	Depreciation	Total
Buildings	1,136,005	(63,351)	1,072,654
Motor vehicles	55,387	(26,800)	28,587
Office equipment	1,589	(1,588)	1
Computer equipment	1	-	1
	1,192,982	(91,739)	1,101,243

3. Trade and other receivables

Prepayments	14,602	15,134
Deposits	2,805	2,805
	17,407	17,939

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	6,501	22,542
Bank balances	1,098,101	1,255,676
	1,104,602	1,278,218

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
Notes to the Annual Financial Statements

Figures in Rand	2013	2012
5. Operating deficit		
Operating deficit for the year is stated after accounting for the following:		
Depreciation on property, plant and equipment	72,121	91,740
Employee costs	1,178,749	824,676
6. Taxation		
The company has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, therefore no provision has been made for 2013 tax as the company is not liable for tax.		
7. Cash (used in) generated from operations		
(Deficit) surplus	(251,809)	28,089
Adjustments for:		
Depreciation	72,121	91,740
Interest received	(46,021)	(42,745)
Changes in working capital:		
Trade and other receivables	532	(15,928)
Trade and other payables	5,540	2,281
	(219,637)	63,437

WOZA MOYA COMMUNITY DEVELOPMENT PROJECT (RF) NPC
Annual Financial Statements for the year ended 30 June 2013
Detailed Income Statement

Figures in Rand	2013	2012
Revenue		
Department of Social Development	-	150,000
Dr. Heinz-Horst Deichmann-Foundation	175,325	-
General donations	562,010	718,738
HCI Foundation	84,588	-
Hospice Palliative Care Association of South Africa	68,655	113,100
National Lottery Distribution Trust Fund	192,500	192,500
Oxfam Australia	650,000	688,000
The ELMA Foundation	500,000	-
The Victoria Daitz Foundation	-	50,000
	2,233,078	1,912,338
Other income		
Craft sales	122,380	60,436
Interest received	46,021	42,745
Reimbursements	58,265	21,268
	226,666	124,449
Operating expenses		
Accounting fees	16,239	48,434
Auditors' remuneration	26,084	20,272
Bank charges	17,664	15,222
Capacity building development costs	126,311	51,631
Consulting fees	9,795	9,822
Depreciation	72,121	91,740
Donor hosting	4,820	12,000
Electricity and water	16,838	13,141
Employee costs	1,178,749	824,676
Food security	115,021	94,183
Insurance	18,174	7,567
Marketing and promotions	32,710	12,941
Motor vehicle and transport expenses	209,077	179,339
Office consumables	46,497	31,799
Repairs and maintenance	27,158	66,650
Telephone, fax and internet	41,925	34,641
Wash Oxfam materials infrastructure	244,319	-
	511,069	494,640
Outreach work		
Training, workshops and meetings	405,413	173,154
Food parcels	24,680	267,728
Medical supplies and fortified foods	71,957	27,300
Play therapy	4,536	23,000
School expenses	1,465	3,458
	2,711,553	2,008,698
(Deficit) surplus for the year	(251,809)	28,089
Total comprehensive (deficit) surplus for the year	(251,809)	28,089