IMBELEKO DR SENI MYENI FOUNDATION NON PROFIT COMPANY
REGISTRATION NUMBER: 2010/019483/08

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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STATEMENT OF DIRECTORS RESPONSIBILITY & APPROVAL

The Directors are responsible for the preparation, integrity and fair presentation of the annual financial statements of Imbeleko Dr Seni Myeni Foundation Non Profit Company. The annual financial statements presented on pages 6 to 17 have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SME's), and include amounts based on judgements and estimates made by management.

The Directors consider that in preparing the annual financial statements they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all IFRS for SME's statements that they consider to be applicable have been followed. The Directors are satisfied that the information contained in the financial statements fairly presents the results of operations for the year and the financial position of the Company at year end.

The Directors have responsibility for ensuring that accounting records are kept. The accounting records should disclose with reasonable accuracy the financial position of the Company to enable the Directors to ensure that the financial statements comply with relevant legislation.

The Directors are also responsible for the Company'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 misstatement and loss. Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the YEAR under review.

The going concern basis has been adopted in preparing the financial statements. The Directors have no reason to believe that the Company will not be a going concern in the foreseeable future, based on forecasts and available cash resources. These financial statements support the viability of the Company.

The annual financial statements have been audited by the independent accounting firm CJ & Associates which was given unrestricted access to all financial records and related data, including minutes of meetings of shareholders, the Board of Directors and committees of the Board. The Directors believe that all representations made to the independent auditors during their audit were valid and appropriate.

The annual financial statements set out on pages 6 to 16 and the unaudited detailed statement of comprehensive income set out on page 17 was approved by the Directors and are signed by them:

LT Myeni	01 November 2016
Director	Date

12 Round the Green, Sunningdale, 4019
P.O. Box 3698, Sunningdale, 4019
Tel: 27 82 383 6998
Fax: 086 520 6497
e-mail: Charmaine_cj@netactive.co.za

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF IMBELEKO DR SENI MYENI FOUNDATION NON PROFIT COMPANY

Report on the annual financial statements

We have audited the accompanying annual financial statements of Imbeleko Dr Seni Myeni Foundation Non Profit Company which comprise the statement of financial performance as at 31 December 2015, statement of comprehensive income, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the annual financial statements

The Directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. This responsibility includes:

- designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual 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 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 judgment, 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 audit opinion.

Basis for qualified opinion

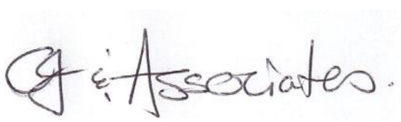
We could not find sufficient appropriate audit evidence to satisfy ourselves as to the completeness, accuracy and occurrence of the amount disclosed as revenue in the annual financial statements as the Company has no controls for the recording and receipt of revenue. We could not extend our testing beyond the receipts actually recorded. Consequently, we do not express an opinion on the completeness, accuracy and occurrence of revenue.

Qualified audit opinion

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion, these annual financial statements fairly present, in all material respects, the financial position of Imbeleko Dr Seni Myeni Foundation Non Profit Company, as at 31 December 2015 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities.

Supplementary schedules

The supplementary schedule set out on page 17 does not form part of the annual financial statements and is presented as additional information. We have not audited this schedule and accordingly we do not express an opinion thereon.



CJ & Associates
Per: C Jugnarayan
REGISTERED AUDITOR
MEMBER IRBA NO: 460 109

DURBAN

DATE: 01 November 2016

IMBELEKO DR SENI MYENI FOUNDATION NON PROFIT COMPANY
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors present their report for the year ended 31 December 2015. This report forms part of the annual financial statements.

Review of Activities
The Company continued its operations to achieve its objective as a non profit organisation to provide education and skill development to orphaned girls in rural communities.

Financial Results
The results of the Company and the state of affairs are set out in the attached annual financial statements.

Post Balance Sheet Review
No material facts or circumstances have occurred either during the financial year or between the balance sheet date and date of this report, which are material to the appreciation of the annual financial statements, other than those disclosed herein.

