

Halli Trust

(Registration number IT1922/2010)
Financial statements
for the year ended 28 February 2022

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

General Information

Country of incorporation and domicile	South Africa
Type of trust	Non-profit trust
Trustees	M Engelbrecht B Möhr HC Naude F Pullen M Engelbrecht
Registered office	17 Romulus Street Somerset West 7130
Auditors	Exceed (Cape Town) Incorporated Chartered Accountants (SA) Registered Auditors
Trust registration number	IT1922/2010
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Trust Property Control Act 57 of 1988.
Preparer	The financial statements were independently compiled by: DJC Koegelenberg Chartered Accountant (SA)
Issued	20 March 2023

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

Index

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

Index	Page
Trustees' Responsibilities and Approval	3
Independent Auditor's Report	4 - 5
Trustees' Report	6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11 - 12
Notes to the Financial Statements	13 - 15

The following supplementary information does not form part of the financial statements and is not audited:

Detailed Income Statement	16
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Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

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.

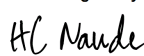
The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the trustees sets standards for internal 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.

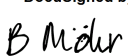
The trustees have reviewed the trust's cash flow forecast for the year to 28 February 2023 and, in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

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 pages 4 and 5.

The financial statements set out on pages 6 to 15, which have been prepared on the going concern basis, were approved by the trustees on 20 March 2023 and were signed by:

DocuSigned by:

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HC Naude

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B Möhr

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 6 to 15, which comprise the statement of financial position as at 28 February 2022, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the 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 28 February 2022 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

In accordance with other similar institutions, it is not customary for the organisation to initiate accounting controls over cash collections in respect of donations, prior to the initial entry of the collections in the accounting records of the organisation. It is therefore practically impossible for us to extend our inquiry to the receipts over and above those actually recorded.

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 Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). 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 comprises the Trustees' Report as required by the Trust Property Control Act 57 of 1988 and the supplementary information as set out on page 16. 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, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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 to the financial statements 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.

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
Director: DJC Koegelenberg
Chartered Accountant (SA)
Registered Auditor

20 March 2023

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

Trustees' Report

The trustees submit their report on the financial statements of Halli Trust for the year ended 28 February 2022.

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	Changes
M Engelbrecht	
J Hindley	Resigned: 13 December 2021
B Möhr	
HC Naude	
F Pullen	
M Engelbrecht	

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

No matter which is material to the financial affairs of the company has occurred between 28 February 2021 and the date of this report.

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

Statement of Financial Position as at 28 February 2022

	Notes	2022 R	2021 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	-	53 227
Loans to group companies		25 000	-
		25 000	53 227
Current Assets			
Trade and other receivables	3	30 191	3 243
Cash and cash equivalents	4	289 826	72 286
		320 017	75 529
Total Assets		345 017	128 756
Equity and Liabilities			
Equity			
Trust capital		100	100
Accumulated surplus		344 917	128 656
Total Equity and Liabilities		345 017	128 756

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

Statement of Comprehensive Income

	Notes	2022 R	2021 R
Revenue	6	951 168	637 998
Other income	7	-	205 646
Operating expenses		(734 920)	(850 684)
Operating surplus (deficit)		216 248	(7 040)
Investment revenue	8	13	420
Finance costs	9	-	(865)
Surplus (deficit) for the year		216 261	(7 485)

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

Statement of Changes in Equity

	Trust capital	Accumulated surplus	Total equity
	R	R	R
Balance at 01 March 2020	-	136 141	136 141
Deficit for the year	-	(7 485)	(7 485)
Increase in trust capital	100	-	100
Balance at 01 March 2021	100	128 656	128 756
Surplus for the year	-	216 261	216 261
Balance at 28 February 2022	100	344 917	345 017

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

Statement of Cash Flows

	Notes	2022 R	2021 R
Cash flows from operating activities			
Cash generated from operations	11	204 472	66 752
Interest income		13	420
Finance costs		-	(865)
Net cash inflow from operating activities		204 485	66 307
Advances paid on loans to group companies		(25 000)	-
Net cash from investing activities		(25 000)	-
Net cash from financing activities			
Finance lease payments		-	(74 722)
Net cash from financing activities		-	(74 722)
Total cash movement for the year		179 485	(8 415)
Cash at the beginning of the year		72 286	80 701
Cash at the end of the year	4	251 771	72 286

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

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	Average useful life
Computer equipment	3 years
Land and buildings	5 years
Motor vehicles	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 28 February 2022

Accounting Policies

1.2 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Finance leases – lessee

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

The lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the effective interest method.

1.3 Revenue

Revenue is recognised to the extent that the trust has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the trust. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

1.4 Borrowing costs

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

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

Notes to the Financial Statements

	2022			2021		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	12 185	(12 185)	-	12 185	(12 185)	-
Motor vehicles	370 768	(370 768)	-	370 768	(317 541)	53 227
Wendy house	8 030	(8 030)	-	8 030	(8 030)	-
Total	390 983	(390 983)	-	390 983	(337 756)	53 227

Reconciliation of property, plant and equipment - 2022

	Opening balance	Depreciation	Closing balance
Motor vehicles	53 227	(53 227)	-

Reconciliation of property, plant and equipment - 2021

	Opening balance	Depreciation	Closing balance
Motor vehicles	127 381	(74 154)	53 227

3. Trade and other receivables

Trade receivables		1	1 377
Deposits		-	1 504
Value-added tax		30 190	362
		30 191	3 243

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	31 547	5 300
Bank balances	258 279	72 956
Other cash and cash equivalents	-	(5 970)
	289 826	72 286

5. Finance lease liabilities

Minimum lease payments which fall due

- within one year	-	79 359
	-	79 359
Less: future finance charges	-	(4 637)
Present value of minimum lease payments	-	74 722

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

The average lease term is 4 years (2021:4 years) and the average effective borrowing rate is linked to the prime rate.

