

**EMMANUEL EDUCARE PRE-SCHOOL
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2017**

Emmanuel Educare Pre-School

Annual Financial Statements for the year ended 31 December 2017

General Information

Country of incorporation and domicile	South Africa
Registered office	Cnr Egret Close & Westlake Drive Westlake 7945
Business address	Cnr Egret Close & Westlake Drive Westlake 7945
Postal address	PO Box 30113 Tokai 7966
Bankers	First National Bank Limited
Auditors	BDV Platinum Chartered Accountants (SA) Registered Auditors
PBO number	930046186
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the South African Schools Act 84 of 1996.

Emmanuel Educare Pre-School

Annual Financial Statements for the year ended 31 December 2017

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The reports and statements set out below comprise the annual financial statements presented to the governing body:

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THE GOVERNING BODY

The members of the governing body at the date of signing these annual financial statements are:

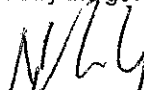
N. Van Rensburg (Chairperson)	L. Gumza (Deputy-chairperson)
A. Preston (Secretary)	L. Sachnary (Treasurer)
R. Poole (Bursary committee)	P. Abrahams (Bursary committee)
T. Nkukwana (Bursary committee)	A. Gordon (Bursary committee)
A. James (Bursary committee)	A. Ningi (Bursary committee)
H. Albertus (Principal)	

Approval and statement of responsibility

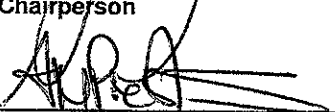
The governing body is responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with the basis of accounting as described in note 1 to the annual financial statements and in the manner required by the South African Schools Act 84 of 1996.

The governing body is also responsible for the school'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 governing body to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.


The annual financial statements set out on pages 5 to 10, which have been prepared on the going concern basis, were approved by the governing body and were signed on its behalf by:




Chairperson



Secretary



Treasurer



Principal

Date: 26/9/2018

Independent Auditor's Report

To the Governing Body of the Emmanuel Educare Pre-School

Opinion

We have audited the annual financial statements of Emmanuel Educare Pre-School set out on pages 5 to 10, which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Emmanuel Educare Pre-School as at 31 December 2017, and its financial performance and cash flows for the year then ended in accordance with basis of accounting as described in note 1 to the annual financial statements and the requirements of the South African Schools Act 84 of 1996.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the school in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

In common with other schools, it is not feasible for the organisation to institute accounting controls over fundraising income prior to receipts. Accordingly, it was impracticable for us to extend our examination beyond the receipts actually recorded.

Responsibilities of the Governing Body for the Annual Financial Statements

The governing body is responsible for the preparation and fair presentation of the annual financial statements in accordance with the basis of accounting as described in note 1 to the annual financial statements and the requirements of the South African Schools Act 84 of 1996, and for such internal control as the governing body determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the governing body are responsible for assessing the school's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governing body either intend to liquidate the school or to cease operations, or have no realistic alternative but to do so.

BDV Platinum Professional Services Incorporated

Company Reg No: 2014/122738/21 | VAT No: 4140194244

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Postal Address: PO Box 31408 | Tokai 7966 | Email: admin@bdvplatinum.com

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Directors: Carel Braem de Vries, Mark Dawson, Imtiaz Anthony, Jearne Nicholas Werner

Practice No: 903104

Independent Auditor's Report

Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 school's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the governing body.
- Conclude on the appropriateness of the governing body use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the school's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the school to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the governing body regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



BDV Platinum
Director - Braam De Vries
Chartered Accountants (SA)
Registered Auditors

27/9/2015

Date

BDV Platinum Professional Services Incorporated

Company Reg No: 2014/122739/21 | VAT No: 4140194244

Physical Address: 49 Bell Crescent, | Westlake Business Park | Westlake 7945

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Directors: Carel Braem de Vries, Mark Dawson, Imtiaz Anthony, Jaime Nicholas Werner

Practice No: 903104

Emmanuel Educare Pre-School

Annual Financial Statements for the year ended 31 December 2017

Statement of Financial Position as at 31 December 2017

Figures in Rand	Note(s)	2017	2016
Assets			
Current Assets			
Trade and other receivables	2	309,627	414,715
Cash and cash equivalents	3	10,878	14,610
		320,505	429,325
Total Assets		320,505	429,325
Equity and Liabilities			
Equity			
Bursary fund	4	33,869	75,919
Accumulated surplus		200,906	260,224
		234,775	336,143
Liabilities			
Current Liabilities			
Trade and other payables	5	85,730	93,182
Total Equity and Liabilities		320,505	429,325