Country of Incorporation:	South Africa
Registration Number	2010/019483/08
Directors:	LTS Myeni IP Moutoatse-Makine SL Nyoka CN Myeni
Bankers:	First National Bank of South Africa Limited
Auditors:	CJ & Associates
Accountants	Dumezweni Accountants
Registered Office	0804229 Kwanyuswa Manqoba Road Bothas Hill, 3660
Postal Address	P.O. Box 526 Bothas Hill, 3660

IMBELEKO DR SENI MYENI FOUNDATION NON PROFIT COMPANY
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 R	2014 R
Income		362 659	119 246
Operating expenses		750 386	140 423
Operating loss	**3**	(387 727)	(21 177)
Interest received		-	65
Interest paid		(8 591)	
Loss for the year		(396 318)	(21 112)
Taxation	**4**	-	-
Loss after taxation		(396 318)	(21 112)
Accumulated loss at beginning of year		(5 746)	(5 746)
Accumulated loss at end of year		(423 176)	(26 858)

IMBELEKO DR SENI MYENI FOUNDATION NON PROFIT COMPANY
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STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2015

	Notes	2015 R	2014 R
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		8 122	1 188
NON CURRENT ASSETS			
Equipment	**5**	8 962	1 333
TOTAL ASSETS		17 084	2 521
RESERVES & LIABILITIES			
RESERVES			
Accumulated surplus		(423 176)	(26 858)
CURRENT LIABILITIES			
Trade and other payables		12 000	16 000
Loans from related parties	**6**	428 260	13 379
TOTAL CURRENT LIABILITIES		440 260	29 379
TOTAL RESERVES AND LIABILITIES		17 084	2 521

IMBELEKO DR SENI MYENI FOUNDATION NON PROFIT COMPANY
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 R	2014 R
Cash flows from operating activities			
Operating loss for the year		(387 727)	(21 177)
Adjusted for:			
Depreciation		667	667
Changes in operating assets & liabilities			
Increase in trade & other payables		410 881	19 379
Cash generated from/(utilised by) operations		23 820	(1 131)
Interest received		-	65
Interest paid		(8 591)	-
Net cash inflow/(outflow) from operating activities		15 229	(1 066)
Cash flows from investing activities			
Additions to equipment		(8 295)	-
Net cash outflow from investing activities		(8 295)	-
Net increase/(decrease) in cash & cash equivalents		6 934	(1 066)
Cash and cash equivalents at beginning of year		1 188	2 254
Cash and cash equivalents at end of year	**7**	8 122	1 188

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with the 'International Financial Reporting Standard for Small and Medium-sized Entities' (IFRS for SMEs) issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these annual financial statements have been consistently applied to all years presented, in all material respects unless otherwise stated.

1.1 Basis of preparation

The annual financial statements have been prepared in accordance with IFRS for SMEs. The annual financial statements have been prepared on the historical cost basis.

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in note 2.

1.2 Going concern

The annual financial statements have been prepared on a going concern basis.

1.3 Cash and cash equivalents

Cash and cash equivalents are carried at cost.

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, and deposits held on call with banks and investments in money market instruments, net of bank overdrafts.

1.4 Trade receivables and loans

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Loans and receivables are stated at their nominal value as reduced by appropriate allowances for the estimated irrecoverable amounts.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

1.5 Equipment

Equipment represents tangible items that are held for use in the supply of services and for administrative purposes and are expected to be used during more than one year.

Equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment value. Costs include the cost of replacing part of such equipment when that cost is incurred if the recognition criteria are met.

Depreciation is calculated on cost using the straight-line method over the remaining year from acquisition date to the end of the assets useful life. The annual depreciation rates are based on the following estimates:

Computer equipment	33%
Furniture & fittings	20%

Subsequent expenditure relating to an item of equipment is capitalized when it is probable the future economic benefits will flow to the entity and the cost can be reliably measured. All other subsequent expenditure is recognised as an expense in the year in which it is incurred.