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

Notes to the Financial Statements

	2022 R	2021 R
6. Revenue		
Donations	566 737	420 494
Fundraisers	352 130	190 987
Loyalty program donations	32 301	26 517
	951 168	637 998
7. Other income		
Value-added tax refunds received	-	205 646
8. Investment revenue		
Interest revenue		
Bank	13	420
9. Finance costs		
Finance leases	-	865
10. Taxation		
The organisation is exempt from income tax in terms of section 10(1)(cN) of the income tax act.		
11. Cash generated from operations		
Surplus (deficit) before taxation	216 261	(7 485)
Adjustments for:		
Depreciation and amortisation	53 227	74 154
Interest received	(13)	(420)
Finance costs	-	865
Fair value adjustments	(14)	-
Changes in working capital:		
Trade and other receivables	(26 947)	(363)
	242 514	66 751

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

Notes to the Financial Statements

	2022	2021
	R	R

12. Comparative figures

Certain comparative figures have been reclassified.

The effects of the reclassification are as follows:

Statement of Financial Position

Trust Capital	-	(100)
Retained earnings	-	100

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2022

Detailed Income Statement

	2022 R	2021 R
Revenue		
Donations	566 737	420 494
Fundraisers	352 130	190 987
Loyalty program donations	32 301	26 517
	951 168	637 998
Other income		
Value-added tax refunds received	-	205 646
Operating expenses		
Accounting fees	-	59 250
Advertising	4 762	7 547
Animal welfare	2 113	6 233
Bank charges	6 632	5 010
Depreciation	53 227	74 154
Fundraisers	151 131	70 270
General expenses	10 996	39 491
Gifts	6 470	5 409
Insurance	10 354	8 937
Lease rentals on operating lease	1 511	2 833
Mascot expense	1 534	480
Motor vehicle expenses	27 859	25 859
Utilities	-	1 503
Other expenses	856	263
Petrol and oil	27 900	13 467
Printing and stationery	23 921	16 469
Public benefit organisation expenses	308 832	342 362
Repairs and maintenance	12 243	248
Staff welfare	1 584	2 249
Telephone and fax	8 223	12 189
Training	-	322
Travel - local	-	1 725
Volunteers	70 949	154 414
Wages	3 823	-
	734 920	850 684
Operating surplus (deficit)	216 248	(7 040)
Investment income	13	420
	13	(445)
Surplus (deficit) for the year	216 261	(7 485)

2021/03/01

The Trustees of Halli Trust
Somerset College
Bredel Road
Somerset West
7130

Dear Sirs/ Madams

The objective and scope of the audit

You have requested that we audit the financial statements of Halli Trust (the trust), which comprise the statement of financial position and the statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies. We are pleased to confirm our acceptance and understanding of this engagement as auditors.

This letter sets forth our understanding of the terms and objectives of our engagement, and the nature and scope of the services we will provide as well as both the responsibilities we have and the areas where you as the client retain responsibility. The issue of this letter of engagement is recommended practice by the International Federation of Accountants. It does not seek to limit our professional responsibilities below the standards that are expected of our profession.

The objectives of our audit 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 auditors' 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 (ISAs) 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.

PARC DU LINKS, 7 NIBLUCK WAY, SOMERSET WEST, 7130

IN PROFESSIONAL PRACTICE SINCE 1978

EXCEED (CAPE TOWN) INC REG NO. 2000/011257/21

DIRECTORS: DJC KOEGELEBERG, GA VAN RHYN, WF SMITH, M BARKHUYSEN, CP SMITH, SM LOUW, IS VAN ROOYEN

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We have been engaged to audit and report on the annual financial statements of the trust to be presented to the trustees. Accordingly, we are required to carry out our audit free of any restrictions. Although we will be pleased to advise and assist, the maintenance of proper accounting records and the preparation of the financial statements are the responsibilities of management. Your responsibilities include fair presentation, in all material aspects, of the financial position, financial performance and cash flow of the trust, in compliance with International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the Trust Property Control Act 57 of 1988. Our responsibility is to express our opinion on these financial statements.

The responsibilities of the auditor

We will conduct our audit in accordance with International Standards on Auditing ('ISAs'). Those Standards require that we comply with ethical requirements. As part of an audit in accordance with ISAs, we exercise professional judgment 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- The audit will include such tests of transactions and of the existence, ownership and valuation of assets and liabilities, as we consider necessary.
- 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 entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the 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 auditors' 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.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with ISAs.

Our work will be planned in advance and incorporated into an audit plan. This may be varied on the basis of our findings during the course of the audit and from year to year. Accordingly, we may modify our audit scope, rotate our audit emphasis and propose matters of special audit emphasis, as the circumstances dictate. The concept of materiality affects our audit planning and our consideration of matters arising from our audit. We take into account both qualitative and quantitative factors when assessing materiality.

Because our responsibilities are to report on the financial statements as a whole, rather than those of individual units or divisions, the nature and extent of our tests and enquiries at each unit or division will vary according to our assessment of its circumstances. Thus, we will carry out limited work at certain units or divisions, rather than the full audit that would be necessary if we were to report on the separate financial statements of the unit or division concerned.

