

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)
REGISTRATION NO : 2001/025443/08**

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
29 FEBRUARY 2012**

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

INDEX TO THE ANNUAL FINANCIAL STATEMENTS

Contents	Page
Directors' responsibilities and approval	1
Report of the independent auditors	2 - 3
Directors' report	4
Statement of financial position	5
Statement of comprehensive income	6
Statement of changes in reserves	7
Statement of cash flows	8
Notes to the annual financial statements	9 - 16

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)
REGISTRATION NO : 2001/025443/08**

DIRECTORS' RESPONSIBILITIES AND APPROVAL

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2012

The directors are required by the Companies Act of South Africa, 1973, 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 year then ended, in conformity with its accounting policies. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards 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 controls 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 out 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 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 controls provides reasonable assurance that the financial records may be relied on for the presentation 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 28th February 2013 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.

Although the board of directors is primarily responsible for the financial affairs of the company, it is supported by the company's external auditors.

The external auditors are responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 2 and 3.

The annual financial statements set out on pages 4 to 16, which have been prepared on the going concern basis, were approved by the board of directors on the 15th May 2012 and were signed on its behalf by:

A. K. Nthla

[Signature]

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS

WOMEN IN OIL AND ENERGY SOUTH AFRICA (ASSOCIATION INCORPORATED UNDER SECTION 21) REGISTRATION NO : 2001/025443/08

Report on the financial statements

We have audited the accompanying financial statements of Women in Oil and Energy South Africa (Association Incorporated under section 21), which comprise the directors' report, statement of financial position as at 29 February 2012, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes set out on pages 4 to 16.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium - sized Entities, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal controls 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. These 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 judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls 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 management, 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 audit opinion.

Basis for Qualified Opinion

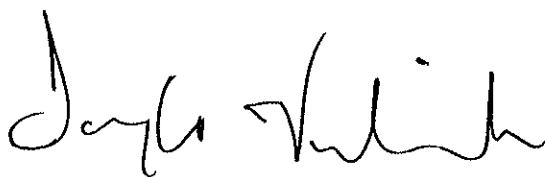
In common with similar organisations, it is not feasible for the company to institute accounting controls over collections of income other than interest prior to the initial entry of the collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts actually recorded.

Qualified Opinion

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, these financial statements fairly present, in all material respects, the financial position of Women in Oil and Energy South Africa (Association incorporated under section 21) as at 29 February 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium - sized Entities, and in the manner required by the Companies Act of South Africa.

Emphasis of matter

These financial statements have been prepared on the basis of accounting practices applicable to a going concern which assumes that the organisation will generate sufficient funds by way of grants from donors to continue funding its activities. Accordingly they do not include any adjustments, relating to the recoverability and classification of assets or to the amounts and classification of liabilities, that might be necessary if the organisation is unable to continue as a going concern.



Douglas & Velcich
Chartered Accountants (S.A.)
Registered Accountants and Auditors

Johannesburg
15 May 2012

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**REPORT OF THE DIRECTORS FOR THE
YEAR ENDED 29 FEBRUARY 2012**

Your directors present their report, together with the audited annual financial statements of the company for the year ended 29 February 2012.

Nature of activities

The principal activity of the company is to carry on the business of advancing South African women by economic empowerment in the oil, gas and other energy sectors.

Results of activities for the year

The results of activities for the year are fully disclosed in the attached annual financial statements.

Share capital and dividends

The company has no share capital and its memorandum and articles of association prohibit the payment on dividends to members.

Post financial position events

No material fact or circumstance has occurred between the statement of financial position date and the date of this report.

Directors and officers

The following were directors during the year under review :-

P Hassan	N Mashinini	
N Mabusela	G Nndwammbi	
S Manthata	J Stride	(resigned during the year)
K Ntlha		
J Williams		

The company secretary is Douglas & Velcich Management Services CC

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

STATEMENT OF FINANCIAL POSITION AS AT 29 FEBRUARY 2012

	Note	2012 R	2011 R
ASSETS		319 758	81 389
Tangible assets		904	3 067
Equipment	3	904	3 067
Investments	4	441 434	441 434
Current assets		318 854	78 322
Loan - Woesa Investment Hldgs Ltd.	5	314 701	76 044
Cash and cash equivalents	6	4 153	2 278
Total assets		761 192	522 823
RESERVES AND LIABILITIES		761 192	522 823
Reserves		753 212	514 843
Accumulated surplus		753 212	514 843
Current liabilities		7 980	7 980
Accounts payable	7	7 980	7 980
Total reserves and liabilities		761 192	522 823

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2012**

	Note	2012 R	2011 R
INCOME		721 227	382 426
Donation received	8	380 000	-
Subscriptions received	9	310 200	380 828
Other income		28 662	-
Interest received		2 365	1 598
EXPENDITURE		482 858	585 586
Administration and co-ordinator fees		-	750
Audit fees	10	-	7 980
Bank charges		525	681
Cleaning		2 000	2 037
Consulting fees		1 000	800
Depreciation		2 163	2 164
Networking		7 984	7 376
Operating costs		-	16 474
Printing, postage and stationery		531	4 447
Rental of equipment		4 350	4 934
Rent, water and electricity		10 500	76 061
Repairs and maintenance		3 728	-
Salaries, wages and contributions	11	436 041	412 131
Subscriptions		-	5 697
Telephone and internet services		9 836	26 142
Travel		4 200	17 912
SURPLUS/(DEFICIT) FOR THE YEAR		238 369	(203 160)
TAXATION			
S A normal taxation	12	-	1 830
NET SURPLUS/(DEFICIT) AFTER TAXATION		238 369	(201 330)