Equipment is derecognised upon disposal or when no future economic benefits are expected to flow from its use or disposal. Any gain or loss on de-recognition of the asset (calculated between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognised.

Minor assets, with a cost of R500 or less, are not capitalised but expensed on acquisition.

The asset's residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

1.6 Trade payables and loans

The company's principal financial liabilities comprise trade and other payables and loans payable.

Trade and other payables and loans payable are stated at their nominal value.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

1.7 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

IMBELEKO DR SENI MYENI FOUNDATION NON PROFIT COMPANY
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015 CONTINUED

1.7 Provisions (Continued)

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

1.8 Impairment of assets

The Directors assess at each balance sheet date whether an asset is impaired. Impairment losses on trade and other receivables are determined based on specific and objective evidence that assets are impaired and measured as the difference between the carrying amount of the asset and the estimated cash flows.

Impairment losses are recognised in profit and loss. If, in a subsequent YEAR, the amount of the impairment loss decreases and the decreases can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed the amortised cost at the reversal date.

1.9 Taxation

The Company is approved as a public benefit organisation in terms of section 30(1)(a)(i) of the Income tax Act.

- The receipts and accruals are exempt from income tax in terms of section 10(1)(cN) and section 18A of the Income Tax Act.
- Donations by or to the organisation are exempt from donations tax in terms of section 56(1)(h) of the Act.
- Bequests or accruals from estates of deceased persons in favour of the organisation are exempt from payment of estate duty in terms of section 4(h) of the Estate Duty Act, 45 of 1955.
- In terms of section 4(1)(f) of the Stamp Duties Act, 1968, any instrument which is executed by or on behalf of the organisation is exempt from stamp duty, if the duty thereon would be legally payable and borne by the organisation.

1.10 Revenue recognition

Revenue represents the gross inflow of economic benefits during the year arising in the course of the ordinary activities when those inflows result in increase in equity/reserves.

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

The following specific recognition criteria must also be met before revenue is recognised:

- Interest income is recognised as interest income accrues, and is accounted for at the end of each month.
- Other income is accrued as and when it occurs.

1.11 Donations

Donations comprise cash and goods donated to the Company.
Income from donations, including legacies and bequests is recognised when received.

Donations of assets
All assets donated to the Company are initially recorded at fair value at the date of the acquisition, being the estimated net realisable value of the assets at the date the assets are donated to the Company. This value is recognised as a donation in the statement of financial performance.'

Donations "in kind"
Donations "in kind" occur from time to time when members of the public donate food, clothes, etc to the Shelter. These are recorded as revenue in the statement of financial performance at fair value, with an equal amount being expensed to which they relate.

Donations of goods and services
Resources received in the form of intangible income such as donated facilities, voluntary help or beneficial loan arrangements, the value of which cannot be accurately quantified, are not included in the financial statements.

2. INFORMATION ABOUT KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future.

2.1 Key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

2.2 Judgements in applying the entity's accounting policies

Fair value of investments and other financial instruments
The Directors use their judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. For derivative financial instruments, assumptions are made based on quoted market rates adjusted for specific features of the instrument. The estimation of fair value of unlisted shares includes some assumptions not supported by observable market prices or rates.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2015 R	2014 R
3. OPERATING PROFIT		
Operating profit for the year is arrived at after taking into account: -		
Audit fees	6 000	6 000
Depreciation	666	667

4. TAXATION

No taxation has been provided as the Company has obtained exemption under section 10(1)(cN) and 18A of the Income Tax Act.