However, should you at any time require a specific investigation for the purpose of providing affirmation with regard to the operation of any aspect of your internal control structure, or for any other purpose, for example the detection of fraud or error, this would be undertaken at your request.

We have a statutory responsibility to the trustees of the entity, at the conclusion of our audit, to express an opinion as to whether or not the financial statements fairly present the financial position, results of operations and cash flow information of the entity, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SME) and in the manner required by the Trust Property Control Act 57 of 1988. In arriving at our opinion, we shall inter alia consider the following matters, and report on any in respect of which we are not satisfied:

- Whether adequate accounting records have been kept by the trust;
- Whether the annual financial statements are in agreement with the accounting records and returns;
- Whether we have obtained all the information and explanations which we consider necessary for the purpose of our audit; and
- Whether the information given in the report of the trustee is consistent with the financial statements.

We also have a professional responsibility to report if the financial statements do not comply in any material respect with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SME) and the Trust Property Control Act 57 of 1988 unless in our opinion the non-compliance is justified in the circumstances. In determining whether or not the departure is justified we consider:

- Whether the departure is required in order for the financial statements to achieve fair presentation in all material aspects;
- Whether adequate disclosure has been made concerning the departure.

Our professional responsibilities also include considering whether other information in documents containing audited financial statements is materially consistent with those audited financial statements.

Where we consider it necessary to involve a specialist, e.g. actuary or property evaluator, to express our audit opinion, we will discuss this with you as a separate matter.

The responsibilities of management and the identification of the applicable financial reporting framework

Our audit will be conducted on the basis that management and, where appropriate, those charged with governance acknowledge and understand that they have responsibility:

- The management, conduct and operation of your business and affairs;
- Any representations made by you or the entity to third parties, including published information;
- The maintenance of the accounting records that fairly represents the state of affairs and business of entity;
- The establishment and maintenance of an internal control structure necessary to provide reasonable assurance that adopted policies and prescribed procedures are adhered to for the prevention of errors and irregularities, including fraud and illegal acts;
- The preparation of the annual financial statements which fairly present the financial position, results of operations and cash flows of the entity, including adequate disclosure in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SME's) and the Trust Property Control Act 57 of 1988:
- The preparation of the financial statements on a going concern basis unless it is inappropriate, in which case the necessary disclosures have to be made;
- The adjustment of the financial statements to correct material misstatements;
- The selection and consistent application of accounting policies;
- The safeguarding of assets;
- The use of, extent of reliance on, or implementation of advice or recommendation supplied by us or other services;
- The delivery, achievement or realisation of any benefits directly or indirectly related to the services that require implementation by you;
- Ensuring that all arrangements are made for access, security procedures, virus checks, facilities, licenses and/or consents (without any to us), where you require us to do so or the nature of the services is such that it is likely to be more efficient for us to perform work at your premises or use your computer systems or telephone networks;
- Informing us of all trustee, management and committee meetings, and all other meetings owners are entitled to attend. We are entitled to be heard at any such meetings on any matters that concern us as auditors;
- Providing us with access to all information that the management is aware that is relevant to our engagement, including such business account records, as we consider necessary;
- Providing us with additional information that we may request from the management for the purpose of our audit;

- Providing us with unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence; and If we have any comments affecting the form and contents of the annual financial statements, we will discuss these with the trustee.
- Any withholding of information could be considered as a limitation of the scope of our audit and may prevent us from expressing an opinion on the financial statements, cause us to alter the form of the report we may issue or affect our ability to continue as the entity's independent auditor.
- As part of our engagement, we will request from you written confirmation concerning representations made to us in connection with our engagement. We will also ask you to confirm in that letter that all important and relevant information has been brought to our attention.
- To assist us with our audit of your financial statements, you are also responsible for making available to us, as and when required, all minutes of important meetings, information, explanations and other documents, such as share registers, management accounts and other correspondence, which we consider necessary for the performance of our duties as auditors. We shall also request sight of all documents or statements which are to be issued with the financial statements. We will carry out our work without undue disruption. Any delay in providing us with the required information may affect our ability to comply with the agreed timetable. Any time and other expenditure incurred as part of our duties as your auditor, will be included in our fees.

Responding to non-compliance with laws and regulations

The primary responsibility for safeguarding the assets of the entity and the prevention and detection of fraud, error and non-compliance with laws or regulations rests with the trustee and management.

It is the responsibility of the management of the entity through oversight of the trustee to ensure that the trust establishes and maintains internal control to provide reasonable assurance with regard to the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

It is the responsibility of the management to establish a control environment and maintain policies and procedures to assist in achieving the objective of ensuring, as far as possible, the orderly and efficient conduct of the business.

Our audit is planned and performed so that we have reasonable, but not absolute, assurance of detecting material misstatements in the financial statements or accounting records, including any material misstatements resulting from fraud, error, irregularities or non-compliance with laws or regulations.

Our audit will not include a detailed audit of transactions, such as would be necessary to disclose errors or fraud that did not cause a material misstatement to the financial statements. Our audit is designed to provide reasonable assurance of detecting errors and irregularities that are material to the financial statements.

However, there are inherent limitations in an audit; for example:

- We do not examine evidence supporting every transaction, and

- Although we obtain an understanding of the accounting systems and related controls to assist us in designing our audit, we only study and evaluate those controls on which we intend to rely.