Emmanuel Educare Pre-School

Annual Financial Statements for the year ended 31 December 2017

Statement of Comprehensive Income

Figures in Rand	Note(s)	2017	2016
Income			
School fees		807,858	778,785
Other income			
Donations received		174,009	169,143
Western Cape Department of Social Development grant		300,360	284,880
Western Cape Education Department grant		310,860	317,790
		785,229	771,813
Expenses			
Auditor's remuneration		5,985	5,415
Bank charges		8,296	8,482
Consumables		4,482	4,162
Facilities and equipment		59,726	55,366
Groceries and cleaning		101,757	86,275
Motor vehicle expenses		19,685	21,041
Municipal expenses		70,746	60,177
Pest control		9,536	7,975
Printing and stationery		9,353	11,117
Rent paid		36,000	36,000
Repairs and maintenance		12,269	3,471
Salaries and wages		1,303,961	1,233,177
Telephone and fax		9,600	9,600
Training		1,010	2,440
		1,652,405	1,544,698
(Deficit)/Surplus for the year		(59,318)	5,900

Emmanuel Educare Pre-School

Annual Financial Statements for the year ended 31 December 2017

Statement of Changes in Equity

Figures in Rand	Bursary fund	Accumulated surplus	Total equity
Balance at 01 January 2016	104,843	254,324	359,167
Surplus for the year	-	5,900	5,900
Bursary fund	(28,924)	-	(28,924)
Total changes	(28,924)	-	(23,024)
Balance at 01 January 2017	75,919	260,224	336,143
Deficit for the year	-	(59,318)	(59,318)
Bursary fund	(42,050)	-	(42,050)
Total changes	(42,050)	-	(101,368)
Balance at 31 December 2017	33,869	200,906	234,775

Note(s)

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Emmanuel Educare Pre-School

Annual Financial Statements for the year ended 31 December 2017

Statement of Cash Flows

Figures in Rand	Note(s)	2017	2016
Cash flows from operating activities			
Cash generated from operations	7	38,318	26,290
Cash flows from financing activities			
Movement in funds		(42,050)	(28,924)
Total cash movement for the year		(3,732)	(2,634)
Cash at the beginning of the year		14,610	17,244
Total cash at end of the year	3	10,878	14,610

Emmanuel Educare Pre-School

Annual Financial Statements for the year ended 31 December 2017

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the accounting policies as set out below. The annual financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Trade and other receivables

Trade and other receivables are initially and subsequently measured at cost, less provisions for bad and doubtful debts.

1.2 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balances initially and subsequently recorded at historical cost and are not revalued.

1.3 Trade and other payables

Trade payables are initially and subsequently measured at cost.

1.4 Bursary fund

The bursary fund is used for providing bursaries to deserving learners.

During the year income and expenditure transactions which relate to the bursary fund are posted directly to the fund.

1.5 Revenue

School fee income and rental income are recognised on an invoice basis. The recognition of school fees received in advance is deferred until such time as the school is entitled to recognise that revenue, i.e. when the school year starts.

Interest is recognised, in surplus or deficit, using the effective interest method.

Government grants are recognised, in surplus or deficit, when the school's right to receive payment has been established.

Other income is recognised in surplus or deficit on receipt.

1.6 Expenses

Expenses represent all of the administration, operating and management expenses for the school and are recognised on an accrual basis.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered.

Emmanuel Educare Pre-School

Annual Financial Statements for the year ended 31 December 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
2. Trade and other receivables		
Fees receivable	7,200	11,901
Sundry receivable	-	100
Other receivable - Westlake United Church Trust	302,427	402,714
	309,627	414,715
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	878	634
Bank balances	10,000	13,976
	10,878	14,610
4. Bursary fund		
Balance at the beginning of year	75,919	104,843
Funds received	45,640	88,270
Funds utilised	(87,690)	(117,194)
Balance at the end of year	33,869	75,919
5. Trade and other payables		
Fees received in advance	4,610	8,950
Accruals and provisions	-	712
Western Cape Education Department grant advance	81,120	83,520
	85,730	93,182
6. Taxation		
No provision for tax has been made as the school is exempt from tax in terms of Section 10(1)(cN) of the Income Tax Act.		
7. Cash generated from operations		
(Deficit)/Surplus for the year	(59,318)	5,900
Changes in working capital:		
Trade and other receivables	105,088	43,917
Trade and other payables	(7,452)	(23,527)
	38,318	26,290