

AFRICAN DIASPORA HOPE
(ADHOPE)
074-240- NPO

FOR THE PERIOD ENDING 31
MARCH 2013



AFRICAN DIASPORA HOPE (ADHOPE)

FINANCIAL STATEMENTS For the year ended 31 March 2013

Country of Incorporation	South Africa
Directors	S. Kengne (Chairperson) E. Kuate P. Tshibalo G.T. Nguendjap (Secretary) N. Fotso (treasurer) B. C. Makhaye M. R. Setlholo M. Eden
Business Address	26 Turf Club Street West Turffontein Johannesburg 2190
Postal Address	PO Box: 74492 Turffontein, Johannesburg 2140
Bank	FNB
Auditors	Corporate Risk Mitigation cc S. A. MUTAN Association of Chartered Certified Accountants Master of Tax Law (Domestic and International Tax) NWU CAIB (SA) Practice no 0077976
Company registration	074-270 -NPO

AFRICAN DIASPORA HOPE (ADHOPE)

FINANCIAL STATEMENTS For the year ended 31 March 2013

Index	Pages
Company information	1
Report of the directors	3
Report of the independent auditors	4
Balance sheet	5
Income statement	6
Statement of change in equity	7
Cash flow statement	8
Detail income tax	9
Notes to the financial statements	10
Accounting Policies	11

The Financial Statements as set out on pages 4 to 11 are hereby approved by the board of Directors and signed on their behalf by:


SERAPHIN KENGNE (Chairperson)

15-06-2013
DATE

AFRICAN DIASPORA HOPE (ADHOPE)

FINANCIAL STATEMENTS For the year ended 31 March 2013

The directors present their report for the year ended 31 March 2013. This report forms part of the audited financial statements.

1. Incorporation

The company was incorporated in May 2008 with the main objective of caring, counseling, promoting religion, arts, education, recreation or any other cultural or social activity for African foreign nationals living in South Africa or group interests. The company also intends to apply its profits (in any) or other income in promoting its said main object.

2. Business and operations

The company's business and operations and the results thereof are clearly reflected in the attached financial statements. No material fact or circumstance has occurred between the accounting date and the date of this report.

3. Statement of responsibility

The directors are 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 Generally Accepted Accounting Practice and in the manner required by the companies Act, 1973.

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.

4. Financial results

The results of the company and the state of its affairs are set out in the attached financial statements and do not in our opinion, require further comments.

5. Events subsequent to the year end

They have been no facts or circumstances of a material nature that have occurred between the accounting date and the date of this report.

6. Directors

The directors of the company during the accounting period and up to date of this report were as follows:

S. Kengne (Chairman)

E. Kuate

P. Tshibalo

G. T. Nguendjap (Secretary)

N. Fotso (treasurer)

B.C. Makhaya

M. R. Setlholo

M. Eden

7. Auditors

Sam Mutan of the Corporate Risk Mitigations has been appointed the Officer Accountant of the organization in accordance with section 270 (2) of the companies Act.



Corporate Risk Mitigation

Accountants, IT Auditors, Tax Planning

Tel (011) 339 6925
Fax (011) 339 8495

7th Floor, 20 De Korte Street
P.O. Box 3441
Braamfontein
Johannesburg
2017

Johannesburg, the 7th May 2013

RE: REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE AFRICAN DIASPORA HOPE (ADHOPE)

We have audited the annual financial statements of African Diaspora Hope set out on page 4 to 11 for the year ended 31 March 2013. These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- Examining, on a test, evidence supporting the amounts and disclosures in the financial statements
- Assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation

We believe that our audit provide a reasonable basis for our opinion. In certain instances we had to rely on information and explanation from the directors.

Qualification

A significant portion of the company's revenue comprises donations. In common with similar organizations, it is not feasible for the company to institute accounting controls over cash collections prior to the initial entry of the collections in the accounting records. There were no satisfactory auditing procedures that we could perform to obtain reasonable assurance that all cash receipts were actually recorded. Consequently, we were unable to satisfy ourselves as to the completeness and accuracy of the accounting records relating to donations.