Due to these inherent limitations, and the inherent limitations of any accounting and internal control system, an unavoidable risk remains that some misstatements may remain unresolved, if they exist. Moreover, because of the characteristics of error, fraud or other irregularities, including concealment through collusion or fraud, a properly designed and executed audit may not necessarily detect a significant irregularity.

We will communicate any illegal acts, material errors, identified fraud or information that indicates that a fraud may exist, that we may have identified during our audit, to the appropriate level of management as soon as practicable.

In terms of our Professional Code of Conduct we have a professional obligation to act in the public interest when we become aware of information concerning an instance of non-compliance or suspected non-compliance with laws and regulations.

In the case where we identify or suspect that non-compliance with laws and regulations we shall first seek to obtain an understanding of the matter, including the nature of the act and the circumstances in which it has occurred, or about to occur.

In the case where we become aware of information concerning an instance of non-compliance or suspected non-compliance, while performing the audit engagement or through information provided by other parties, we shall:

- Obtain an understanding of the matter, including the nature of the act and the circumstances in which it has occurred or may occur;
- Discuss the matter with management or those charged with governance;
- Prompt management or those charged with governance to investigate the matter;
- Advise management to take appropriate and timely actions, if they have not already done so, to:
 - Rectify, remediate or mitigate the consequences of the non-compliance;
 - Deter the commission of the non-compliance where it has not yet occurred; or
 - Disclose the matter to an appropriate authority where required by law or regulation or where considered necessary in the public interest;
- Consider whether management or those charged with governance understand their legal or regulatory responsibilities with respect to the non-compliance or suspected non-compliance. If not, we may suggest appropriate sources of information or recommend that they obtain legal advice;
- Assess the appropriateness of the response of management or those charged with governance.

Relevant factors to consider include whether:

- The response of management or those charged with governance is timely.
- The non-compliance or suspected non-compliance has been adequately investigated.

- Action has been or is being, taken to rectify, remediate or mitigate the consequences of any non-compliance.
- Action has been or is being taken to deter the commission of any non-compliance where it has not yet occurred.
- Appropriate steps have been or are being taken to reduce the risk of re-occurrence.
- The non-compliance or suspected non-compliance has been disclosed to an appropriate authority where appropriate and whether the disclosure appears adequate.

We shall also determine if further action is needed in the public interest. We shall consider the following:

- The legal and regulatory framework.
- The urgency of the matter.
- The pervasiveness of the matter.
- Whether we can continue to have confidence in the integrity of management or those charged with governance.
- Whether the non-compliance or suspected non-compliance is likely to recur.
- Whether there is credible evidence of actual or potential substantial harm to the interests of the entity, investors, creditors, employees or the public.

We shall consider our legal or regulatory duty governing the reporting of non-compliance or suspected non-compliance to an appropriate authority.

Examples of circumstances that may cause us to no longer to have confidence in the integrity of management or those charged with governance include situations where:

- We suspect or has evidence of management's involvement or intended involvement in any non-compliance.
- We are aware that management has knowledge of such non-compliance and, contrary to legal or regulatory requirements, have not reported, or authorised the reporting of the matter to an appropriate authority within a reasonable period.

In determining the need for, and nature and extent of further action, we shall exercise professional judgment and consider whether a reasonable and informed third party, weighing all the specific facts and circumstances available to us at the time, would be likely to conclude that we have acted appropriately in the public interest.

Where we believe that management is involved in the non-compliance or suspected non-compliance, we shall discuss the matter with those charged with governance. We may also consider discussing the matter with internal auditors, where applicable.

When making such disclosure, we shall act in good faith and exercise caution when making statements and assertions. We shall also consider whether it is appropriate to inform management or those charged with governance of our intentions before disclosing the matter.

In exceptional circumstances, where we become aware of actual or intended conduct that we have reason to believe would constitute an imminent breach of a law or regulation that would cause substantial harm to investors, creditors, employees or the public, we shall consider whether it would be appropriate to discuss the matter with management or those charged with governance. We shall exercise professional judgment and may immediately disclose the matter to an appropriate authority, to prevent or mitigate the consequences of such imminent breach of law or regulation. Such disclosure will not be considered a breach of our duty of confidentiality.

Staff

Our staff members undergo periodic training and this, together with the taking of annual leave, may lead to staff turnover and lack of continuity. We will use our best endeavours to avoid any disruption to an engagement's progress.

Save as envisaged below, you agree not to make any offer of employment or to otherwise interfere with or entice away from the employment of any persons employed by Exceed (Cape Town) Incorporated. You further agree not to use such person's services as an independent consultant or via a third party for a period of 12 months following the end of such person's involvement, without the prior written consent of Exceed (Cape Town) Incorporated.

Should you make any offer of employment to any person currently employed by Exceed (Cape Town) Incorporated or who was employed by Exceed (Cape Town) Incorporated for the immediately preceding 12 month period from the date of such offer of employment, you will be liable for and will pay to Exceed (Cape Town) Incorporated a placement fee equal to 10% of such employee's total annual cost to company, excluding VAT.

Our Reporting

At the conclusion of our audit, we will express an opinion as to whether or not the financial statements fairly present the financial position, results of operations and cash flow information of the entity, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SME) and in the manner required by the Trust Property Control Act 57 of 1988.

