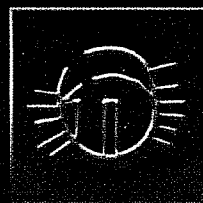


Centre of Hope
(Registration number 038-396-NPO)
Financial statements
for the year ended October 31, 2006



SizweNtsaluba vSP

est. 1985

Centre of Hope
(Registration number 038-396-NPO)
Financial statements
for the year ended October 31, 2006

SizweNtsaluba VSP
Issued December 14, 2007

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Non profit organisation
Directors	AJS Wiggins (Chairperson, board of directors) E Arendse A Wilson MA le Fleur
Registered office	Cnr. Adam Tas and Drake Roads Extension 13 Belhar 7493
Business address	Cnr. Adam Tas and Drake Roads Extension 13 Belhar 7493
Postal address	P.O Box 10006 Belhar 7507
Bankers	ABSA Bank
Auditors	SizweNtsaluba VSP
Company registration number	038-396-NPO

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

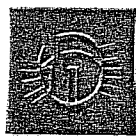
Index

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

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Report of the Independent Auditors	3 - 4
Directors' Responsibilities and Approval	5
Directors' Report	6
Balance Sheet	7
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Statement of Changes in Equity	9
Cash Flow Statement	10
Accounting Policies	11
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The following supplementary information does not form part of the financial statements and is unaudited:

Detailed Income statement	13 - 14
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SizweNtsaluba vsp

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www.sizwentsaluba.co.za

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CENTRE OF HOPE

We have audited the annual financial statements of the Centre of Hope which comprise the balance sheet as at 31 October 2006, the income statement, the statement of changes in equity, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The entity's management are responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 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 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 financial statement presentation.

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

Qualification

In common with similar organizations, it is not feasible for the organization to institute accounting controls over cash collections from donations prior to initial entry of the collections in the accounting records. Accordingly it was impractical for us to extend our examination beyond receipts actually reported.

A member firm of Morison International

Partners: Aaron Mthimunye, Andrew Maralack, Andrew Mashifane, Anoosh Rooplal, Charmaine Jugnarayan, Dirk Steyn, Hale Qangule, Johann Strauss, Luthando Saunders, Luyanda Dudumashe, Natalie Arendse, Rakesh Bhika, Siphon Sono, Suleman Lockhat, Tapiwa Njikizana, Theodore Josias, Victor Sekese (CEO), Zaheeda Bashir

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 organization as at 31 October 2006 and of its financial performance and its cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice.

Supplementary Schedule

We draw attention to the fact that the supplementary information set out on pages 13 and 14 does not form part of the annual financial statements and is presented as additional information. We have not audited this schedule and accordingly we do not express an opinion on it.

Sizwe Ntsaluba VSP

Sizwe Ntsaluba VSP
Partner: Natalie Arendse
Registered Auditor

14 December 2007

8th Floor
No.1 Thibault Square
Long Street
Cape Town

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

Directors' Responsibilities and Approval

The entity's management are required to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the financial statements.

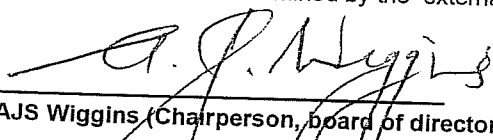
The financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

Management acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the management to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

Management are of the opinion that the system of internal control provides reasonable assurance that the financial records and may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

Although the board of directors are primarily responsible for the financial affairs of the entity, they are supported by the external auditors.

The external auditors are responsible for independently reviewing and reporting on the financial statements. The financial statements have been examined by the external auditors and their report is presented on pages 3 and 4.


AJS Wiggins (Chairperson, board of directors)

14 December 2007
Cape Town

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

Directors' Report

The directors submit their report for the year ended October 31, 2006.

1. Review of activities

Main business and operations

The entity is a non profit organisation and operates principally in South Africa.

The operating results and state of affairs of the entity are fully set out in the attached financial statements and do not in our opinion require any further comment.

Net profit of the company was R 15,595 (2005: profit R 3,615).

2. Going concern

The 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.

The ability of the entity to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the entity.

3. Post balance sheet events

The directors are not aware of any matter or circumstance arising since the end of the financial year.

4. Directors

The directors of the company during the year and to the date of this report are as follows:

Name

AJS Wiggins (Chairperson, board of directors)

E Arendse

A Wilson

MA le Fleur

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

Balance Sheet

Figures in Rand	Note(s)	2006	2005
Assets			
Current Assets			
Cash and cash equivalents	2	19,210	3,615
Total Assets		19,210	3,615
Equity and Liabilities			
Equity			
Retained surplus		19,210	3,615
Total Equity and Liabilities		19,210	3,615

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

Income Statement

Figures in Rand	Note(s)	2006	2005
Collections		62,700	23,351
Operating expenses		(47,105)	(19,736)
Operating surplus		15,595	3,615
Surplus for the year		15,595	3,615

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at November 1, 2004	-	-
Changes in equity		
Surplus for the year	3,615	3,615
Total changes	3,615	3,615
Balance at November 1, 2005	3,615	3,615
Changes in equity		
Surplus for the year	15,595	15,595
Total changes	15,595	15,595
Balance at October 31, 2006	19,210	19,210
Note(s)		

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

Cash Flow Statement

Figures in Rand	Note(s)	2006	2005
Cash flows from operating activities			
Cash generated from operations		15,595	3,615
Total cash movement for the year		15,595	3,615
Cash at the beginning of the year		3,615	-
Total cash at end of the year	2	19,210	3,615

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

1.1 Financial instruments

Initial recognition

The entity classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the entity's balance sheet when the entity becomes party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

Notes to the Financial Statements

Figures in Rand	2006	2005
2. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	19,210	3,615

3. Taxation

No provision has been made for 2006 tax as the entity is exempt from tax.

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

Detailed Income statement

Figures in Rand	Note(s)	2006	2005
Other income			
Fees earned		5,863	3,969
Collections		56,837	19,382
		62,700	23,351
Expenses (Refer to page 14)			
		(47,105)	(19,736)
Surplus for the year		15,595	3,615

Centre of Hope

(Registration number 038-396-NPO)

Financial Statements for the year ended October 31, 2006

Detailed Income statement

Figures in Rand	Note(s)	2006	2005
Operating expenses			
Bank charges		(629)	-
Consumables		(13,004)	(8,075)
Donations		(1,128)	-
Fund raiser costs		(1,566)	-
Refunds		(800)	-
Catering		(368)	-
Craft material		(508)	-
School Holiday Programmes		(2,078)	-
HIV/AIDS Awareness		(177)	-
Television		(225)	-
Senior's initiatives		(5,023)	(3,086)
Rentals		(7,589)	-
Rates		(2,173)	(379)
Prisoner initiatives		-	(800)
Printing and stationery		(121)	-
Subscriptions		(980)	(210)
Telephone and fax		(1,056)	-
Training		(280)	-
Transport and freight		(9,400)	(3,555)
Utilities		-	(3,631)
		(47,105)	(19,736)