

**MIDLANDS COMMUNITY COLLEGE  
ASSOCIATION**

Public Benefit Organisation Registration No.: 130001562

**ANNUAL FINANCIAL STATEMENTS**

31 March 2016

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

(Registration No. 002-361-NPO)

## ANNUAL FINANCIAL STATEMENTS

31 MARCH 2016

These annual financial statements include statements which have been audited in compliance with the Constitution and are presented as follows:

	Pages
General Information	2
Independent auditor's report	3 - 4
Independent compiler's report	5
General committee's report	6 - 7
Statement of financial position	8
Statement of comprehensive income	9
Statement of changes in reserves	10
Statement of cash flows	11
Notes to the annual financial statements	12 - 22
Detailed statement of comprehensive income	23

### Approval

The annual financial statements set out on pages 6 to 23 are the responsibility of the General Committee, have been approved and are signed on their behalf by:



Chairman  
Bishop T. Seleone



Treasurer  
T. H. Stent

16<sup>th</sup> July 2016  
Date

8<sup>th</sup> July 2016  
Date

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## GENERAL INFORMATION

Association name	Midlands Community College Association
Tax exemption number	130001562
NPO number	002-361-NPO
Public Benefit Organisation number	130001562
Country of incorporation and domicile	Republic of South Africa
Nature of business and principal activities	Fundraising for Midlands Community College Centre for Further Education and Training NPC
General committee	Bishop T Seleone C van Zyl T H Stent M Lain F Richards A Nkosi M Davies
Registered office	Farm Gowrie Nottingham Road 3280
Business address	Farm Gowrie Nottingham Road 3280
Postal address	P O Box 40 Nottingham Road 3280
Banker	First National Bank Limited
Auditors	Colenbrander Incorporated
Accounting officer	T Stent
Registration numbers	
Income tax	9099523178
Pay-As-You-Earn (PAYE)	7530709502
Unemployment Insurance Fund (UIF)	U530709502

## INDEPENDENT AUDITOR'S REPORT TO THE STAKEHOLDERS OF MIDLANDS COMMUNITY COLLEGE ASSOCIATION

### Report on the financial statements

We have audited the financial statements of Midlands Community College Association set out on pages 8 to 23, which comprise the statement of financial position as at 31 March 2016, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### General committee's responsibility for the financial statements

The association's General Committee is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Constitution, and for such internal control as the General Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Compilation of the financial statements

These financial statements were compiled by an independent accounting professional whose compilation report is presented on page 5.

### Auditor's responsibility

Our responsibility is to express an opinion on these 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

**Opinion**

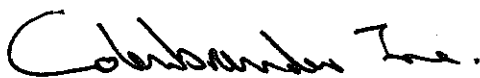
In our opinion, the financial statements present fairly, in all material respects, the financial position of Midlands Community College Centre for Further Education and Training NPC at 31 March 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

**Other matter**

Without qualifying our opinion, we draw attention to the fact that the supplementary schedules set out on page 20 - 31 do not form part of the annual financial statements and are presented as additional information. We have not audited these schedules and accordingly do not express an opinion on them.

**Other reports required by the Companies Act**

As part of our audit of the financial statements for the year ended 31 March 2016, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between this report and the audited financial statements. The Directors' Report is the responsibility of the directors. Based on reading the Directors' Report we have not identified material inconsistencies between this report and the audited financial statements. However, we have not audited the Directors' Report and accordingly do not express an opinion thereon.



**Colenbrander Incorporated**

**Per: G L Banfield**

Chartered Accountants (S.A.)

Registered Auditors

Hilton

Date: 29/6/2016

## **INDEPENDENT COMPILER'S REPORT TO THE STAKEHOLDERS OF MIDLANDS COMMUNITY COLLEGE ASSOCIATION**

### **Report on the financial statements**

We have compiled the financial statements of Midlands Community College Association based on information provided by management. They comprise the statement of financial position as at 31 March 2016, the statement of comprehensive income, the statement of changes in reserves and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 8 to 23.

### **Management responsibility for the financial statements**

The association's management are responsible for these financial statements, including adoption of the applicable reporting framework, and the accuracy and completeness of the information used to compile the financial statements.

### **Compiler's responsibility**

We performed this compilation engagement in accordance with the International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist management in the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities.



**Colenbrander Incorporated**  
**Per: I S Colenbrander**  
Chartered Accountants (S.A.)  
Registered Auditors  
Hilton

30 June 2016

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## GENERAL COMMITTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

The General Committee has pleasure in submitting their report together with the annual financial statements for the year ended 31 March 2016.