The auditor's report will be formulated and presented in accordance with:

- ISA 700, Forming an Opinion and Reporting on Financial Statements
- ISA 701, Communicating Key Audit Matters in the Auditor's Report {Delete if not applicable}
- ISA 705, Modifications to the Opinion in the Independent Auditor's Report

- ISA 706, Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report
- ISA 720, The Auditor's Responsibilities relating to the other information

The form and content of our report may need to be amended in the light of our audit findings and the reporting requirements contained in the Trust Property Control Act 57 of 1988 and the Auditing Professions Act of South Africa.

Financial Intelligence Centre Act, No 38 of 2001

In terms of Section 29 of the Financial Intelligence Centre Act we are required by law to report to the Financial Intelligence Centre certain suspicious or unusual transactions, such as those which may involve money laundering, which have no apparent business or lawful purpose, or which may be relevant to an investigation of evasion or attempted evasion of tax. This statutory requirement, which applies to both prospective clients and existing clients, overrides the professional ethics rules of confidentiality, which we observe.

Reportable irregularities

A reportable irregularity in terms of the Auditing Profession Act 2005 is any unlawful act or omission committed by any person responsible for the management of an entity, which:

- Has caused or is likely to cause material financial loss to the entity or to any partner, member, trustee, creditor or investor of the entity in respect of his, her or its dealings with that entity; or
- Is fraudulent or amounts to theft; or
- Represents a material breach of any fiduciary duty owed by such person to the entity or any partner, member, trustee, creditor or investor of the entity under any law applying to the entity or the conduct or management thereof.

In considering whether a person is responsible for managing an entity we will have due regard both to the published details of the management structure thereof and to the de facto exercise of the requisite characteristics of control and management.

We are required by the Auditing Profession Act 2005 to send a written report to the Independent Regulatory Board for Auditors (IRBA) if we are satisfied or have reason to believe that a reportable irregularity has taken place or is taking place.

We undertake to notify management or those charged with governance of such action within three days of sending a report to the IRBA.

We will subsequently take all reasonable steps to discuss the report with management or those charged with governance who will be afforded the opportunity to make representations in respect thereof.

We are also required to send a second report to the IRBA, within 30 days from the date on which the initial report was sent, which should contain a statement that we are of the opinion that:

- No reportable irregularity has taken place; or

- The suspected reportable irregularity is no longer taking place and that adequate steps have been taken for the prevention or recovery of any loss as a result thereof, if relevant; or
- The reportable irregularity is continuing.

If the IRBA receives a report that a reportable irregularity is continuing, they must notify any appropriate regulator of the details of the reportable irregularity to which the report relates and provide it with a copy of the report.

Should a reportable irregularity have taken place or be taking place our audit report on the financial statements is required to be appropriately qualified.

Our staff involved in the audit engagement are required to report any suspected reportable irregularity to the engagement partner immediately, without delay.

Should an employee fail to adhere to this requirement they will face a disciplinary hearing and possible termination of their training contract and/or dismissal.

Because of the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that even some material irregularities may remain undiscovered.

Reporting to management

We shall report to the management, normally in writing, any significant weaknesses in, or our observations on, the internal control structure and other areas that comes to our attention during the course of our normal audit work and which, in our view, require their attention.

Our review of the internal control system is only performed to the extent required to express a reasonable assurance opinion on compliance of the trust with the relevant laws and regulations and therefore our comments on these systems will not necessarily address all possible improvements that might be suggested as a result of a more extensive special examination.

No such report may be provided to a third party without our prior written consent. Such consent will be granted only on the basis that such reports are not prepared with the interests of anyone other than the entity in mind and that we accept no duty or responsibility to any other party.

Communication with trustees

Audit matters of governance interest are those matters that arise from the audit of financial statements and, in our opinion, are both important and relevant to the trustee in overseeing the financial reporting and disclosure process. Audit matters of governance interest will be communicated to the trustee.

We will communicate only those matters of governance interest that comes to our attention as a result of the performance of the audit. We are not required to design procedures for the specific purpose of identifying matters of governance interest.

Information

We may rely on any instructions or requests made or notices given or information supplied, whether orally or in writing, by any person whom we know to be or reasonably believe to be authorised by you to communicate with us for such purposes (“an authorised person”).

We may receive information from you or from other sources in the course of delivering the services and:

We will consider the consistency and quality of information received by us;

We will not seek to establish the reliability of information received from you or any other information source. Accordingly, we assume no responsibility and make no representations with respect to the accuracy, reliability or completeness of any information provided to us; and

We will not be liable for any loss or damage suffered by you arising from fraud, misrepresentation, withholding of information material to the services, or other default relating to such material information, whether on your part or that of the other information sources.

You undertake to supply information in response to our enquiries to enable us to comply with our statutory obligations relating to the Financial Intelligence Centre Act, No 38 of 2001 and the Prevention of Organised Crime Act, No 121 of 1998.

Meetings

To provide an opportunity for us and the management to discuss the matters raised in our various reports, we expect to attend the management meetings prior to the commencement of our audit and before the announcement of interim and annual results. We are also entitled to attend all general meetings of the entity and to receive notice of all such meetings.

Documents issued with the financial statements

To assist us with our audit of your financial statements, we shall request sight of all documents or statements, and reports which are to be issued with the financial statements.

ISAs require that we read any annual report and other document that contains our audit opinion. The purpose of this procedure is to consider whether other information in the annual report, including the manner of its presentation, is materially inconsistent with information appearing in the financial statements. We assume no obligation to perform procedures to verify such other information as part of our audit.

