

TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A
COMPANY NOT FOR GAIN UNDER SECTION 21 OF THE COMPANIES ACT NUMBER 61 OF
1973)

(Registration number 1998/009285/08)
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2007

**TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A
COMPANY NOT FOR GAIN UNDER SECTION 21 OF THE COMPANIES ACT NUMBER 61 OF
1973)**

**ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2007**

Company registration	1998/009285/08
Country of incorporation	South Africa
Nature of business	SMME development support services
Directors	FJ Smith K Lefoka (Chairperson) DS Molepo LS Mabotja AF Nel
Business address	134 Unie Avenue c/o Cantonment Road and Unie Avenue Lytelton Centurion 0157
Postal address	P.O.Box 16494 Lytelton 0140
Bankers	ABSA Bank Limited

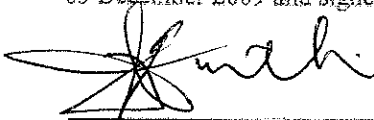
TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A COMPANY NOT FOR GAIN UNDER SECTION 21 OF THE COMPANIES ACT NUMBER 61 OF 1973)
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2007

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

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Approval

The financial statements which appear on pages 4 to 12 were approved by the board of directors on 03 December 2009 and signed on their behalf by:



Director

Director

COMPILATION REPORT TO THE MEMBERS OF TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A COMPANY NOT FOR GAIN UNDER SECTION 21 OF THE COMPANIES ACT NUMBER 61 OF 1973)

On the basis of information provided by the members we have compiled, in accordance with the statement of South African Auditing Standards applicable to compilation engagements, the balance sheet of Tshwane Centre for Business Information and Support (Incorporated as a company not for gain under section 21 of the companies act number 61 of 1973) at 30 June 2007 and the results of its operations and cash flows for the year then ended as set out on pages 4 to 11. The directors are responsible for these financial statements. We have not audited or reviewed these financial statements, and accordingly express no assurance thereon.

SAB&T Incorporated

**SAB&T Chartered Accountants Incorporated
Chartered Accountants (S.A.)
Registered Accountants and Auditors**

Centurion
03 December 2009

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Centurion, 0046 • Docex 15 • Tel: (012) 682 3809 • Fax: (012) 682 3301 • www.sab-t.co.za
Offices: Bloemfontein, Cape Town, Centurion, Durban, Kimberley, Nelspruit, Polokwane, Port Elizabeth, Rustenburg
London (UK)

Directors: *B Adam (CEO) CA(SA), A Darnalingam CA(SA), Y.M Hassan CA(SA), B Jhemis CA(SA), *H Kobia CA(SA),
S Makhauru CA(SA), T M Mayet CA(SA), *D R Nchoe CA(SA), P L. Papat CA(SA), *R Rajah CA(SA), K Ramu CA(SA),
M Sanjee CA(SA), Z.Sengra CA(SA), T Theron CA(SA), *E Yuseph CA(SA), H van der Merwe CA(SA)

Associate Directors: Y Amad, L A D Haasen
* Executive Committee

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SAB&T Chartered Accountants Incorporated
Co. Reg no. 1997/018869/21



TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A COMPANY NOT FOR GAIN UNDER SECTION 21 OF THE COMPANIES ACT NUMBER 61 OF 1973)

REPORT OF THE DIRECTORS

for the year ended 30 June 2007

The directors present their report for the year ended 30 June 2007. This report forms part of the financial statements.

1. Principal activities of the company

The principal activities of the company consist of the establishment, support, stimulation and expansion of local economy; job creation and human development in the small, medium and micro enterprise sector.

2. General review

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. During the year under review the financial control system has broken down resulting in the lack of supporting documents relating to certain transactions.

The Company has ceased operations on or about August 2006 and accordingly the Company is not a going concern at the date of this report.

4. Events subsequent to the year end

According to a resolution passed by the Office of the General Manager : Local Economic Development, CENBIS along with three other similar entities will be liquidated. This was to take place on or around the 29th of August 2006, but at the date of this report the process was still not finalised.