### General review

Midlands Community College Association is an association incorporated in the Republic of South Africa. The principal activities of the association is fundraising for Midlands Community College Centre for Further Education and Training NPC .

### Statements of responsibility

The General Committee 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 International Financial Reporting Standards for Small and Medium-sized Entities, and in the manner required by the Constitution.

The General Committee is also responsible for the association's system of internal financial controls. This is 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 General Committee to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

These financial statements will be presented at the association's annual general meeting for the approval of stakeholders. It is possible that amendments may be required prior to stakeholder approval being given.

### Financial results

The results of the association for the year under review are fully set out in the attached financial statements and require no further comment.

### Events after the end of the reporting period

No material fact or circumstance, which requires comment, has occurred between the reporting date and the date of this report.

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## GENERAL COMMITTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

### General Committee and secretary

The members of the General Committee during the accounting period and up to the date of this report were as follows:

Bishop T Seleone

C van Zyl

T H Stent

M Lain

F Richards

A Nkosi

M Davies

No secretary was appointed for the year under review.

### Auditors

Colenbrander Incorporated has been appointed in accordance with the Companies Act, 2008.



# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2016

	Notes	2016 R	2015 R
<b>Assets</b>			
<b>Non-current assets</b>			
		13 308 531	13 711 532
Property, plant and equipment	3	3 356 822	2 268 753
Investments	4	9 951 709	11 442 779
<b>Current assets</b>			
		2 583 605	2 104 781
Investments	4	2 200 218	1 582 844
Group loans receivable	5	113 577	23 046
Loans receivable	6	5 187	-
Trade and other receivables	7	-	158 160
Bank, cash and cash equivalents	8	264 623	340 731
<b>Total assets</b>		<u>15 892 136</u>	<u>15 816 313</u>
<b>Reserves and liabilities</b>			
<b>Reserves</b>			
		12 975 098	13 130 053
Retained earnings		615 519	(60 594)
Lady Usher & Peter Brown Fund	9	4 577 105	4 637 054
Health Care Fund	10	3 187 603	3 224 474
Maths and Science Fund - Philip and Chris Cross Fund	11	2 199 650	2 532 269
Maths and Science Fund - Rand Merchant Bank Fund	11	647 363	750 000
Capital Donation Fund	12	1 747 858	2 046 850
<b>Current liabilities</b>			
		2 917 038	2 686 260
Trade and other payables	13	44 414	44 410
Donor control	14	2 872 624	2 641 850
<b>Total reserves and liabilities</b>		<u>15 892 136</u>	<u>15 816 313</u>

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016

	2016 R	2015 R
<b>Income</b>		
Revenue	840 000	401 463
Other income	<u>18 448</u>	<u>28 119</u>
<b>Total income</b>	<u>858 448</u>	<u>429 582</u>
<b>Expenses</b>		
Operating expenses	<u>(182 335)</u>	<u>(467 550)</u>
<b>Net surplus / (deficit) for the year</b>	<u><u>676 113</u></u>	<u><u>(37 968)</u></u>
Expenditure capitalised to land and buildings	(517 515)	-
<b>Net realised surplus / (deficit) for the year</b>	<u><u>158 598</u></u>	<u><u>(37 968)</u></u>

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## STATEMENT OF CHANGES IN RESERVES

FOR THE YEAR ENDED 31 MARCH 2016

	Lady Usher & Peter Brown Fund		Health Care Fund		Maths and Science Fund - Philip and Chris Cross Fund		Maths and Science Fund - Rand Merchant Bank Fund		Capital Donation Fund		Retained earnings	Total
	R	R	R	R	R	R	R	R	R	R		
<b>Balance at 31 March 2014</b>	3 971 287	2 916 900	2 556 913	-	2 046 850						(22 626)	11 469 324
Net loss for the year	-	-	-	-	-	-	-	-	-	-	(37 968)	(37 968)
Net fund movement	665 767	-	-	-	-	-	-	-	-	-	-	665 767
Net fund movement	-	307 574	-	-	-	-	-	-	-	-	-	307 574
Net fund movement	-	-	(24 644)	750 000	-	-	-	-	-	-	-	725 356
<b>Balance at 31 March 2015</b>	4 637 054	3 224 474	2 532 269	750 000	2 046 850						(60 594)	13 130 053
Net profit for the year	-	-	-	-	-	-	-	-	-	-	676 113	676 113
Net fund movement	(59 949)	-	-	-	-	-	-	-	-	-	-	(59 949)
Net fund movement	-	(36 871)	-	-	-	-	-	-	-	-	-	(36 871)
Net fund movement	-	-	(332 619)	(102 638)	-	-	-	-	-	-	-	(435 256)
Net fund movement	-	-	-	-	(298 992)	-	-	-	-	-	-	(298 992)
<b>Balance at 31 March 2016</b>	4 577 105	3 187 603	2 199 650	647 363	1 747 858						615 519	12 975 098
Notes	9	10	11	11	11	11	11	11	11	11	12	