Once we have issued our report we have no further direct responsibility in relation to the financial statements for that financial year. However, we expect that you will inform us of any material event occurring between

the date of our report and the date of issue of the financial statements which may affect the financial statements.

Future use of the audit opinion

Any agreement to perform work in connection with an offering, including an agreement to provide such permission or consent, will be a separate engagement and subject to a separate engagement contract. You agree that our audit report, or reference to us, will not be included in any such offering document without our prior written permission or consent.

Additional deliverables

The work we undertake to support any conclusions reached in additional deliverables that we have agreed to, will be limited to the work we undertake for reaching our opinion. Any advice and recommendations will therefore be limited by the scope of our work, and may not cover all issues which might arise from a specific in-depth review. Any use made of our advice and recommendations should be viewed in this light.

Any product of the services released to you in any form or medium will be supplied by us on the basis that it is for your benefit and information only and that it may not be copied, referred to or disclosed, in whole or in part (save for your own internal purposes), without our prior written consent. The services will be delivered on the basis that you may not quote our name or reproduce our logo in any form or medium without our prior written consent. You may disclose in whole any product of the services to your bankers and legal and other professional advisers for the purposes of your seeking advice in relation to the services, provided that when doing so you inform them of:

- Disclosure by them (save for their own internal purposes) is not permitted without our prior written consent; and
- We accept no responsibility or liability whatsoever and neither do we owe any duty of care to them in connection with the services.

Third party rights

The service contract will not create or give rise to, nor will it be intended to create or give rise to, any third party rights.

Our audit opinion is intended for the benefit of those to whom it is addressed. The audit will not be planned or conducted in contemplation of reliance by any third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be assessed differently by a third party, possibly in connection with a specific transaction.

Any contractual arrangements between you and a third party which seeks to impose such requirements upon us will not, as a matter of law, be binding on us. The entity agrees that it will not seek us to commit to providing reports to third parties unless we have consented to do so in advance. We may decline to provide reports to third parties, save for those reports required by law or regulations. We will stipulate the terms upon

which those reports will be provided should we agree to provide such reports in a capacity other than being your auditor. The entity will assist us in agreeing the terms upon which we will report to third parties. Any such possible requirements must be discussed with us at the earliest opportunity and well before the agreement or other arrangement is finalised. In this regard, however, it is our policy not to extend our duty of care in respect of our report in the financial statements.

Where we agree to provide reports to third parties, it remains the entity's responsibility to provide us with copies of the relevant contract documents and with any further information or explanations we may require, enabling us to prepare our report.

We will not, in giving our opinion, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which our report may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our report save where they have obtained our prior written consent that they may do so. If we have to accept responsibility to the third party, we will require their acceptance of limitation of liability as a condition of providing a report to them and reserve the right to charge additional fees.

You will indemnify Exceed (Cape Town) Incorporated, contracting party and any Exceed (Cape Town) Incorporated persons and hold them harmless against any loss, damage, expense or liability incurred by the parties and/or persons as a result of, arising from, or in connection with a combination of the following two circumstances:

- Any breach by you of your obligations under the service contract; and
- Any claim made by a third party or any other beneficiaries which results from or arises from or is connected with any such breach.

Responsibility relating to electronic distribution of Exceed (Cape Town) Incorporated's opinion

We acknowledge that you may wish to publish financial statements and the auditors' report on the entity's website or distribute them to the trustees by means such as e-mail. Your responsibilities concerning the preparation, dissemination and signing of the financial statements do not change because the financial statements are reproduced or distributed electronically. It is your responsibility to ensure that any such publication properly presents the financial information and any auditors' report. We request that you advise us of any intended electronic publication before it occurs. Where our audit report is reproduced in any medium, the complete financial statements, including notes, must also be presented.

By giving our consent to the issue of our opinion with the financial statements on the website we do not accept any duty of care and deny any liability beyond our statutory duties as auditors. As auditors, we will review the process by which the financial statements to be published electronically are derived from the financial information contained in the manually signed financial statements, ensure that the proposed electronic version is identical in content with the manually signed financial statements and ensure that the conversion of the manually signed financial statements into an electronic format has not distorted the overall

presentation of the financial information, for example by highlighting certain information so as to give it greater prominence.

You are responsible for the controls over, and the security of, the website and, where applicable, for establishing and controlling the process for electronically distributing annual reports and other financial information. We remind you that the examination of controls over the maintenance and integrity of the entity's website is beyond the scope of the audit of the financial statements and if your responsibilities statements do not include reference to this we will include it as a note at the end of the electronic version of our audit report.

Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. However, if we do become aware of any subsequent amendments, we will notify the trustee that the financial statements no longer correspond with the manually signed financial statements.

Uncertainty regarding legal requirements is compounded as information published on the internet is accessible in many countries with different legal requirements relating to the preparation and dissemination of financial statements and if the responsibilities statement does not refer to this, or if we otherwise consider it appropriate, we will include a note describing this uncertainty at the end of the electronic version of our audit report.

We reserve the right to withhold consent to the electronic publication of our report if the audited financial statements or the auditors' report are to be published in an inappropriate manner or to request amendments to the electronic auditors' report if we are not satisfied with the proposed wording or its presentation in the context of the financial statements.