Qualified audit opinion

In our opinion, except for the effect on the financial statements of the matter referred to in the preceding paragraph, the financial statements fairly present, in all material respects, the financial position of the company at 31 March 2013 and the results of its operations for the year then ended in accordance with South African Statements of General Accepted Accounting Practices, and in the manner required by the companies Act in South Africa.

Accounting and secretarial duties

With the written consent of all members, we have performed certain accounting and secretarial duties.

For and on behalf of
Corporate Risk Mitigation

S. A. MUTAN

Association of Chartered Certified Accountants
Master of Tax Law (Domestic and International Tax) NWU
CAIB (SA)
Practice no 0077976

AFRICAN DIASPORA HOPE (ADHOPE)
INCOME STATEMENTS
AS AT 31 March 2013

	Notes	2013 R	2012 R
Revenue			
Donations		-3,277,854.00	-2,185,236.00
Total income		<u>-3,277,854.00</u>	<u>-2,185,236.00</u>
 Expenditure (refer to page 8)			
Human resources		-3,271,323.93	-2,135,410.00
Other operating costs		-658,187.55	572,337.00
Operating income before interest		-2,613,136.38	-2,707,747.00
		6,530.07	49,826.00
Interest income		0.00	0.00
Income before tax	1	6,530.07	49,826.00
Tax	2		
Net income for the year		<u>6,530.07</u>	<u>49,826.00</u>

AFRICAN DIASPORA HOPE (ADHOPE)
BALANCE SHEET
AS AT 31 March 2013

	Notes	2013 R	2012 R
Assets			
Non Current assets			
Fixed assets	3	24,485.00	9,965.00
Current assets		59,425.07	20,825.00
Cash and cash equivalents		59,425.07	20,825.00
Other receivables - deposits			
Total assets		<u>83,910.07</u>	<u>30,790.00</u>
Equity and liabilities			
Capital and reserves			
Retained surplus		76,890.07	70,360.00
Total equity and liabilities		<u>76,890.07</u>	<u>70,360.00</u>

AFRICAN DIASPORA HOPE (ADHOPE)
STATEMENT OF CHANGES IN EQUITY
AS AT 31 March 2013

	Retained Surplus R
Balance at 31 March 2012	70,360.00
Net income for the year	<u>6,530.07</u>
Balance at 31 March 2013	<u><u>76,890.07</u></u>

AFRICAN DIASPORA HOPE (ADHOPE)
CASH FLOW STATEMENTS
AS AT 31 March 2013

	Notes	2013 R	2012 R
Cash flows from operating activities			
Cash generated from operations	4	22,010.07	62,261.00
Interest received		0.00	0.00
Net cash inflow from operating activities		<u>22,010.07</u>	<u>62,261.00</u>
Cash flow from investing activities			
Additions to fixed assets		-30,000.00	-4,250.00
Other cash flow from investing activities		-2,945.00	5,620.00
Net increase in cash and cash equivalents		<u>-10,934.93</u>	<u>63,631.00</u>
Cash and cash equivalents and beginning of the year		70,360.00	6,729.00
Cash and cash equivalents at end of period		<u>59,425.07</u>	<u>70,360.00</u>