5. Directors

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

FJ Smith
K Lefoka (Chairperson)
DS Molepo
LS Mabotja
AF Nel

TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A COMPANY NOT FOR GAIN UNDER SECTION 21 OF THE COMPANIES ACT NUMBER 61 OF 1973)

BALANCE SHEET

as at 30 June 2007

	Notes	2007 R	2006 R
Assets			
Non-current assets			
Property, plant and equipment	2	11 810	30 361
Current assets			
Trade and other receivables		1 840	144 502
Cash and cash equivalents		-	88 588
		1 840	55 914
Total assets		<u>13 650</u>	<u>174 863</u>
Equity and liabilities			
Capital and reserves			
Accumulated loss		(673 079)	(339 359)
Current liabilities			
Trade and other payables	3	686 729	514 222
Total equity and liabilities		<u>13 650</u>	<u>174 863</u>

TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A COMPANY NOT FOR GAIN UNDER SECTION 21 OF THE COMPANIES ACT NUMBER 61 OF 1973)

INCOME STATEMENT

for the year ended 30 June 2007

	Note	2007 R	2006 R
Gross revenue	4	168 510	911 007
Operating costs		<u>502 423</u>	<u>1 169 463</u>
Operating loss	5	(333 913)	(258 456)
Investment income	6	202	128
Finance costs	7	<u>(9)</u>	<u>(16 512)</u>
Loss		<u>(333 720)</u>	<u>(274 840)</u>

TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A
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STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2007

	Accumulated loss R
Balance at 01 July 2005	(64 519)
Net loss for the year	(274 840)
Balance at 01 July 2006	<u>(339 359)</u>
Net loss for the year	<u>(333 720)</u>
Balance at 30 June 2007	<u><u>(673 079)</u></u>

TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A COMPANY NOT FOR GAIN UNDER SECTION 21 OF THE COMPANIES ACT NUMBER 61 OF 1973)

CASH FLOW STATEMENT

for the year ended 30 June 2007

	Notes	2007 R	2006 R
Cash flows from operating activities			
Cash receipts from customers		168 310	1 105 442
Cash paid to suppliers and employees		(222 777)	(1 127 830)
Cash utilised in operating activities	9.1	(54 267)	(22 388)
Interest received		202	128
Interest paid		(9)	(16 512)
Net cash from operating activities		(54 074)	(38 772)
Decrease in cash and cash equivalents		(54 074)	(38 772)
Cash and cash equivalents at beginning of the year	9.2	55 914	94 686
Cash and cash equivalents at end of the year	9.2	1 840	55 914

TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A COMPANY NOT FOR GAIN UNDER SECTION 21 OF THE COMPANIES ACT NUMBER 61 OF 1973)

NOTES TO THE FINANCIAL STATEMENTS

at 30 June 2007

1 Basis of preparation

The financial statements are prepared in accordance with statements of generally accepted accounting practice. The financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment, marketable securities and investment properties where appropriate.

1.1 Property, plant and equipment

All property, plant and equipment are initially recorded at cost and any impairment in value.

Depreciation is calculated on the straight-line method to write off the cost of each asset, or the revalued amounts, to their residual values over their estimated useful lives. The depreciation rates applicable to each category of property, plant and equipment are as follows:

- Kitchen Equipment	16.67 %
- Furniture and fittings	16.67 %
- Office equipment	16.67 %
- Computer equipment	33.33 %

1.2 Taxation

The company is incorporated not for gain and registered under section 21 of the Companies Act, and has applied for tax exemption in terms of section 10(1)(c)(i)(ii) of the Income Tax Act.

2. Property, plant and equipment

	2007			2006		
	Cost / valuation R	Accumulated depreciation R	Carrying value R	Cost / valuation R	Accumulated depreciation R	Carrying value R
<i>Owned assets</i>						
Furniture and fittings	163 501	160 151	3 150	163 301	156 432	6 869
Advertising boards	10 737	10 737	-	10 737	10 737	-
Office equipment	123 136	123 135	1	123 136	123 135	1
Computer equipment	277 612	268 954	8 658	277 612	254 122	23 490
Kitchen equipment	6 038	6 037	1	6 038	6 037	1
	<u>580 824</u>	<u>569 014</u>	<u>11 810</u>	<u>580 824</u>	<u>550 463</u>	<u>30 361</u>

The carrying amounts of property, plant and equipment can be reconciled as follows:

TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A COMPANY NOT FOR GAIN UNDER SECTION 21 OF THE COMPANIES ACT NUMBER 61 OF 1973)