Net fund movement - comprises earnings, growth, expenditure and withdrawals as detailed in Notes 9 - 12.

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 R	2015 R
<b>Net cash retained in operating activities</b>		1 065 052	187 886
<b>Cash generated from operating activities</b>	16.1	1 046 604	159 767
Interest received		15 748	24 519
Sundry income		2 700	3 600
<b>Cash flows from investing activities</b>		(310 091)	(1 660 278)
Purchase of property, plant and equipment		(1 088 069)	(100 014)
Increase / (decrease) in investments		873 696	(1 698 688)
(Advances) / repayments of group loan receivable		(90 531)	138 424
Advances of loans receivable		(5 187)	-
<b>Cash flows from financing activities</b>		(831 068)	1 698 697
Donations capitalised		(831 068)	1 698 697
<b>Net (decrease) / increase in cash and cash equivalents</b>		(76 108)	226 305
<b>Cash and cash equivalents at beginning of year</b>		340 731	114 426
<b>Cash and cash equivalents at end of year</b>	16.2	264 623	340 731

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

### 1. General information

Midlands Community College Association is an association, incorporated in South Africa.

The address of the registered office of the association is Farm Gowrie, Nottingham Road. Its principal business activity and operations are fundraising for Midlands Community College for Further Education and Training NPC, which is conducted at Farm Gowrie, Nottingham Road.

### 2. Basis of preparation and accounting policies

The basis of preparation and principal accounting policies of the association, are consistent in all material respects with those applied in the previous year, except as otherwise indicated.

#### *Basis of preparation*

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Constitution. They are presented in South African Rands.

#### *Property*

Property, plant and equipment are tangible assets that:

- (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- (b) are expected to be used during more than one period.

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 cost of an item is its cash price equivalent at the recognition date.

Land and buildings are stated at cost and are not depreciated as they are considered held as investment property.

Gains or losses on disposal are calculated by deducting the carrying value from the proceeds on the date of disposal and are included in profit or loss.

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

### 2. Basis of preparation and accounting policies

#### *Investments*

Investments are initially recognised at cost, including transaction costs.

After initial recognition investments are measured at their fair values, without any deduction for transaction costs that may be incurred on disposal. The following categories of investments are measured at amortised cost using the effective interest rate method if they have a fixed maturity, or at cost if there is no fixed maturity:

- Held to maturity investments.

Dividend income from investments is recognised when the right to receive payment is established and is included in other income.

#### *Lady Usher, Health Care and Maths and Science Investments*

Investments are stated at market value ruling at the association's year end. Unrealised profits or losses arising from the revaluation to market values at year end as well as realised profits or losses on disposal of investments during the year, are credited or charged directly to the Lady Usher and Peter Brown, Health Care and Maths and Science Funds. Realised gains and losses on the disposal of investments during the year are calculated as the difference between the proceeds on disposal and the revalued amount at the beginning of the year, or cost if purchased in the current year.

#### *Capital Donations Fund*

Donations of capital items received are credited directly to this fund when received and are not accounted for via the income statement. All other donations received apart from donations from the Lady Usher and Peter Brown, Health Care and Maths and Science Funds are credited to the income statement as and when received. Profits or losses on disposal of capital items credited directly to this fund are accounted for directly in the fund. Improvements to the property which has been expensed against project income in the Midlands Community College Centre for Further Education and Training NPC, are capitalised in the association, and charged to the Capital Donations Fund.

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

### 2. Basis of preparation and accounting policies

#### *Lady Usher and Peter Brown, Health Care and Maths and Science Funds*

Capital donations to these funds and designated as such, are credited directly to the relevant funds. Income resulting from the funds' investments are credited directly to the relevant funds as and when received, and are only transferred to the income statement as and when authorised by the finance committee.

