# Bergzicht Training NPC

(Registration number 1992/006838/08)
Annual Financial Statements
for the year ended 31 December 2015

EXCEED®

CHARTERED ACCOUNTANTS (SA)

## General Information

| | |
|---|---|
| **Nature of business and principal activities** | To provide training for unskilled and semi-skilled unemployed people |
| **Directors** | JC de Villiers<br>A van den Heever<br>A Anthony<br>M Ungerer<br>AD Simons<br>NST Motjuwadi<br>JF Smith<br>D Lombaard<br>KMV Harris |
| **Registered office** | 107 Dorp Street<br>STELLENBOSCH<br>7600 |
| **Business address** | c/o Bird & Merriman Streets<br>STELLENBOSCH<br>7600 |
| **Postal address** | PO Box 985<br>STELLENBOSCH<br>7599 |
| **Bankers** | ABSA Bank Limited |
| **Tax reference number** | 9050279026 |
| **Level of assurance** | These annual financial statements have been independently reviewed in compliance with the applicable requirements of the Companies Act of South Africa. |
| **Preparer** | The annual financial statements were independently compiled by:<br>DJC Koegelenberg<br>Chartered Accountant (S.A.) |
| **Published** | 25 January 2016 |
| **PBO Number** | 930-003-037 |

# Index

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



The following supplementary information does not form part of the annual financial statements:

## Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company 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 the International Financial Reporting Standard for Small and Medium-sized Entities.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2016 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The independent reviewers is responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's independent reviewers and their report is presented on pages 4 to 5.

The annual financial statements set out on pages 6 to 16, which have been prepared on the going concern basis, were approved by the board of directors on 26 May 2016 and were signed on its behalf by:

**Director**

**Director**

# Independent Reviewers' Report

**To the members of Bergzicht Training NPC**

**Report on the Financial Statements**

We have reviewed the annual financial statements of Bergzicht Training NPC, that comprise the statement of financial position as at 31 December 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 7 to 16.

**Directors' Responsibility for the Annual Financial Statements**

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors' determine necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

**Independent Reviewers' Responsibility**

Our responsibility is to express a conclusion on the annual financial statements based on our review. We conducted our review in accordance with International Standards on Review Engagements (ISRE) 2400, Engagements to Review Financial Statements. ISRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the annual financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 consists primarily of making inquiries of management and others within the entity involved in financial and accounting matters, applying analytical procedures, and evaluating the sufficiency and appropriateness of evidence obtained.

A review also requires performance of additional procedures when the practitioner becomes aware of matters that cause the practitioner to believe the annual financial statements as a whole may be materially misstated.

We believe that the evidence we obtained in our review is sufficient and appropriate to provide a basis for our conclusion.

The procedures performed in a review engagement are substantially less than those performed in an audit conducted in accordance with International Standard on Auditing. Accordingly, we do not express an audit opinion on these annual financial statements.

**Basis for Qualified Conclusion**

Donations are a significant source of fundraising revenue for the organisation. The members have determined that it is impracticable to establish internal controls over the collection of donations prior to the initial entry into its financial records. We were therefore unable to confirm whether all donations in the form of cash or capital in nature, were recorded.

**Qualified Conclusion**

In our conclusion, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, the financial statements present fairly, in all material respects, the financial position Bergzicht Training NPC for the year ended 31 December 2015 and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

**Supplementary information**

The supplementary information set out on pages 17 and 18, does not form part of the annual financial statements and is presented as additional information. We have not reviewed the supplementary information and accordingly we do not express an opinion thereon.

**Other reports required by the Companies Act**

As part of our independent review of the financial statements for the year ended 31 December 2015, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between this report and the reviewed 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 reviewed financial statements. However, we have not reviewed the Directors' Report and accordingly do not express a conclusion thereon.

Exceed (Cape Town) Inc

**Exceed (Cape Town) Incorporated**
**Director: IS van Rooyen**
**Chartered Accountant (S.A.)**
**Somerset-West**

**Date:** 26/05/2016

# Directors' Report

The directors submit their report for the year ended 31 December 2015.

## 1. Review of activities

**Main business and operations**

The company to provide training for unskilled and semi-skilled unemployed people and operates principally in South Africa.

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

## 2. Events after the reporting period

No matter which is material to the financial affairs of the company has occurred between 31 December 2015 and the date of this report for which the applicable financial reporting framework requires adjustments or disclosures.