Taxation services

The preparation of the tax computation and the tax accrual remain the responsibility of management. During our audit engagement we may perform certain audit work on the tax computation and the tax balances related to the entity. Our procedures are performed with the objective to determine whether the related balances are fairly presented in accordance with the International Financial Reporting Standard for Small and Medium-sized entities (IFRS for SME) and to enable us to express an opinion on the financial statements as a whole. Our audit opinion only expresses reasonable assurance about whether the taxation balances are free from material misstatement. For the purpose of the preparation and submission of your corporate tax returns, reasonable assurance may not be suitable level of reliance, and our procedures may not be suitable to ensure the accuracy of those returns. If you require a full compliance review of your taxation computation and tax accrual, please contact the engagement partner.

Electronic communications

We may choose to communicate with you by electronic mail or internet where an authorised person wishes us to do so, on the basis that in consenting to this method of communication, you accept the inherent risks of such communications (including the security risks of interception of or unauthorised access to such communications, the risks of corruption of such communications, the risk of errors or loss of information and the risks of viruses or other harmful devices) and that you will perform virus checks. We will use commercially reasonable procedures to check for the most commonly known viruses before sending information electronically.

We recognise that systems and procedures cannot be a guarantee that transmissions will be unaffected by such hazards.

We confirm that we each accept the risks of and authorise electronic communications between us. We each agree to use commercially reasonable procedures to check for the then most commonly known viruses before sending information electronically and to safeguard the security and confidentiality of the information transmitted, but we cannot guarantee that the transmission will be free of infection nor its security and confidentiality. We shall each be responsible for protecting our own systems and interests in relation to electronic communications and the entity and Exceed (Cape Town) Incorporated (in each case including our respective partners/trustees, employees or agents) shall have no liability to each other on any basis, whether in contract, delict (including negligence) or otherwise, in respect of any error, damage, loss or omission arising from or in connection with the electronic communication of information between us and our reliance on such information.

The exclusion of liability in the previous clause shall not apply to the extent that any liability arises out of acts, omissions or misrepresentations which are in any case criminal, dishonest or fraudulent on the part of our respective partners/trustees, employees, or agents.

If our communication relates to a matter of significance on which you wish to rely and you are concerned about the possible effects of electronic transmission, you should request a hard copy of such transmission from us. If you wish us to password protect all or certain documents transmitted, you may request us to do so.

Use of Exceed (Cape Town) Incorporated's software

We may develop software, including spread sheets, documents, databases and other electronic tools to assist us with our assignment. In some cases, these aids may be provided to you upon request. As these tools were developed specifically for our purposes and without consideration of any purpose for which you might use them, they are made available on an "as is" basis for your use only and should not be distributed to or shared with any third party. Further, we make no representations or warranties as to the sufficiency or appropriateness of the software tools for any purpose for which you may use them. Any software tools developed specifically for you will be covered under a separate engagement letter.

Ownership of and access to audit files

The working papers and files for this engagement created by us during the course of the audit, including electronic documents and files, are the sole property of Exceed (Cape Town) Incorporated and you have no right to access them. We may decide in our own sole discretion to grant access to you to our working papers, should you wish to.

We have set quality control policies for the retention of documentation, after which time we will commence the process of destroying the contents of our engagement files. To the extent we accumulate any of your original records during the engagement; those documents will be returned to you promptly upon completion of the engagement.

We will retain ownership of the copyright and all other intellectual property rights in the product of the services, whether oral or tangible, including written advice, methodologies, software, systems know-how and working papers. For the purposes of delivering services to you or other clients, we will be entitled to use or develop knowledge, experience and skills of general application gained through performing the services.

We have the right to use your name as a reference in proposals or other similar submissions to other prospective clients, unless you specifically withhold permission for such disclosure. If we wish to use details of the work done for you for reference purposes, we will obtain your permission in advance.

Circumstances beyond our or your control

Neither of us will be in breach of our contractual obligations, nor will either of us incur any liability to the other, if we or you are unable to comply with the services contract as a result of any cause beyond our or your reasonable control. In the event of any such occurrence affecting one of us, that one shall be obliged as soon as reasonably practicable to notify the other, who will have the option of suspending or terminating the operation of the services contract on notice, which notice will take effect immediately on delivery thereof.

Waiver, assignment and sub-contractors

Failure by any one of us to exercise or enforce any rights available to us shall not amount to a waiver of any rights available to either of us. However, neither party should be liable in any way for failure to perform, or delay in performing, our respective obligations under this engagement if the failure or delay is caused outside reasonable control of the failing party.

Neither of us will have the right to assign the benefit or burden of the services contract without the written consent of the other. We will have the right to appoint sub-contractors to assist us in delivering the services.

Exclusions and limitations on our liability

Save for any exclusions provided for in Auditing Profession Act 2005 the maximum liability of Exceed (Cape Town) Incorporated or any individual partner/trustee, member or employee, as the case may be, of the Exceed (Cape Town) Incorporated contracting party in respect of direct economic loss or damage suffered by you or by other beneficiaries arising out of or in connection with the services shall be limited to two times

the fees charged and paid for these services. The maximum liability will be an aggregate liability for all claims arising, whether by contract, delict, negligence or otherwise.

In the particular circumstances of the services set out in the engagement letter, the liability to you and to other beneficiaries of each and all Exceed (Cape Town) Incorporated persons in contract or delict or under Trust Property Control Act 57 of 1988 or otherwise, for any indirect or consequential loss or damage (including loss of profits) suffered by you (or by any such other party) arising from or in connection with the services, however the indirect or consequential loss or damage is caused, excluding our willful misconduct, shall be excluded to the extent that such limitation is permitted by law.