5. EQUIPMENT

2015 **COST**	**Opening balance** **R**	**Additions** **R**	**Disposals** **R**	**Closing balance** **R**
Computer equipment	2000	2 195	-	4 195
Furniture & fittings		6 100	-	6 100
	2 000	8 295	-	10 295

ACCUMULATED DEPRECIATION	**Opening balance** **R**	**Additions** **R**	**Disposals** **R**	**Closing balance** **R**
Computer equipment	667	666	-	1 333

2014 **COST**	**Opening balance** **R**	**Additions** **R**	**Disposals** **R**	**Closing balance** **R**
Computer equipment	2 000	-	-	2 000

ACCUMULATED DEPRECIATION	**Opening balance** **R**	**Additions** **R**	**Disposals** **R**	**Closing balance** **R**
Computer equipment	-	667	-	667

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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5. EQUIPMENT (Continued)

	2015 R	2014 R
Carrying value		
Computer equipment	2 862	1 333
Furniture & fittings	6 100	-
	8 962	1 333

	2015 R	2014 R
Equipment reconciliation		
Opening carrying value	1 333	2 000
Additions	8 295	-
Disposals	-	-
Current year depreciation	(666)	(667)
Closing carrying value	8 962	1 333

6. LOANS FROM RELATED PARTIES

	2015 R	2014 R
Loan from Director:		
LTS Myeni	428 260	13 379

This loan bears no interest, is unsecured and has no fixed terms of repayment.

Director, LTS Myeni represents, as at 31December 2015, a significant creditor of Imbeleko Dr Seni Myeni Foundation Non Profit Company in the amount of R428 260 and subordinates R428 260 of its claim in favour of other creditors.

7. CASH AND CASH EQUIVALENTS

Bank balances and cash comprise cash held with registered banking institutions:

	2015 R	2014 R
Cash at bank and on hand	8 122	1 188

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015 CONTINUED

	2015 R	2014 R
8. RELATED PARTY INFORMATION		
8.1 Identity of Related Parties		
The following Directors are related parties to the Company:		
LTS Myeni		
IP Moutoatse-Makine		
SL Nyoka		
CN Myeni		
8.2 Material related party transactions		
Related party loans are disclosed in note 6		
Consulting fees - LTS Myeni	420 000	-
8.3 Key management remuneration		
No key management remuneration paid		

9. RISK MANAGEMENT

9.1 Liquidity risk:

Liquidity risk is the risk that the Company will be unable to service payment obligations timeously or fund asset growth.
The Company's risk to liquidity is a result of the funds available to cover future commitments.
The Company manages liquidity risk through an ongoing review of budgets and current commitments.
Cash flow forecasts are prepared and are monitored.

9.2 Credit risk:

Credit risk is the risk of potential loss from the failure of customers, clients or counter parties to fulfil obligations to the Company.
Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.
Trade receivables comprise trade debtors, and loans receivables. Management evaluates credit risk on an ongoing basis.
The Company is not exposed to guarantees for the financing facilities.

9.3 Interest rate risk:

Interest rate risk refers to the potential adverse impact on earnings as a result of changes in interest rates.
Deposit and financial instruments attract interest at rate that vary with prime. The Company policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on profit/(loss).

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DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 R	2014 R
Revenue		362 659	119 246
Donations received		388 764	119 246
Donations in kind		23 895	-
Operating expenses		750 386	140 423
Accounting fees		-	1 000
Advertising & promotions		14 807	2 350
Audit fees		6 000	6 000
Bank charges		4 064	2 053
Computer expenses		16 692	250
Consulting fees		420 000	-
Depreciation		666	667
Direct fundraising expenses	**N1**	110 100	65 598
Electricity and water		3 600	-
Entertainment expenses		1 454	-
General expenses		7 077	-
Insurance		1 250	-
Printing & stationery		1 201	-
Rent expenses		12 000	-
Sundry expenses		12 057	2 332
Telephone & fax		10 110	2 700
Travel & accommodation		38 628	-
Transport & stipends		90 680	57 473
Operating loss		387 727	21 177

N1 Direct Fundraising Expenses

	2015	2014
Is made up as follows:		
ASK Primary School	6 977	1 570
ASK High School	1 845	3 028
Boarding School Programme	97 430	60 250
Family Support Programme	1 160	-
Holiday Programme	-	750
Hiking programme	2 688	-
	110 100	65 598