#### *Donor Control Accounts*

Donations raised on behalf of a non-profit company, Midlands Community College Centre for Further Education and Training NPC, are accounted for on receipt of the donation received, are not recognised as income and are credited to separate donor control accounts for each specified donation project, and held in Trust for the donors. Funds are transferred from the donor control accounts to the non-profit company, when formally requested by the company for specific projects and once approved by the General Committee.

#### *Trade receivables*

Trade receivables are distributions receivable from funds and are carried at amortised cost.

#### *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 separately in current liabilities.

#### *Revenue*

Fund raising income, dividends and interest are brought to account when received.

#### *Financial instruments*

Financial instruments as stated on the balance sheet include cash and bank balances, investments, receivables, trade creditors and borrowings. These instruments are stated at amortised cost. Where there is objective evidence of impairment, provisions are made accordingly.

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

### 2. Basis of preparation and accounting policies

#### *Cash flows*

For the purposes of the cash flow statement, cash includes cash on hand, deposits held on call with banks, investments in money market instruments, and bank overdrafts.

#### *Comparative figures*

Where necessary, comparative figures have been reclassified to conform with changes in presentation for the current year.

Reclassification details:

- ( a ) nature of reclassification
  - ( b ) amount of each item or class of items reclassified
  - ( c ) reasons for reclassification
- Reasons why reclassification was not practicable

### 3. Property

	2016			2015		
	Cost	Accumulated depreciation/ impairments	Carrying value	Cost	Accumulated depreciation/ impairments	Carrying value
	R	R	R	R	R	R
Land and buildings	3 356 822	-	3 356 822	2 268 753	-	2 268 753
	<u>3 356 822</u>	<u>-</u>	<u>3 356 822</u>	<u>2 268 753</u>	<u>-</u>	<u>2 268 753</u>

The carrying amounts for 2016 can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Other	Depreciation/ impairments	Carrying value at end of year
	R	R	R	R	R	R
	Land and buildings	2 268 753	1 088 069	-	-	-
	<u>2 268 753</u>	<u>1 088 069</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3 356 822</u>

Land and buildings are described as:

Sub 102 (of 90) of the Farm Gowrie No. 1930, situated in the County of Pietermaritzburg, Province of KwaZulu-Natal, in extent 5 5898 hectares and held under Title Deed No. T6835/1982.

The insured value of the land and buildings at year end was R 11 040 000.



# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

	2016 R	2015 R
<b>4. Investments</b>		
<i>Non-current investments</i>		
<i>Lady Usher, Health Care and Maths and Science Investments</i>		
Listed shares	6 362 598	7 411 254
Unit Trust Investments - Local	1 471 579	2 003 003
Unit Trust Investments - Foreign	762 740	-
Money Market	596 237	2 028 522
Asset swap	758 555	-
	<u>9 951 709</u>	<u>11 442 779</u>
<p>The above portfolio is managed by Ridgetop Investment Advisors (Pty) Ltd, Investec Securities (Pty) Ltd, Borland Firstglobal (Pty) Ltd and Sanlam SPI.</p>		
<i>Current investments</i>		
<i>Nedbank corporate saver - trading investments</i>	<u>2 200 218</u>	<u>1 582 844</u>
Total	<u>12 151 927</u>	<u>13 025 623</u>

### 5. Group loans receivable

<i>Midlands Community College Centre for Further Education and Training NPC</i>	<u>113 577</u>	<u>23 046</u>
<p>The above loan is unsecured, bears no interest and has no fixed terms of repayment. No repayments for the next 12 months are expected.</p>		

### 6. Loans receivable

<i>Loan LUMDT</i>		
Balance at beginning of year	-	-
Advances	5 187	-
Balance at end of year	<u>5 187</u>	<u>-</u>

The above loan is unsecured, bears no interest and is repayable in full in the next 12 months.