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 29 FEBRUARY 2012**

	OPERATING SURPLUS R	TOTAL R
Balance at 28 February 2010	716 173	716 173
Net (deficit) for the year	(201 330)	(201 330)
Balance at 28 February 2011	514 843	514 843
Net surplus for the year	238 369	238 369
Balance at 29 February 2012	753 212	753 212

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**STATEMENT OF CASH FLOWS FOR THE
YEAR ENDED 29 FEBRUARY 2012**

	Note	2012 R	2011 R
Cash received from subscribers and donors		718 862	380 828
Cash paid to suppliers and employees		(480 695)	(646 802)
Cash generated from/(utilised in) operations	13	238 167	(265 974)
Interest received		2 365	1 598
Net cash inflow/(outflow) from operating activities		240 532	(264 376)
Cash flows (utilised in) investing activities		-	(5)
Acquisition of investments		-	(5)
Cash flows (utilised in)/generated by financing activities		(238 657)	235 414
(Increase)/decrease in loan receivable		(238 657)	235 414
Net increase/(decrease) in cash and cash equivalents		1 875	(28 967)
Cash and cash equivalents at beginning of year		2 278	31 245
Cash and cash equivalents at end of year	6	4 153	2 278

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2012**

ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium - sized Entities and the Companies Act of South Africa. The annual financial statements have been prepared on the historical costs basis, except for financial instruments and incorporate the principal accounting policies set out below.

1.1 ACCOUNTING CONVENTION

The Association is registered under the Companies Act, 1973, as an association not for gain and as such no part of its income or property shall be transferred to members, directly or indirectly. All reserves of the Association are consequently non-distributable.

1.2 SIGNIFICANT JUDGEMENTS

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.

1.3 TANGIBLE ASSETS

The cost of an item of tangible assets is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

Costs include costs incurred initially to acquire or construct an item of tangible assets 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 tangible assets, the carrying amount of the replaced part is derecognised.

Tangible assets are carried at cost less accumulated depreciation and any impairment losses.

Depreciation is provided on all tangible assets other than freehold land, to write down the cost, less residual value, by equal instalments over their useful lives as follows:

Item	Useful life
Computer equipment	3 years

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 29 FEBRUARY 2012 (Continued)**

ACCOUNTING POLICIES (Continued)

1.3 TANGIBLE ASSETS (Continued)

The depreciation charge for each period is recognised in profit or loss, unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognising of an item of property, plant and equipment is included in the equipment fund when the item is derecognised. The gain or loss arising from the derecognising of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.4 FINANCIAL INSTRUMENTS

Measurement

Financial instruments carried on the statement of financial position include bank balances, accounts receivables, accounts payable and investments. Financial instruments are initially measured at cost as at trade date, which includes transaction costs. Subsequent to initial recognition these instruments are measured as set out below :-

Cash and cash equivalents

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk in change in value.

Cash and cash equivalents are measured at fair value.

Accounts receivable

Accounts receivable is stated at cost less provision for impairment losses.

Accounts payable

Accounts payable which are short - term obligations, are stated at their nominal value.

Investments

Investments are carried at fair value through profit and loss, except where circumstances do not permit such a valuation.

1.5 IMPAIRMENT

The carrying amounts of assets are reviewed at financial position date to determine whether there is any indication of impairment. If there is such indication, the assets are written down to the estimated recoverable amounts. The recoverable amount is the higher of the net selling price and the value in use.

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 29 FEBRUARY 2012 (Continued)**

ACCOUNTING POLICIES (Continued)

1.6 TAXATION

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the financial position date.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill; or
- goodwill for which amortisation is not deductible for tax purposes; or
- the initial recognition of an asset or liability in a transaction which:
 - is not a business combination; and
 - at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable the taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination, and
- at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the financial position date.

1.7 PROVISIONS

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

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 29 FEBRUARY 2012 (Continued)**

ACCOUNTING POLICIES (Continued)

1.8 REVENUE

Income from subscriptions is brought to account in the period to which it relates.

All other income is brought to account as and when received.

1.9 INTEREST INCOME

Interest is brought to account as and when received.

1.10 EXPENDITURE

Expenditure is recognised on the accrual basis of accounting.

1.11 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.

The expected cost of compensated absences is recognised as an expense as the employee renders service that increases their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

2. MEMBERS' GUARANTEE

In terms of the company's memorandum and articles of association, the guarantee of each member in the event of the company being wound up is R 1.

