

BEAUTIFUL GATE MINISTRY

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BERGVLIEF, 7864 RSA

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BEAUTIFUL GATE SOUTH AFRICA

(Reg no: 005-086 NPO)

An Association Established under

"THE NONPROFIT ORGANISATIONS ACT 1997"

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

George W Cloete
Chartered Accountant (SA)
Registered Auditor
Box 349
Bergvlief, 7864

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The following supplementary statement does not form part of the financial statements and is unaudited

Detailed income statement

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ADMINISTRATION

Board Members

T. Brouwer - (Chairperson)
R.B. Couves - (Treasurer)
R. Wood - (Secretary)
A. Brouwer
S. Farrell
T. Rulumeni
V. Stannard
E. Majiza

Postal address

P.O.Box 263
Muizenberg
7950

Bankers

Standard Bank

Auditor

George W Cloete
PO Box 404
Maitland
7404

CHAIRPERSON'S REPORT

The annual financial statements on pages 3 to 7 have been approved by the board and are signed on its behalf by:

CHAIRPERSON
15 August 2010

GEORGE W CLOETE
CHARTERED ACCOUNTANT (SA)
REGISTERED AUDITOR

10 Station Road
Maitland
7405

PO Box 404
Maitland
7864

GEORGE W CLOETE (S.A.)
PRACTICE NO 950262

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**REPORT OF THE INDEPENDENT AUDITOR TO THE BOARD AND MEMBERS OF
BEAUTIFUL GATE SOUTH AFRICA**

I have audited the annual financial statements of Beautiful Gate South Africa at 31 March, 2010 and for the year then ended, set out on pages 3 to 7. These financial statements are the responsibility of the members of the Board of Beautiful Gate South Africa. My responsibility is to report on these financial statements based on my audit.

Scope

I conducted my audit in accordance with statements of South African Auditing Standards. These standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes :

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statements presentation.

I believe that my audit provides a reasonable basis for my opinion.

Audit opinion

In my opinion, the financial statements fairly present, in all material aspects, the financial position of Beautiful Gate South Africa at 31 March 2010, and the results of its operations and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice.

Supplementary information

The supplementary schedule set out on page 7 does not form part of the annual financial statements and is presented as additional information. I have not audited this schedule and accordingly do not express an opinion on it.



GEORGE W CLOETE
REGISTERED AUDITOR

CAPE TOWN

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BALANCE SHEET AS AT 31 MARCH 2010

ASSETS	NOTES	2010		2009	
		R	R	R	R
Non-current assets			12 562 170		12 562 170
Current assets			1 501 981		770 076
Cash and cash equivalents			1 423 566		744 789
Accounts receivable			52 685		874
Vat refundable			25 730		24 413
			14 064 151		13 332 246
EQUITY AND LIABILITIES					
Accumulated funds			12 878 314		12 574 210
Restricted funds			958 678		326 265
Non-interest bearing borrowings			-		366 667
Current liabilities			227 158		65 104
Accounts payable			59 178		65 104
Department of social Development conduit contract			167 980		-
			14 064 151		13 332 246

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INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2010

	2010	2009
NOTES	R	R
INCOME		
Profit before taking into account the following:-	4 411 060	4 505 998
OTHER INCOME		
Interest Received	259 447	(64 882)
	56 657	77 423
	56 657	77 423
EXPENSES		
Audit Fee	12 000	6 750
	12 000	6 750
NET SURPLUS	304 104	5 791

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

1. Accounting policies

The accounting records are maintained on the historical cost basis. Income and expenditure are accounted for on the accrual basis.

Income

This consists of donations from individuals, churches, business concerns, government subsidies, fees for DTS schools and boarding contributions from interns and staff. Donations received in cash constitute less than 3% of total income received.

Fixed assets

Fixed assets other than land and buildings are written off at acquisition. No depreciation is provided for on land and buildings.

2. Funds

2.1 Accumulated funds

Balance at the beginning of the year
 Surplus / (Deficit) for the year

	2010 <u>R</u>	2009 <u>R</u>
Balance at the beginning of the year	12 574 210	12 568 419
Surplus / (Deficit) for the year	304 104	5 791
Balance at the end of the year	12 878 314	12 574 210

3. Non-current assets

	2010		2009	
	Cost	Transfer to accumulated funds	Carrying value	Cost
Owned assets				
Land and buildings	12 562 170	-	12 562 170	12 562 170
Furniture and fittings	1 029 454	1 029 454	-	1 029 454
Office and computer equipment	650 993	650 993	-	650 993
Medical equipment	47 217	47 217	-	47 217
Motor vehicles	738 453	738 453	-	738 453
	<u>15 028 287</u>	<u>2 466 117</u>	<u>12 562 170</u>	<u>15 028 287</u>
		<u>2 466 117</u>		<u>12 562 170</u>

The carrying amounts of non-current assets can be reconciled as follows:

	Carrying value 01/04/2009	Additions	Revaluations	Disposals	Transfer to accumulated funds	Carrying value 31/03/2010
Owned assets						
Land and buildings	12 562 170	-	-	-	-	12 562 170
Furniture and fittings	-	-	-	-	-	-
Office and computer equipment	-	-	-	-	-	-
Medical equipment	-	-	-	-	-	-
Motor vehicles	-	-	-	-	-	-
	<u>12 562 170</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12 562 170</u>

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010
(Continued)**

4. Cash and cash equivalents			
Savings			
Market link			
Market link - Eskom			
Deposit call account			
Current account - Beautiful Gate Ministries			
Cash on hand			
	2010	2009	
	R	R	
	1 255 812	461 867	
	1 260	51 659	
	37 713	50 985	
	50 539	-	
	71 294	178 103	
	6 949	2 174	
	1 423 566	744 789	

5. Non-interest bearing borrowings

The non interest bearing loan was converted in April 2007 to a donation to be received in 3 equal annual installments of R366,667. The balance of the non interest bearing loan was converted to a donation on 1 April 2009.

6. Department of Social Development Conduit Contract

Beautiful Gate South Africa administers funds on behalf of the Department of Social Development for nutrition support programme.

Balance at the beginning of the year
Income

Expenditure

Balance at the end of the year

	2010	2009	
	R	R	
	-	-	
	1 500 000	-	
	(1 332 020)	-	
	167 980	-	

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DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2010

	2010	2009
	R	R
INCOME	4 467 717	4 583 422
Unrestricted donations	1 455 843	2 132 433
Restricted donations	1 557 687	1 144 922
Government grant	1 009 847	1 035 720
Contributions for services	387 683	196 613
Interest received	56 657	73 733
EXPENSES	4 163 613	4 577 631
Crisis care -- Crossroads Children's Home	2 922 904	3 268 029
Community Family Support	316 376	270 470
Community Medical Care	399 196	227 521
Youth Development	340 246	269 798
Community groups & church mobilisation	172 891	227 257
Audit Fee	12 000	6 750
Muizenberg	-	307 805
NET SURPLUS	304 104	5 791