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

	2016 R	2015 R
<b>7. Trade and other receivables</b>		
Other party receivables	-	158 160
The directors consider that the carrying amount of trade and other receivables approximates their fair value.		
<b>8. Bank, cash and cash equivalents</b>		
Bank and cash balances at year end comprise:		
Current account	264 623	340 731
<b>9. Lady Usher and Peter Brown Fund</b>		
The fund comprises:		
Initial capital donated	3 290 266	3 290 266
Undistributed income:		
Balance at the beginning of the year	1 448 523	447 585
Interest received	81 973	190 779
Dividends received	120 765	245 836
Profit / (loss) on disposal of investments	203 055	168 927
Revaluation	(187 863)	722 103
Portfolio management fees	(19 614)	(31 077)
	1 646 839	1 744 153
Transfer to association income statement	-	(46 864)
Transfer to Midlands Community College Centre for Further Education and Training NPC	(360 000)	(350 501)
Balance at year end	1 286 839	1 346 788
Total fund balance	4 577 105	4 637 054

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

	2016 R	2015 R
<b>10. Health Care Fund</b>		
Initial capital donated by the Midlands Primary Health Care Fund	2 117 377	2 117 377
Undistributed income:		
Balance at the beginning of the year	1 203 400	563 977
Interest received	10 863	29 746
Dividends received	62 139	122 867
Profit / (loss) on disposal of investments	44 292	195 221
Revaluation	64 083	770 797
Portfolio management fees	(14 551)	(25 061)
	<u>1 370 226</u>	<u>1 657 547</u>
Transfer to association income	-	(163 670)
Transfer to Midlands Community College Centre for Further Education and Training NPC	(300 000)	(386 780)
Balance at year end	<u>1 070 226</u>	<u>1 107 097</u>
Total fund balance	<u>3 187 603</u>	<u>3 224 474</u>

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

	2016 R	2015 R	2016 R	2015 R
<b>11. Maths and Science Fund</b>				
Initial capital donated by Philip and Chris Cross	1 926 215	1 926 215	-	-
Initial capital donated by RMB	-	-	750 000	750 000
Undistributed income:				
Balance at the beginning of the year	992 347	383 836	-	-
Interest received	17 972	15 589	5 991	-
Interest expense	(68)	-	(23)	-
Dividends received	61 874	177 735	20 625	-
Profit / (loss) on disposal of investments	123 064	316 847	41 021	-
Revaluation	(262 795)	108 077	(87 598)	-
Portfolio management fees	(22 959)	(55 572)	(7 653)	-
	909 435	946 512	(27 638)	-
Transfer to association income	-	(88 459)	-	-
Transfer to Midlands Community College Centre for Further Education and Training NPC				
Monthly drawings	(156 000)	(252 000)	(75 000)	-
Capital drawings	(480 000)	-	-	-
Balance at year end	273 435	606 054	(102 638)	-
Total fund balance	2 199 650	2 532 269	647 363	750 000
Philip and Chris Cross Fund			2 199 650	2 532 269
RMB Fund			647 363	750 000
Total Maths and Science Fund			2 847 012	3 282 269
<b>12. Capital Donations Fund</b>				
Balance at the beginning of the year			2 046 850	2 046 850
Distribution receivable from funds			(298 992)	-
Balance at year end			1 747 858	2 046 850
<b>13. Trade and other payables</b>				
Trade creditors			44 414	44 410
Donor control			2 872 624	2 641 850
			2 917 038	2 686 260

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

	2016 R	2015 R
<b>14. Donor control</b>		
Abe Bailey Trust	250 000	300 000
Anglo American Chairman's Fund	150 000	100 000
Christmas Santa	18 350	-
D G Murray Trust - ECD	-	200 000
D G Murray Trust - MST	-	105 000
First National Bank Fund	768 720	600 000
First Rand Foundation - RMB Fund	32 250	-
Golf Day Donations	-	134 810
Honeydew Dairies (Pty) Ltd	-	110 000
Hulamin Ltd	-	100 000
Investec Bank Limited	132 000	200 000
Lady Usher Midlands Development Trust	155 000	-
Lowenstein Trust	-	40 000
Midlands Primary Healthcare Trust	43 334	43 334
Mrs P J Brown	4 000	21 059
N3 Toll Concession (Pty) Ltd	40 000	65 000
P and C Cross Bequest	(34 250)	-
Peter Faber Family Trust	-	20 000
R and B Robinson	2 350	5 250
R B Hagart	-	100 000
Robert Niven Trust	-	100 000
Sanlam	-	(4 000)
Shell - Monitoring & Evaluation - Mobile Laboratory	-	50 000
Shell South Africa Refining (Pty) Ltd - Mobile Laboratory	260 328	143 397
Shell South Africa Refining (Pty) Ltd - MST	-	113 500
Solon Foundation (Switzerland)	-	74 500
The Oppenheimer Memorial Trust	500 000	-
The Timothy Hancock Charitable Trust	-	20 000
Zenex Foundation	550 542	-
	<u>2 872 624</u>	<u>2 641 850</u>

The Donor Control account comprises donations received and not yet utilised or transferred to Midlands Community College Centre for Further Education and Training NPC.