## 3. Directors

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

Name
JC de Villiers
A van den Heever
A Anthony
M Ungerer
AD Simons
NST Motjuwadi
JF Smith
D Lombaard
KMV Harris

## 4. Property, plant and equipment

There were no major changes to property, plant and equipment during the year under review or any change in the policy relating to their use.

## 5. Reviewers

Exceed (Cape Town) Incorporated will continue in office in accordance with section 90(6) of the Companies Act.

# Statement of Financial Position

| | Note(s) | 2015 R | 2014 R |
|---|---|---|---|
| **Assets** | | | |
| **Non-Current Assets** | | | |
| Property, plant and equipment | 2 | 21 189 | 41 996 |
| **Current Assets** | | | |
| Trade and other receivables | 3 | 36 697 | 49 135 |
| Cash and cash equivalents | 4 | 2 632 395 | 2 090 238 |
| | | **2 669 092** | **2 139 373** |
| **Total Assets** | | **2 690 281** | **2 181 369** |
| **Equity and Liabilities** | | | |
| **Equity** | | | |
| Capital | 5 | 28 031 | 28 031 |
| Accumulated surplus | | 1 711 011 | 941 492 |
| | | **1 739 042** | **969 523** |
| **Liabilities** | | | |
| **Current Liabilities** | | | |
| Current tax payable | | 6 227 | - |
| Trade and other payables | 6 | 284 774 | 550 204 |
| Provisions | 7 | 660 238 | 661 642 |
| | | **951 239** | **1 211 846** |
| **Total Equity and Liabilities** | | **2 690 281** | **2 181 369** |

## Statement of Comprehensive Income

| | Note(s) | 2015 R | 2014 R |
|---|---|---|---|
| Receipts | 8 | 2 721 125 | 2 595 900 |
| Other income | | 297 767 | 227 341 |
| Operating expenses | | (2 356 712) | (2 929 603) |
| **Operating surplus** | 9 | **662 180** | **(106 362)** |
| Investment income | 10 | 113 566 | 84 167 |
| Finance costs | | - | (1) |
| **Surplus (deficit) before taxation** | | **775 746** | **(22 196)** |
| Taxation | 11 | (6 227) | - |
| **Surplus (deficit) for the year** | | **769 519** | **(22 196)** |

## Statement of Changes in Equity

| | Capital<br>R | Accumulated surplus<br>R | Total equity<br>R |
|---|---|---|---|
| **Balance at 01 January 2014** | **28 031** | **963 688** | **991 719** |
| Deficit for the year | - | (22 196) | (22 196) |
| Total changes | - | (22 196) | (22 196) |
| **Balance at 01 January 2015** | **28 031** | **941 492** | **969 523** |
| Surplus for the year | - | 769 519 | 769 519 |
| Total changes | - | 769 519 | 769 519 |
| **Balance at 31 December 2015** | **28 031** | **1 711 011** | **1 739 042** |
| Note | 5 | | |

## Statement of Cash Flows

| | Note(s) | 2015 R | 2014 R |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash receipts | | 2 620 380 | 2 569 601 |
| Cash paid to suppliers and employees | | (2 191 789) | (1 473 416) |
| Cash generated from operations | 12 | 428 591 | 1 096 186 |
| Investment income received | | 113 566 | 84 167 |
| Finance costs | | - | (1) |
| **Net cash from operating activities** | | **542 157** | **1 180 352** |
| **Total cash movement for the year** | | **542 157** | **1 180 352** |
| Cash at the beginning of the year | | 2 090 238 | 909 887 |
| **Total cash at end of the year** | 4 | **2 632 395** | **2 090 239** |

# Accounting Policies

## 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

### 1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

**Financial assets measured at cost and amortised cost**

The company assesses its financial assets measured at cost and amortised cost for impairment at each reporting period date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

**Impairment testing**

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of entity specific variables, together with economic factors such as inflation and interest.

**Taxation**

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

### 1.2 Property, plant and equipment

Property, plant and equipment are tangible items that:
- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

| Item | Average useful life |
|---|---|
| Furniture and fixtures | 10 |
| Computer equipment | 3 |
| Computer software | 2 |
| Office furniture | 5 |
| Training equipment | 5 |

# Accounting Policies

### 1.2 Property, plant and equipment (continued)

The residual value, depreciation method and the useful life of each asset are reviewed at each annual reporting period if there are indicators present that there is a change from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item and have significantly different patterns of consumption of economical benefits is depreciated separately over its useful life.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in surplus or deficit in the period.

