

VUSUMNOTFO

Registration number: RT/7979

ANNUAL FINANCIAL STATEMENTS

31 DECEMBER 2011

VUSUMNOTFO
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2011

GOVERNANCE

NATURE OF ACTIVITIES

Not for Profit Organisation

BOARD OF GORVENANCE

E Ndwandwe - Chairman
T Nsingwane - Secretary
M Gama - Vice Secretary
M E Mncina - Treasurer
C Magagula
J Khumalo
G Zulu

POSTAL ADDRESS

P O Box 229
Piggs Peak

AUDITORS

Synergy
Chartered Accountants (Swaziland)

VUSUMNOTFO

ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2011

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Donor expenditure per year	Attached

VUSUMNOTFO

STATEMENT OF GOVERNANCE'S RESPONSIBILITY

for the year ended 31 December 2011

The governance is responsible for the preparation and fair presentation of the annual financial statements of Vusumnotfo, comprising the statement of financial position at 31 December 2011, and the statements of comprehensive income, changes in reserves and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the governance's report, in accordance with the accounting policies as detailed in Note 1.

The governance is also responsible for such internal control as the governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these financial statements.

The governance have made an assessment of the ability of the organisation to continue as going concern and have no reason to believe that the activities will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The financial statements which appear on pages 6 to 16 were approved by the board of governance on 4 February 2012 and signed on their behalf by

CHAIRPERSON

TREASURER

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VUSUMNOTFO

We have audited the financial statements of Vusumnotfo, which comprise the statement of financial position at 31 December 2011, and the statements of comprehensive income and changes in reserves for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, and the governance' report , as set out on pages 6 to 13.

Management responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting policies, and for such internal control as the governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free of 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 judgment, 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 the directors, 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 opinion.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
VUSUMNOTFO**

Audit opinion

In our opinion, the financial statements fairly present, in all material respects, the financial position of the organisation at 31 December 2011 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies as detailed in Note 1.

Chartered Accountants (Swaziland)
Auditors
4 February 2012

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GOVERNANCE'S REPORT

for the year ended 31 December 2011

The governance present their annual report which forms part of the audited annual financial statements of the organisation for the year ended 31 December 2011.

NATURE OF ACTIVITIES

Vusumnotfo - meaning "to restart the economy" - is a Swazi, community-based, training and support organization- formed by eighteen Chiefdoms of northern Swaziland. These Chiefdoms envisage a community empowered and willing to improve their social, economic, and environmental conditions at community level - Vusumnotfo's mission, therefore, is to support the development of the community capacity necessary to do so.

GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

POST BALANCE SHEET EVENTS

The governance is not aware of any matter or circumstance arising since the end of the financial year.

FINANCIAL RESULTS

The results of the organisation are set out in the annexed financial statements.

GOVERNANCE

There were no changes to the governance during the year under review.

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STATEMENT OF FINANCIAL POSITION

as at 31 December 2011

	Notes	2011 SZL	2010 SZL
ASSETS			
		2 182 179	2 279 997
Grants and services fees receivable	2	2 004 421	1 384 753
Cash and cash equivalents	3	177 758	895 244
		<hr/>	<hr/>
		2 182 179	2 279 997
		<hr/> <hr/>	<hr/> <hr/>
RESERVES AND LIABILITIES			
RESERVES			
		222 786	245 718
Unrestricted funds		28 415	22 165
Committed funds	6	194 371	223 553
		<hr/>	<hr/>
LIABILITIES			
		1 959 393	2 034 279
Grants and services fees unspent	5	1 620 780	1 795 832
Other liabilities	4	338 613	238 446
		<hr/>	<hr/>
		2 182 179	2 279 997
		<hr/> <hr/>	<hr/> <hr/>

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STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2011

	2011		2010	
	SZL	SZL	SZL	SZL
INCOME				
0004/00 - Grants & Services Fees		1 081 228		1 072 148
OTHERINCOME				
		341 569		322 558
0001/00 - Interest Received	7 990		12 038	
0002/00 - In-Kind Contributions	271 858		225 127	
0003/00 - V/Unrestricted Sources	61 721		85 393	
		<hr/>	<hr/>	
		1 422 797		1 394 706
OPERATION EXPENSES				
		(1 445 728)		1 397 393
0100/00 - Personal Costs	328 251		365 733	
0200/00 - V/Personnel Development	44 824		19 299	
0300/00 - Central Costs	118 915		132 759	
0400/00 - Monitoring & Evaluation	29 288		26 819	
0500/00 - Transport & Travel	194 787		173 468	
0600/00 - C/Demo/Resource site (Asset R)	53 610		51 701	
0700/00 - C/Training - Vus area	219 855		236 178	
0800/00 - C/Project Support - Vus area	374 478		304 166	
0900/00 - V/Visibility & sharing	81 721		87 271	
		<hr/>	<hr/>	
(DEFICIT) FOR THE YEAR		(22 932)		(2 687)
		<hr/> <hr/>	<hr/> <hr/>	

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STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2011

	Committed Funds SZL	Unrestricted Funds SZL	Total SZL
Balance at 31 December 2009	205 724	42 681	248 405
Deficit for the year	-	(2 687)	(2 687)
Movement	17 829	(17 829)	-
Balance at 31 December 2010	223 553	22 165	245 718
Deficit for the year	-	(22 932)	(22 932)
Movement	(29 182)	29 182	-
Balance at 31 December 2011	194 371	28 415	222 786

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

31 December 2011

1 ACCOUNTING POLICIES

1.1 *Consistency*

The financial statements have been prepared on a basis consistent with the previous year and accounting policies not referred to do not depart from accepted accounting bases. Where changes have been made to accounting policies in the current year, the prior year figures have been restated to give effect to these changes.

