

Halli Trust
(Registration number IT1922/2010)
Financial statements
for the year ended 29 February 2020

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

General Information

Country of incorporation and domicile	South Africa
Type of trust	Non-profit trust
Trustees	M Engelbrecht J Hindley B Mohr HC Naude Fiona Pullen
Registered office	17 Romulus Street Somerset West 7130
Auditors	Exceed (Cape Town) Incorporated Chartered Accountants (SA) Registered Auditors
Trust registration number	IT1922/2010
Preparer	The financial statements were independently compiled by: DJC Koegelenberg Chartered Accountant (SA)

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

Contents

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

Index	Page
Trustees' Responsibilities and Approval	3
Trustees' Report	4
Independent Auditor's Report	5 - 7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12
Notes to the Financial Statements	13 - 14
The following supplementary information does not form part of the financial statements and is not audited:	
Detailed Income Statement	15

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

Trustees' Responsibilities and Approval

The trustees 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 trust 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 basis of accounting described in Note 1.

The financial statements are prepared in accordance with the basis of accounting described in Note 1 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.


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

The trustees 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The trustees have reviewed the trust's cash flow forecast for the year to 28 February 2021 and, in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the trust's financial statements. The financial statements have been examined by the trust's external auditors and their report is presented on page 5 to 7.

The financial statements set out on pages 8 to 15, which have been prepared on the going concern basis, were approved by the trustees on 14 December 2020 and were signed on its behalf by:

DocuSigned by:

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HC Naude

DocuSigned by:

488617B572354B9...
J Hindley

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

Trustees' Report

The trustees submit their report on the financial statements of Halli Trust and its associates for the year ended 29 February 2020.

1. Nature of business

The non-profit trust is engaged in making a difference with educational involvement, community involvement and the rehabilitation and caring of animals.

There have been no material changes to the nature of the trust's business from the prior year.

2. Trustees

The trustees in office at the date of this report are as follows:

Trustees

M Engelbrecht

J Hindley

B Mohr

HC Naude

Fiona Pullen

3. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the trust or in the policy regarding their use.

4. Events after the reporting period

On Sunday, 15 March 2020, the South African government declared a national state of disaster due to the COVID-19 pandemic. The virus gives rise to economic consequences. On Monday, 23 March 2020, the South African government declared a national lockdown of 21 days from 26 March 2020 to 16 April 2020. The lockdown was extended to 30 April 2020. Economic activities were limited during the lockdown period. The trust did not form part of the essential service providers and could not continue to operate. The trustees are not yet certain what the impact will be on the trust.

The trustees are not aware of any other event which occurred between 29 February 2020 and the date of this report.

Independent Auditor's Report

To the trustees of Halli Trust

Qualified opinion

We have audited the financial statements of Halli Trust set out on pages 8 to 15, which comprise the statement of financial position as at 29 February 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the basis for qualified opinion section of our report, the financial statements of Halli Trust for the year ended 29 February 2020 are prepared, in all material respects, in accordance with the basis of accounting described in Note 1 to the financial statements and the requirements of the Trust Property Control Act 57 of 1988.

Basis for qualified opinion

This organisation, in common with many others of similar size and structure, derives a substantial proportion of its income from voluntary donations which can not be fully controlled until they are entered in the accounting records, and are therefore not susceptible to independent audit verification.

The organisation's petty cash is carried in the financial statements at R 49 376. We did not observe a physical count of petty cash at year end. We were therefore unable to satisfy ourselves to the existence and valuation of petty cash by alternative procedures. Accordingly, we were unable to determine whether adjustments might have been necessary in respect of the surplus for the year reported in the statement of comprehensive income and the net cash flows from operating activities reported in the cash flow statement, should we be able to verify the existence and valuation of petty cash.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the trust in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other information

The trustees are responsible for the other information. The other information which includes the Trustees' Report as required by the Trust Property Control Act 57 of 1988 and the Detailed Income Statement, which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the trustees for the Financial Statements

The trustees are responsible for the preparation of the financial statements in accordance with the basis of accounting described in Note 1 and the requirements of the Trust Property Control Act 57 of 1988, for determining that the basis of preparation is acceptable in the circumstance and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DocuSigned by:

Exceed (Cape Town) Incorporated

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Exceed (Cape Town) Incorporated
Chartered Accountants (SA)
Registered Auditors
Director: DJC Koegelenberg