AFRICAN DIASPORA HOPE (ADHOPE)
DETAIL INCOME AND EXPENDITURE STATEMENTS
AS AT 31 March 2013

	2013	2012
	R	R
Income	(3,277,854.00)	(2,185,236.00)
Donations received	(3,277,854.00)	(2,185,236.00)
Interest received	0.00	0.00
 Expenditure	 3,271,323.93	 2,135,410.00
Aids projects	222,357.60	277,947.00
Bank charges	34,268.85	29,799.00
Building & Maintenance	96,214.50	64,143.00
Career Empowement Program	179,676.00	102,672.00
Depreciation - Tools & Equipment	15,000.00	7,500.00
Depreciation - Motor vehicle	480.00	480.00
Donations paid	249,660.00	166,440.00
Electricity and water	99,333.00	33,111.00
Food purchase	849,433.05	333,111.00
Garden services	141,750.00	45,000.00
UIF employee paid	6,581.88	5,723.00
Office rent	136,500.00	182,000.00
Health expenses	10,530.00	3,510.00
Human resources	658,187.55	572,337.00
Motor Vehicule Expenses	7,380.00	1,845.00
Printing & stationery	132,187.50	105,750.00
Refreshments	43,434.00	21,717.00
Registrations cost	20,016.00	6,672.00
Telephone and fax	112,500.00	37,500.00
Training	22,500.00	7,500.00
Transport	158,625.00	105,750.00
Travel & Accomodation	74,709.00	24,903.00
 Income before tax	 6,530.07	 49,826.00

AFRICAN DIASPORA HOPE (ADHOPE)
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
AS AT 31 March 2013

1. PROFIT BEFORE TAX	2013	2012
Income before tax is arrived at after taking the following items into account		
Depreciation	15,480.00	7,980.00

2. TAX

The Association has applied for the exemption from taxation in terms of Section 31 of the Income Tax Act. The application is still outstanding and no tax is provided for the current year as the directors are of the opinion that the application will be successful

3. FIXED ASSETS

Cost	Opening balance R	Additions R	Closing balance R
Tools & Equipment	20,000.00	30,000.00	50,000.00
Motor vehicle	2,400.00		2,400.00
Total	22,400.00	30,000.00	52,400.00

Accumulated depreciation	Opening balance R	Current year R	Closing balance R
Tools & Equipment	11,175.00	15,000.00	26,175.00
Motor vehicle	1,260.00	480.00	1,740.00
Total	12,435.00	15,480.00	27,915.00

Net book value	2013 R	2012 R
Tools & equipment	23,825.00	8,825.00
Motor vehicle	660.00	1,140.00
Total	24,485.00	9,965.00

4. RECONCILIATION OF PROFIT BEFORE TAX TO CASH GENERATED FROM OPERATIONS	2013 R	2012 R
Profit before tax	6,530.07	49,826.00
Adjust for:		
Interest income	0.00	0.00
Depreciation	15,480.00	12,435.00
Total	22,010.07	62,261.00

Working capital changes		
Increase in accounts receivable		
Cash generated operations	22,010.07	62,261.00

AFRICAN DIASPORA HOPE (ADHOPE)

ACCOUNTING POLICIES

For the year ended 31 March 2013

The annual financial statements are prepared on the historical cost basis, except for financial instruments, and incorporate the following principal accounting policies, which have been consistently applied in all material respects.

Fixes assets

Furniture and equipment are stated at historical cost to the company less accumulated depreciation. Depreciation is calculated on historical cost using the straight-line method over the estimated useful lives of the assets. The depreciation rates for the assets are the following:

Tools and equipment	50%
Motor vehicles	20%

The recorded values of these depreciated assets are annually compared to the anticipated recoverable amount if the assets were to be sold. When an asset's recoverable amount has declined below the recorded value, and the decline is expected to be of a permanent nature, the decline is recognized as an expense. To determine the recoverable amount expected future cash flows are discounted to their present values.

Major improvements to plant and equipment are capitalized. Repairs and maintenance are expensed when incurred.

Revenue

Donations, grants sponsorships, ticket sales and other income are accounted for on a cash receipt basis, net of Value Added Taxation.

Interest received is accrued on a time basis.

Financial instruments

Financial assets and financial liabilities are recognized on the company's balance sheet when the company has become a party to contractual provisions of the instrument. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets

The company's principal financial assets are accounts receivable, payable and cash balances

Accounts receivable

Trade and receivables originated by the company are stated at their amortized cost less a provision for impairment. Due to the short-term nature of the company's receivable cost approximates fair value.

Bank and cash balances

Bank balance, cash and funds on call deposit are stated at fair value.

Financial liabilities

The company's principal financial liability is accounts payable.

Accounts payable

Trade and other payable are stated amortized cost. Due to the short-term nature of the company's trade and other payables, the amortized cost approximates its fair value.