1.2 *Property, plant and equipment*

Assets are fully expensed the same year they are bought, there-after tracked at management level.

1.3 *Financial instruments*

Financial instruments recognised on the balance sheet include trade recoverable and trade creditors.

Liquidity risk

The organization has minimized its liquidity risk by ensuring that it has adequate banking facilities, in addition to its designated reserves and committed funds policy.

Fair value

The governance are of the opinion that the book value of financial instruments approximates fair value.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 December 2011

1 ACCOUNTING POLICIES (continued)

1.4 *Provisions*

Provisions are recognised where the company has a present legal or constructive obligation as a result of a past event, a reliable estimate of the obligation can be made and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation.

1.5 *Vusumnotfo unrestricted income*

Income is formed by bank interest received, and unrestricted sources (which are disposals, donations, volunteer fees, grant/service fee management, activity fees, administration (internal), and garden related produce).

1.6 *In-Kind contributions*

In-kind funds are recognized in situations whereby due to the sponsors policies, funds that Vusumnotfo was involved in securing - either for organizational activities or community activities - do not pass through Vusumnotfo accounts.

1.7 *Foreign currencies*

Agreements in foreign currencies are reflected on the accounts at an estimated Swaziland Lilangeni (SZL) rate, and then adjusted to actual exchange rates as instalments are received.

1.8 *Grants and service fee*

Donor agreements are reflected in the statement of financial position as accounts receivable. Donor agreements are again reflected in the statement of financial position as liabilities, adjusted by that year's expenses specific to each donor.

1.9 *Allocation of expenses*

Vusumnotfo's accounting system is set up to report on donor expenses specific to each donor (Customer) and each line item required by that donor (Job) as indicated in project agreements (which is a standard requirement for the majority of Vusumnotfo's donors).

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
31 December 2011

	2011 SZL	2010 SZL
2 GRANTS AND SERVICES FEES RECEIVABLE		
48/08 - SAHEE/Water manual	14 674	61 772
54/09 - EU & GA/Food Security	1 287 981	1 287 981
76/11 - OSISA/Grant#3812	700 000	-
3100/02 - Advances	1 766	35 000
	<hr/>	<hr/>
	2 004 421	1 384 753
	<hr/> <hr/>	<hr/> <hr/>
3 BANK AND CASH BALANCES		
Maize Collection Bank Account- Zone 1	31 625	31 426
Vusumnotfo Bank Account- Call	125 467	802 237
Vusumnotfo Bank Account- Current	20 062	59 926
Imprest	604	1 655
	<hr/>	<hr/>
	177 758	895 244
	<hr/> <hr/>	<hr/> <hr/>
4 OTHER LIABILITIES		
Contractual/Statutory	69 270	64 064
Designated Reserves	221 212	126 451
Provisions	16 506	16 506
Trustee Funds	31 625	31 426
	<hr/>	<hr/>
	338 613	238 446
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 December 2011

	2011 SZL	2010 SZL
5 GRANTS AND SERVICES UNSPENT		
39/06 - OSISA/Integrated ECD (Agreement in US \$)	-	146 219
48/08 - SAHEE/Water manual (Agreement in Swiss)	53 218	81 360
54/09 - EU & GA/Food security (Agreement in Euro)	860 416	1 568 253
75/11 - Hertfordshire Scouts/PDC	7 146	-
76/11 - OSISA/Grant#3812 (Agreement in US \$)	700 000	-
	<hr/>	<hr/>
	1 620 780	1 795 832
	<hr/> <hr/>	<hr/> <hr/>
6 COMMITTED FUNDS		
9200/10 - 1) Organisational	120 140	130 026
9200/20 - 2) C/Demo & Resource Site	38 324	29 746
9200/30 - 3) ECC Programme	24 036	36 892
9200/50 - 4) Home Development Programme	12 720	27 398
9200/80 - 5) Social/Civil society	(850)	(510)
	<hr/>	<hr/>
	194 371	223 553
	<hr/> <hr/>	<hr/> <hr/>

7 TAXATION

The foundation is exempt from normal taxation in terms of Section 12 (1) (a) (vii) of the Income Tax Order 1975, as amended.

8 RETIREMENT BENEFIT INFORMATION

Due to the nature of fund raising the organization does not contribute to any major pension on behalf of its employees. However, gratuity and staff development are part of the contract package. Swaziland National Provident Fund is statutory, and therefore contributed to.