### 1.3 Financial instruments

**Financial instruments at amortised cost**

Financial instruments may be designated to be measured at amortised cost less any impairment using the effective interest method. These include trade and other receivables, loans and trade and other payables. At the end of each reporting period date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

### 1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

**Operating leases - lessor**

Operating lease income is recognised as an income on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

**Operating leases – lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. This liability is not discounted.

### 1.5 Impairment of assets

The company assesses at each reporting period date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

### 1.6 Employee benefits

**Short-term employee benefits**

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

# Accounting Policies

### 1.7 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in surplus or defciit, using the effective interest rate method.

### 1.8 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

## Notes to the Annual Financial Statements

| | 2015 R | 2014 R |
|---|---|---|

### 2. Property, plant and equipment

| | 2015 | | | 2014 | | |
|---|---|---|---|---|---|---|
| | **Cost** | **Accumulated depreciation** | **Carrying value** | **Cost** | **Accumulated depreciation** | **Carrying value** |
| Furniture and fixtures | 161 519 | (150 315) | 11 204 | 161 519 | (147 562) | 13 957 |
| Computer equipment | 147 893 | (147 367) | 526 | 159 213 | (158 047) | 1 166 |
| Computer software | 16 668 | (16 658) | 10 | 5 348 | (5 344) | 4 |
| Office furniture | 246 120 | (245 099) | 1 021 | 246 120 | (238 531) | 7 589 |
| Training equipment | 138 705 | (130 277) | 8 428 | 138 705 | (119 425) | 19 280 |
| **Total** | **710 905** | **(689 716)** | **21 189** | **710 905** | **(668 909)** | **41 996** |

**Reconciliation of property, plant and equipment - 2015**

| | **Opening balance** | **Depreciation** | **Total** |
|---|---|---|---|
| Furniture and fixtures | 13 957 | (2 753) | 11 204 |
| Computer equipment | 1 166 | (640) | 526 |
| Computer software | 4 | 6 | 10 |
| Office furniture | 7 589 | (6 568) | 1 021 |
| Training equipment | 19 280 | (10 852) | 8 428 |
| | **41 996** | **(20 807)** | **21 189** |

### 3. Trade and other receivables

| | 2015 | 2014 |
|---|---|---|
| Trade receivables | 210 | 210 |
| Deposits | 1 000 | 1 000 |
| Value Added Tax | 35 487 | 47 925 |
| | **36 697** | **49 135** |

### 4. Cash and cash equivalents

Cash and cash equivalents consist of:

| | 2015 | 2014 |
|---|---|---|
| Cash on hand | 3 024 | 2 745 |
| Bank balances | 2 629 371 | 2 087 493 |
| | **2 632 395** | **2 090 238** |

### 5. Capital

| | 2015 | 2014 |
|---|---|---|
| Capital donations received | 28 031 | 28 031 |

### 6. Trade and other payables

| | 2015 | 2014 |
|---|---|---|
| Trade payables | 284 774 | 176 625 |
| Other payables | - | 373 579 |
| | **284 774** | **550 204** |

# Notes to the Annual Financial Statements

| | 2015 R | 2014 R |
|---|---|---|

## 7. Provisions

**Reconciliation of provisions - 2015**

| | Opening balance | Additions | Utilised during the year | Total |
|---|---|---|---|---|
| Claims | 594 142 | - | - | 594 142 |
| Employee bonus | 67 500 | 66 096 | (67 500) | 66 096 |
| | **661 642** | **66 096** | **(67 500)** | **660 238** |

## 8. Revenue

| | 2015 R | 2014 R |
|---|---|---|
| Donations | 2 721 125 | 2 595 900 |

## 9. Operating surplus

Operating surplus for the year is stated after accounting for the following:

| | 2015 R | 2014 R |
|---|---|---|
| Loss on sale of property, plant and equipment | - | (4 577) |
| Depreciation on property, plant and equipment | 20 807 | 30 504 |
| Employee costs | 1 388 838 | 1 153 810 |

## 10. Investment income

| | 2015 R | 2014 R |
|---|---|---|
| **Interest revenue** | | |
| Bank | 113 566 | 84 167 |

## 11. Taxation

Provision for non-exempt income above R200 000. The company is exempt from Income tax in terms of Section 10(1)(cN) of the Income Tax Act no 58 of 1962.