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 29 FEBRUARY 2012 (Continued)**

3. EQUIPMENT

	Computer Equipment R	Total R
29 February 2012		
Net book value 1 March 2011	3 067	3 067
At cost	39 840	39 840
Accumulated depreciation	(36 773)	(36 773)
Additions during the year	-	-
Depreciation during the year	(2 163)	(2 163)
Net book value 29 February 2012	904	904
At cost	39 840	39 840
Accumulated depreciation	(38 936)	(38 936)
28 February 2011		
Net book value 1 March 2010	5 231	5 231
At cost	39 840	39 840
Accumulated depreciation	(34 609)	(34 609)
Additions during the year	-	-
Depreciation during the year	(2 164)	(2 164)
Net book value 28 February 2011	3 067	3 067
At cost	39 840	39 840
Accumulated depreciation	(36 773)	(36 773)
	2012	2011
	R	R

4. INVESTMENTS

4.1 WOESA Investment Holdings Limited

441 429

441 429

The company has a significant shareholding in WOESA Investment Holdings Limited, which is a public company that was established to investigate and acquire such investment opportunities as its resources permitted for previously disadvantaged black women.

4.2 Ndonsa Mining (Pty) Ltd

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During the previous year, the company acquired a 5% shareholding in Ndonsa Mining (Pty) Ltd, which in turn holds a 33% shareholding in Inyosi Coal (Pty) Ltd, a BEE company which in turn holds a 27% interest in Anglo Inyosi Coal (Pty) Ltd.

The company has decided against a fair value adjustment in respect of the investments as there are currently significant uncertainties over the timing and quantum of future cash flows from these investments, and it would be both too costly and speculative to attempt to determine credible fair values at statement of financial position date.

441 434

441 434

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 29 FEBRUARY 2012 (Continued)**

	2012 R	2011 R
5. LOAN RECEIVABLE		
WOESA Investment Holdings Limited	314 701	76 044
The loan is unsecured, interest free and there are no fixed terms of repayment.		
6. CASH AND CASH EQUIVALENTS		
Nedbank - Current account	4 153	2 278
7. ACCOUNTS PAYABLE		
Accruals	7 980	7 980
8. DONATION RECEIVED		
Inyosi Coal (Pty) Ltd	380 000	-
This is related to the investment reflected under 4.2 on page 13 . There is an agreement with the shareholders of Anglo Inyosi Coal (Pty) Ltd that Inyosi Coal (Pty) Ltd will make a distribution on an annual basis from its generated revenues to Broad Based Groupings.		
9. SUBSCRIPTIONS RECEIVED		
Central Energy Fund (Pty) Ltd	50 000	-
Chevron	50 000	50 000
Engen	50 000	50 000
Petro SA	50 000	50 000
Total	50 000	50 000
Sasol	-	50 000
Shell	50 000	50 000
Other	10 200	80 828
	310 200	380 828
10. AUDIT FEES		
Audit fee - 2010	-	7 980

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 29 FEBRUARY 2012 (Continued)**

	2012 R	2011 R
11. DIRECTOR'S EMOLUMENTS		
Executive Director		
Salary	<u>362 696</u>	<u>374 372</u>
(Included in salaries, wages and contributions)		
12. TAXATION		
SA normal taxation - current	-	-
Overprovision in prior years	<u>-</u>	<u>(1 830)</u>
	<u>-</u>	<u>(1 830)</u>
The company has an assessed loss carried forward in the current year of R49,699 (2011 : R60,062).		
13. CASH GENERATED FROM/(UTILISED IN) OPERATIONS		
Surplus/(deficit) for the year	238 369	(203 160)
Depreciation	2 163	2 164
Interest received	(2 365)	(1 598)
Operating surplus/(deficit) before working capital changes	238 167	(202 594)
Working capital changes	-	(63 380)
Increase/(decrease) in accounts payable	<u>-</u>	<u>(63 380)</u>
	<u>238 167</u>	<u>(265 974)</u>

14. GOING CONCERN

The existence of the company is dependent on the continued support of its subscribers and donors.

15. FINANCIAL RISK

15.1 Currency risk

The company has no exposure to currency risk.

15.2 Interest rate risk

The company has minimal exposure to interest rate risk as surplus funds are invested in local interest - bearing accounts.

**WOMEN IN OIL AND ENERGY SOUTH AFRICA
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 29 FEBRUARY 2012 (Continued)**

15. FINANCIAL RISK (Continued)

15.3 Credit risk

The company's credit risk is attributable to accounts receivable, accrued income and liquid funds. The credit risk on liquid funds is limited because the counter party is a bank with credit rating assigned by international credit-rating agencies. The company has no significant credit risk arising from its receivables or accrued income in the current year.

15.4 Liquidity risk

The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash reserves are maintained to cover anticipated expenditure.

	2012 R	2011 R
16. RELATED PARTIES		
Donation received	380 000	-
<p>The donation received is from an associated company Inyosi Coal (Pty) Ltd, which forms part of the BEE structured group in which this company has invested. (refer to note 4.2 on page 13)</p>		
Loan receivable - Woesa Investment Holdings Limited (refer to note 5)	314 701	76 044
<p>The loan receivable is due from an investee reflected under note 4.1 on page 13.</p>		
Director's emoluments - K. Ntsha (refer to note 11)		