14 December 2020

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

Statement of Financial Position as at 29 February 2020

	Notes	2020 R	2019 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	127 381	204 048
Current Assets			
Trade and other receivables	3	2 881	401
Cash and cash equivalents	4	80 700	66 152
		83 581	66 553
Total Assets		210 962	270 601
Equity and Liabilities			
Equity			
Accumulated surplus		136 240	116 232
Liabilities			
Non-Current Liabilities			
Finance lease liabilities	5	-	71 120
Current Liabilities			
Finance lease liabilities	5	74 722	83 249
Total Liabilities		74 722	154 369
Total Equity and Liabilities		210 962	270 601

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

Statement of Comprehensive Income

	Notes	2020 R	2019 R
Other income		1 299 475	830 605
Operating expenses		(1 247 690)	(714 697)
Operating surplus		51 785	115 908
Investment revenue		5	2
Finance costs	6	(31 782)	(31 835)
Surplus for the year		20 008	84 075

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

Statement of Changes in Equity

	Accumulated surplus R	Total equity R
Balance at 01 March 2018	32 157	32 157
Surplus for the year	84 075	84 075
Balance at 01 March 2019	116 232	116 232
Surplus for the year	20 008	20 008
Balance at 29 February 2020	136 240	136 240

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

Statement of Cash Flows

	Note(s)	2020 R	2019 R
Cash flows from operating activities			
Cash generated from operations	8	125 972	195 057
Interest income		5	2
Net cash from operating activities		125 977	195 059
Cash flows from investing activities			
Purchase of property, plant and equipment	2	-	(3 499)
Sale of property, plant and equipment	2	-	1 200
Net cash used in investing activities		-	(2 299)
Cash flows from financing activities			
Finance lease payments		(111 429)	(137 054)
Total cash movement for the year		14 548	55 706
Cash at the beginning of the year		66 152	10 446
Total cash at end of the year	4	80 700	66 152

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the accounting policies as set out below. The financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the trust holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the trust and the cost can be measured reliably. Day to day servicing costs are included in surplus or deficit in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the trust.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Computer equipment		3 years
Land and buildings		5 years
Motor vehicles		5 years
Office equipment		5 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

Notes to the Financial Statements

	2020			2019		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Motor vehicles	370 768	(243 387)	127 381	370 769	(169 234)	201 535
Computer equipment	12 185	(12 185)	-	12 185	(9 672)	2 513
Wendy house	8 030	(8 030)	-	8 030	(8 030)	-
Total	390 983	(263 602)	127 381	390 984	(186 936)	204 048

Reconciliation of property, plant and equipment - 2020

	Opening balance	Depreciation	Closing balance
Motor vehicles	201 535	(74 154)	127 381
Computer equipment	2 513	(2 513)	-
	204 048	(76 667)	127 381

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Motor vehicles	275 689	-	-	(74 154)	201 535
Computer equipment	5 072	3 499	(1 200)	(4 858)	2 513
Wendy house	535	-	-	(535)	-
	281 296	3 499	(1 200)	(79 547)	204 048

3. Trade and other receivables

Trade receivables	1 377	401
Deposits	1 504	-
	2 881	401

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	49 376	775
Bank balances	37 394	69 766
Other cash and cash equivalents	(6 070)	(4 389)
	80 700	66 152

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

Notes to the Financial Statements

	2020 R	2019 R
5. Finance lease liabilities		
Minimum lease payments which fall due		
- within one year	79 359	100 975
- in second to fifth year inclusive	-	74 869
	<u>79 359</u>	<u>175 844</u>
Less: future finance charges	(4 637)	(21 475)
Present value of minimum lease payments	<u>74 722</u>	<u>154 369</u>
Non-current liabilities	-	71 120
Current liabilities	74 722	83 249
	<u>74 722</u>	<u>154 369</u>

It is trust policy to lease certain motor vehicles and equipment under finance leases.

The average lease term is 6 years and the average effective borrowing rate is 15%.

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for renewal clauses, purchase options, escalation clauses, contingent rent or subleases. There are no restrictions imposed by the leases.

The trust's obligations under finance leases are secured by the leased assets. Refer note 2.

6. Finance costs

Finance leases	<u>31 782</u>	<u>31 835</u>
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7. Taxation

The organisation is exempt from income tax in terms of section 10(1)(cN) of the income tax act.