## 12. Cash generated from operations

| | 2015 R | 2014 R |
|---|---|---|
| Surplus before taxation | 775 746 | (22 196) |
| **Adjustments for:** | | |
| Depreciation | 20 807 | 30 504 |
| Loss on sale of assets | - | 4 577 |
| Interest received | (113 566) | (84 167) |
| Finance costs | - | 1 |
| Movements in provisions | (1 404) | 661 642 |
| **Changes in working capital:** | | |
| Trade and other receivables | 12 438 | (26 296) |
| Trade and other payables | (265 430) | 532 121 |
| | **428 591** | **1 096 186** |

# Notes to the Annual Financial Statements

| | 2015 R | 2014 R |
|---|---|---|

### 13. Related parties

**Relationships**

| | |
|---|---|
| Members of key management | JC de Villiers<br>A Anthony<br>A van Den Heever<br>M Ungerer<br>AD Simons<br>NST Motjuwadi<br>JF Smith<br>D Lombaard<br>KMV Harris |

**Related party transactions**

| | 2015 R | 2014 R |
|---|---|---|
| **Computer expenses** | | |
| AD Simons | 2 250 | - |

### 14. Directors' remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year (2014: Rnil).

### 15. Contingencies

a Donor claimed that a donation, that was made in 2010, was not used by Bergzicht Training NPC for the purpose as agreed when the donation was made.

The donor claims a refund of the amount that was not spend for the purpose for which it was intended.

The amount of the original donation that is in dispute is R 594 142. An amount of R594 142 has been provisioned for in the prior year - refer note 7.

## Detailed Statement of Comprehensive Income

| | Note | 2015<br>R | 2014<br>R |
|---|---|---|---|
| **Revenue** | | | |
| Donations | | 2 721 125 | 2 595 900 |
| **Other income** | | | |
| Rental income | | 254 885 | 179 999 |
| Tuition fees and registrations | | 21 052 | 20 915 |
| Sundry income | | 21 830 | 26 427 |
| Interest received | | 113 566 | 84 167 |
| | | **411 333** | **311 508** |
| **Operating expenses** | | | |
| Accounting fees | | 135 372 | 5 656 |
| Reviewer's remuneration | | 8 000 | 7 410 |
| Bank charges | | 10 916 | 10 037 |
| Cleaning materials | | 4 976 | 1 293 |
| Computer expenses | | 18 887 | 18 337 |
| Depreciation | | 20 807 | 30 504 |
| Diploma ceremony | | 5 157 | 5 303 |
| Donations | | - | 594 142 |
| Electricity, water and gas | | 26 054 | 91 284 |
| Entertainment | | - | 2 879 |
| Petty cash deficit | | 1 349 | - |
| Insurance | | 47 297 | 19 927 |
| Marketing and advertising | | 10 513 | 732 |
| Fines and penalties | | 12 898 | - |
| Loss on disposal of assets | | - | 4 577 |
| Printing and stationery | | 52 848 | 65 015 |
| Promotions | | - | 4 200 |
| Repairs and maintenance | | 43 376 | 28 232 |
| Rent paid | | 105 377 | 100 997 |
| Security | | 98 612 | 55 422 |
| Student allowances | | 18 107 | 82 549 |
| Course expenses | | 298 123 | 565 614 |
| Salaries and wages | | 1 388 838 | 1 153 810 |
| Staff welfare | | 5 994 | 4 526 |
| Subscriptions | | 9 667 | 7 225 |
| Telephone and postage | | 33 544 | 38 755 |
| Transport and freight | | - | 26 251 |
| Travelling expenses | | - | 4 926 |
| | | **(2 356 712)** | **(2 929 603)** |
| **Operating surplus** | | **775 746** | **(22 195)** |
| Finance costs | | - | (1) |
| **Surplus/ (deficit) before taxation** | | **775 746** | **(22 196)** |
| Taxation | 11 | 6 227 | - |
| **Surplus/ (deficit) for the year** | | **769 519** | **(22 196)** |

## Bergzicht Training NPC
(Tax registration number 9050279026)
(Registration number 1992/006838/08)
Annual Financial Statements for the year ended 31 December 2015

# Tax Computation

| | 2015<br>R |
|---|---|
| Gross taxable income | 222 240 |
| **Permanent differences (Non-deductable/Non taxable items)** | |
| Exclusion | (200 000) |
| **Taxable income for 2015** | **22 240** |
| **Tax thereon @ 28% in the Rand** | **6 227** |
| **Reconciliation of tax balance** | |
| **Tax owing/(prepaid) for the current year:** | |
| **Normal tax** | |
| Per calculation | 6 227 |
| **Amount owing/(prepaid) at the end of year** | **6 227** |