NOTES TO THE FINANCIAL STATEMENTS
at 30 June 2007

2. Property, plant and equipment continued

2006	Carrying value at beginning of year R	Depreciation R	Carrying value at end of year R
<i>Owned assets</i>			
Furniture and fittings	34 091	(27 222)	6 869
Office equipment	3 137	(3 136)	1
Computer equipment	47 068	(23 578)	23 490
Kitchen equipment	276	(275)	1
	<u>84 572</u>	<u>(54 211)</u>	<u>30 361</u>
2007	Carrying value at beginning of year R	Depreciation R	Carrying value at end of year R
<i>Owned assets</i>			
Furniture and fittings	6 869	(3 719)	3 150
Office equipment	1	-	1
Computer equipment	23 490	(14 832)	8 658
Kitchen equipment	1	-	1
	<u>30 361</u>	<u>(18 551)</u>	<u>11 810</u>

The property, plant and equipment is in the possession of The City of Tshwane.

	2007 R	2006 R
3. Trade and other payables		
Trade and other payables consist of :		
Estimated salaries and wages claims	246 297	23 862
RSC Levies Provision	14 095	14 095
SARS - PAYE, UIF and SDL	49 569	-
Sundry creditors	28 098	36 947
SARS - VAT	348 670	439 318
	<u>686 729</u>	<u>514 222</u>

4. Gross revenue

The company's turnover includes invoiced sales in respect of services rendered, exclusive of VAT.

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NOTES TO THE FINANCIAL STATEMENTS

at 30 June 2007

	2007 R	2006 R
5. Operating loss		
Operating loss is stated after:		
Expenditure:		
Depreciation		
- Property, plant and equipment	18 551	54 211
Research and development	-	770
	<u>18 551</u>	<u>54 981</u>
6. Investment income		
Interest income		
- Interest received	202	128
	<u>202</u>	<u>128</u>
7. Finance costs		
Bank overdrafts and acceptances	9	40
Other	-	16 472
	<u>9</u>	<u>16 512</u>
8. Taxation		
No provision has been made for 2007 taxation as the company is incorporated under section 21 of the Companies Act, and has applied for tax exemption in terms of section 10(1)(cB)(i)(ff) of the Income Tax Act.		
9. Notes to the cash flow statement		
9.1 Cash utilised in operating activities		
Net loss	(333 720)	(274 840)
Adjustments for:		
Depreciation	18 551	54 211
Investment income	(202)	(128)
Finance costs	9	16 512
	<u>(315 362)</u>	<u>(204 245)</u>
Movements in working capital		
Decrease in accounts receivable	88 588	167 382
Increase in accounts payable	172 507	14 475
	<u>(54 267)</u>	<u>(22 388)</u>
9.2 Cash and cash equivalents		
Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:		
Cash and cash equivalents	<u>1 840</u>	<u>55 914</u>

TSHWANE CENTRE FOR BUSINESS INFORMATION AND SUPPORT (INCORPORATED AS A COMPANY NOT FOR GAIN UNDER SECTION 21 OF THE COMPANIES ACT NUMBER 61 OF 1973)

DETAILED INCOME STATEMENT
for the year ended 30 June 2007

	2007 R	2006 R
Gross revenue		
Sales	168 510	911 007
Other income		
Interest received	202	128
Total income	<u>168 712</u>	<u>911 135</u>
Expenditure	502 432	1 185 975
Accounting and audit fees	43 882	4 141
Bank charges	5 816	8 406
Computer expenses	-	1 237
Consulting fees	-	160 474
Depreciation	18 551	54 211
Interest	9	16 512
Legal expenses	-	1 956
Management fees paid	2 500	74 379
Printing and stationery	-	6 846
Project Expenses - Atteridgeville	-	7 477
RSC Levies	-	6 870
Salaries	411 923	731 708
Skills Development Levy	-	770
Staff welfare	-	1 686
Telephone and fax	19 751	109 302
Loss	<u>(333 720)</u>	<u>(274 840)</u>
Accumulated loss at beginning of year	<u>(339 359)</u>	<u>(64 519)</u>
Accumulated loss at end of year	<u><u>(673 079)</u></u>	<u><u>(339 359)</u></u>