8. Cash generated from operations

Surplus before taxation	20 008	84 075
Adjustments for:		
Depreciation and amortisation	76 667	79 547
Interest received	(5)	(2)
Finance costs	31 782	31 835
Changes in working capital:		
Trade and other receivables	(2 480)	(398)
	<u>125 972</u>	<u>195 057</u>

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 29 February 2020

Detailed Income Statement

	Notes	2020 R	2019 R
Other income			
Donations		736 327	362 544
Fundraisers		535 127	397 346
Loyalty program donations		23 896	26 565
Raffle income		4 125	44 150
		1 299 475	830 605
Operating expenses			
Animal welfare		6 027	7 049
Bad debts		1 681	-
Bank charges		8 135	8 284
Cleaning		-	850
Computer expenses		39 333	30 963
Depreciation		76 667	79 547
Fundraisers		59 791	114 318
General expenses		216 223	64 619
Gifts		11 127	12 630
Insurance		11 079	9 469
Mascot expense		23 022	38 034
Motor vehicle expenses		59 692	76 965
Municipal expenses		-	1 000
Petrol and oil		11 996	17 318
Postage		100	-
Printing and stationery		21 798	26 441
Promotions		17 569	10 050
Protective clothing		-	1 762
Public benefit organisation expenses		410 537	-
Secretarial fees		1 553	1 653
Staff welfare		9 695	6 722
Telephone and fax		27 353	32 188
Training		7 158	9 995
Transport and freight		19 481	-
Travel - local		100	-
Volunteers		207 573	164 840
		1 247 690	714 697
Operating surplus		51 785	115 908
Investment income	6	5	2
Finance costs	6	(31 782)	(31 835)
		(31 777)	(31 833)
Surplus for the year		20 008	84 075

HALLI TRUST IT1922/2010

MINUTES OF A TRUSTEE MEETING HELD IN SOMERSET WEST ON 14 DECEMBER 2020

PRESENT:

M Engelbrecht

J Hindley

B Mohr

HC Naude

F Pullen

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HC Naude
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F Pullen
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RESOLUTIONS:

1. That the annual financial statements for the year ended 29 February 2020 be tabled, discussed and approved.
2. That J Hindley and HC Naude are hereby authorised to sign the financial statements on behalf of the trustees.

DECLARATION:

The Trustees declare herewith that, to the best of their knowledge, all income accrued to the Trust during the accounting period and all expenses and liabilities are disclosed in the above-mentioned annual financial statements and that the values of all current assets and current liabilities are in accordance with those disclosed in the annual financial statements.

I, the undersigned Trustee, was present at the meeting mentioned above and have approved the above-mentioned resolutions in writing and confirm that this minute is a true record of the proceedings.

The meeting adjourned.

DocuSigned by:
J Hindley
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CHAIRPERSON

14 December 2020

DATE

2020/12/14

DJC Koegelenberg

Exceed (Cape Town) Incorporated

Parc du Links

7 Niblick Way

Somerset West

7130

Dear Sir(s)

This representation letter is provided in connection with your audit of the financial statements of Halli Trust for the year ended 29 February 2020 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with IFRS for SME.

We confirm that, to the best of our knowledge and belief, and having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves, the following:

1. **Financial statements**

We have fulfilled our responsibilities, as set out in the terms of the engagement dated 01 March 2018, for the preparation of the financial statements, and confirm that the financial statements fairly present, in all material respects, the state of affairs, results of the operations and cash flows of Halli Trust in accordance with IFRS for SME and the manner required by the Companies Act, 2008.

2. **Information provided**

We have provided you with:

- (a) Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- (b) Additional information that you have requested from us for the purpose of the audit; and
- (c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

All transactions have been recorded in the accounting records and are reflected in the financial statements.

3. **Laws and regulations**

We have disclosed to you all known instances of non-compliance with laws and regulations whose effect should be considered when preparing the financial statements as well as those that could be fundamental to the operational aspects of the business.

4. **Litigations and claims**

The estimated effect of pending or threatened litigation and claims against Halli Trust have been properly recorded or disclosed in the financial statements.

Except as disclosed in the notes to the financial statements, we are not aware of any additional claims that have been or are expected to be received.

5. **Related parties**

We have disclosed to you the identity of all related parties to Halli Trust and all related party relationships and transactions of which we are aware.

We have appropriately accounted for and disclosed the identity of, and balances and transactions with, related parties in accordance with the requirements of IFRS for SME.

6. **Going concern**

We have disclosed to you all information relevant to preparation of the financial statements in accordance with the going concern assumption.

7. **Subsequent events**

All events subsequent to the date of the financial statements and for which IFRS for SME require adjustment or disclosure have been adjusted for or disclosed in the financial statements and notes thereto.