### 15. Taxation

No provision has been made for taxation as the association is regarded as a Public Benefit Organisation and its receipts and accruals are exempt from taxation in terms of section 10(1)(cN).

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

	2016 R	2015 R
<b>16. Notes to the cash flow statement</b>		
<b>16.1 Reconciliation of net profit before taxation to cashflows from operations</b>		
Net surplus / (deficit) before taxation	676 113	(37 968)
Adjustments for:		
Interest received	(15 748)	(24 519)
Sundry income	(2 700)	(3 600)
Operating profit before working capital changes	<u>657 665</u>	<u>(66 087)</u>
Working capital changes		
Decrease in trade receivables	158 160	(119 100)
Increase in trade and other payables	230 779	344 954
<b>Cash generated from operations</b>	<u><u>1 046 604</u></u>	<u><u>159 767</u></u>

### 16.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks and investments in money market instruments. Cash and cash equivalents included in the cash flow statement comprise the following statement of financial position amounts:

Bank, cash and cash equivalents	<u>264 623</u>	<u>340 731</u>
---------------------------------	----------------	----------------

Management commentary and amounts in respect of significant cash and cash equivalents that are not available for use by the company.

### 17. Events after the end of the reporting period

No material fact or circumstance, which requires comment, has occurred between the reporting date and the date of approval of these financial statements.

### 18. Going concern

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

	2016 R	2015 R
<b>19. Related party disclosures</b>		
Loans to group company	113 577	23 046
Midlands Community College Centre for Further Education and Training NPC		
Donations transfer	8 503 557	6 408 908
Expenses paid on behalf of the NPC	90 531	-
Expenses paid by NPC on behalf of the association	-	92 305

The following material related parties have been identified:

Related party	Relationship
Midlands Community College Centre for Further Education and Training NPC	Beneficiary and lessor

### 20. Donors list

Abe Bailey Trust	Peter Faber Family Trust
Al Baraka Bank	R B Hagart
Anglo American Chairman's Fund	R and B Robinson
D G Murray Trust	R and L Trust
Eskom Development Foundation	R B Hagart Trust
First National Bank Fund	Robert Niven Trust
First Rand Foundation - RMB Fund	Shell South Africa Refinery (Pty) Ltd
Frank Jackson Foundation (UK)	Solon Foundation (Switzerland)
Fulton Trust	Sugar Industry Trust Fund for Education
Grindrod Family Centenary Trust	The Oppenheimer Memorial Trust
HCI Foundation	The Timothy Hancock Charitable Trust
Honeydew Dairies (Pty) Ltd	Zenex Foundation
Hulamin Ltd	
Investec Bank Limited	
JDA Windeler Family Trust	
Lady Usher Midlands Development Trust	
Lowenstein Trust	
Michaelhouse School	
Midlands Primary Healthcare Trust	
Mrs I J Hancock	
Mrs P J Brown	
N3 Toll Concession (Pty) Ltd	
Nedbank Private Wealth Educational Foundation	
Old Mutual Foundation	
P and C Cross Bequest	
General donations (donations less than R5000 by individual donors)	

# MIDLANDS COMMUNITY COLLEGE ASSOCIATION

## DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016

	2016 R	2015 R
<b>Revenue</b>	840 000	401 463
Distributions received from funds	840 000	401 463
<b>Other income</b>	18 548	28 119
Interest received	15 748	24 519
Subscriptions	100	-
Sundry Income	2 700	3 600
<b>Total Income</b>	858 548	429 582
<b>Operating expenses</b>	(182 436)	(467 546)
Accounting fees	15 000	16 800
Audit fees	39 744	37 176
Bad debts	5 625	-
Bank charges	26 207	34 940
Consulting fees	-	160 558
Donations paid	-	6 000
Equipment	26 517	-
Learner resources	9 940	-
Penalties and interest	194	-
Printing & Stationery	-	160
Rates	6 877	-
Repairs and maintenance	51 015	196 410
Staff training	-	12 000
Travel - Board members	1 317	2 496
Travel and accommodation	-	1 006
<b>Net surplus / (deficit) for the period</b>	676 112	(37 964)
Expenditure capitalised to land and buildings	(517 515)	-
<b>Net realised surplus / (deficit) for the period</b>	158 597	(37 964)