8. **Fraud**

We understand that the term 'fraud' includes misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets. Misstatements resulting from fraudulent financial reporting involve intentional misstatements including omissions of amounts or disclosures in the financial statements to deceive financial statement users. Misstatements resulting from misappropriation of assets involve theft of an entity's assets, often accompanied by false or misleading records or documents to conceal the fact that the assets are missing or have been pledged without proper authorisation.

We acknowledge that it is our responsibility to design, implement and maintain internal controls to prevent and detect fraud.

We have disclosed to you the results of management's assessment of the risk that the financial statements may be materially misstated as a result of fraud.

We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:

- (a) Management;
- (b) Employees who have significant roles in internal control; or
- (c) Others where the fraud could have a material effect on the financial statements.

We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting Halli Trust's financial statements communicated by employees, former employees, analysts, regulators or others.

9. **Uncorrected misstatements**

The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this representation letter.

10. **Comparatives**

There are no significant matters that have arisen that would require a restatement of the comparatives.

11. **Current assets**

Current assets have a value, on realisation in the normal course of business or an expected cost benefit, at least equal to the amounts at which they are stated in the statement of financial position.

Receivables reported in the financial statements represent valid claims against debtors for sales or other charges arising on or before year-end date and appropriate provisions have been made for any impairment losses that may be sustained.

12. **Property, plant and equipment**

The carrying values at which property, plant and equipment are stated in the balance sheet were arrived at after:

- (a) Taking into account, as additions, all expenditure (excluding expenditure of a revenue nature) during the year, which represented capital outlay on these assets.
- (b) Writing off of all amounts relating to items which have been sold and scrapped by year-end date.
- (c) Providing for depreciation / amortisation on a scale to cover obsolescence as well as wear and tear and thus reduce the net book value of the assets to their estimated residual values over the economically useful lives thereof.

13. **Impairment**

We have reviewed the carrying amount of assets whenever events or changes in the circumstances have indicated that the carrying amount of assets may not be recoverable and have appropriately recorded any impairment adjustment.

14. **Financial instruments**

We confirm that we have reviewed all financial assets and liabilities outstanding as at 29 February 2020 and have correctly classified them as required by IFRS for SME.

Financial assets and financial liabilities were offset and the net amount reported in the balance sheet only where the entity had a legal enforceable right to offset the recognised amounts; and the entity intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Information regarding financial risk exposure and our financial risk management objectives and policies has been adequately disclosed in the notes to the financial statements, as required by IFRS for SME.

The necessary information about financial instruments with off-balance-sheet risk and those financial instruments with credit risk and / or interest rate risk have been properly disclosed in the financial statements as required by IFRS for SME.

15. **Financial institutions**

All financial institution accounts have been dealt with in the financial statements and accounting records. All necessary disclosures arising from the entity's relationship with the financial institution have been disclosed in the financial statements.

16. **Income tax**

The deferred tax valuation has been determined pursuant to the provisions of IFRS for SME including the company's estimation of future taxable income.

The deferred tax valuation has been recognised for all deductible temporary differences as required by IFRS for SME.

17. **Contractual agreements**

The trust has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. All contractual arrangements entered into by the company have been properly reflected in the accounting records and where material or potentially material to the financial statements have been disclosed.

18. **Encumbrances**

The trust has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, except those disclosed in the notes to the financial statements.

19. **Commitments**

At year-end date, there were no material commitments under contracts concluded for capital expenditure, forward contracts of purchase and sale of foreign exchange or amounts of capital expenditure authorised by the trustees which had not been contracted for, other than those provided for or disclosed in the financial statements.

20. **Financial statement disclosure**

The following have been properly recorded and when appropriate, adequately disclosed in the financial statements:

- (a) Losses arising from sale and purchase commitments;
- (b) Agreement and options to buy back assets previously sold;
- (c) Assets pledged as collateral;
- (d) Off-balance-sheet activities, including transactions with special purpose entities, non-consolidation and revenue recognition;
- (e) Significant common ownership or management control relationships;
- (f) Changes in accounting principles affecting consistency; and
- (g) Share repurchase options and agreements and share reserved for options, warrants, conversions and other requirements.

Except as disclosed in the financial statements or notes thereto, there are no:

- (a) Other gain or loss contingencies or other liabilities that are recognised or disclosed in the financial statements, including liabilities or contingencies arising from environmental matters resulting from illegal or possible illegal acts, or possible violations of human rights; or
- (b) Other environmental matters that may have a material impact on the financial statements.

No Partner, Director or Directors joined or resigned from the firm.

Yours faithfully

DocuSigned by:



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Heidi Naude
Trustee

2020/12/14