Our liability to you will in no circumstances exceed the lower of the amount determined by the application of the monetary limit based upon fees charged to, and recovered from, you and the amount determined by the apportionment of responsibility, as the case may be.

You and other beneficiaries may not bring any claim personally against any individual partner/trustee, member, employee or agent, as the case may be, of the Exceed (Cape Town) Incorporated contracting party or of anybody or entity controlled by us or owned by us or associated with us in respect of loss or damage suffered by you or by other beneficiaries arising out of or in connection with the services. You agree that any claim of any sort whatsoever arising out of or in connection with this engagement shall be brought only against Exceed (Cape Town) Incorporated. This restriction shall not operate to limit or exclude the liability of the Exceed (Cape Town) Incorporated contracting party for the acts or omissions of its partners, trustees, members, employees and agents. Any claim by you or other beneficiaries must be made (for these purposes a claim shall be made when court or other dispute resolution proceedings are commenced) within two years of the date on which you or they became aware, or ought reasonably to have become aware, of circumstances giving rise to a claim or potential claim against us.

Timetable

We will agree on a timetable to enable you to meet your statutory obligations to issue annual financial statements and to meet any other deadlines you have brought to our attention. However, any such timetable will be based on the assumption that we will receive the appropriate co-operation and assistance to perform an effective and efficient audit.

Fees

We will render invoices in respect of the services comprising fees, disbursements and VAT thereon (where appropriate), together with any other foreign taxes (if applicable) ('fees') that might be payable thereon.

Our fees are based on the time spent on your affairs by our partners/trustees and staff, and on the levels of skill and responsibility involved, the nature and complexity of the services and the resources required to complete the engagement. These fees may differ from estimates that may have been supplied, of which estimates will only be provisional.

Fees are calculated:

- (a) On an hourly basis at charge-out rates applicable to the person undertaking the work.
- (b) Stringent reporting requirements or deadlines imposed by you might require work to be carried out at a higher level than usual or in extreme cases outside normal working hours. This will result in increased costs. Our current maximum and minimum rates for normal work within normal working hours applicable from time to time may be obtained on request.
- (c) Disbursements in respect of travelling expenses, photocopies, stationery, revenue stamps, postage, e-mails, and telephone calls will be recoverable at our predetermined rates.

Our fee estimate is based on the assumption that the information we require is made available to us in accordance with the agreed timetables, and that key executives and personnel are available during the course of our work. If delay or any other problems beyond our control occurs, this may result in additional fees for which invoices will be raised on the above basis.

In return for the delivery of the services by us, you will be required to pay our fees, without any right of set-off, on presentation of our invoice.

Delivery of our services shall mean:

- a) Audit: five working days after delivering draft financial statements or upon delivering final financial statements, whichever is sooner.
- b) Consulting and other services: upon rendering advice or upon dispatch of correspondence, as appropriate.
- c) Taxation services: upon rendering advice or upon dispatch of documents or correspondence to you or the Inland Revenue authorities, as appropriate.

We will be entitled to raise fees upon delivery as set out above. In the event that you are not in agreement with any fee raised you will notify us in writing of your objection within 21 working days of our dispatch of the invoice. Failure to do so will constitute acceptance of the fee. Approval of financial statements or minutes reflecting our fees will constitute acceptance of the fees, including any under provision which does not warrant redrawing the financial statements.

Notwithstanding anything to the contrary contained herein, should our accrued fees reach a level which we consider to be material, such accrued fees will become due and payable immediately upon presentation of our invoice, failing which, the rendering of all further professional services will be suspended pending receipt of payment.

In the event of your appointing an alternative firm in our stead, or otherwise terminating our mandate, we will be entitled to raise a fee upon receipt of such notification for an amount adequate to cover all work done to date and not yet billed, at our standard charge out rates, including disbursements incurred. In such event you undertake to settle our account in full prior to our handing over of books and records to you or to our successor.

Our fees will be inclusive of Value Added Tax which will rank for deduction as input tax by registered vendors.

Subject to a foregoing, our fees are payable on presentation. We will be entitled to charge interest on all amounts outstanding, for whatsoever reason, for more than 30 days from the date of presentation of our invoice at the maximum rate allowed by law. Such interest will be calculated on a monthly basis. All payments will be allocated first as to interest, then as to outlays, then to the longest outstanding fee.

In the event that invoices are not settled within 30 days of presentation, we reserve the right to charge compound interest monthly at 3% above the prime rate until the debt is settled.

Without prejudice to any other rights that we may have in law, we reserve the right to suspend or terminate the performance of the services or any part thereof to you immediately, at any time, with or without notice, should payment of any of our fees become overdue.

The fees will be subject to review by us each year and will vary with a number of factors, including the extent of the assistance we receive from members of staff in preparing routine schedules and analyses.

It is our usual practice to provide estimates of our fees in advance of the work commencing and we shall require payments on account as our work progresses.

The Protection of Personal Information Act (POPIA)

POPIA governs and requires us to inform you what personal information we collect, how we collect this personal information; why we collect it; who we share it with; and for how long we will keep this information.

We are committed to taking appropriate and reasonable measures to prevent any loss of or damage to or unauthorized access or destruction of your personal information and any unlawful access to, or the processing of your personal information without permission. We also undertake to take reasonable measures to keep your information secure and to retain your information only for as long as necessary or in accordance with any applicable Laws. We will never "sell" your personal data to third parties.

We are committed to ensuring that, where we are required to share your information with any third party, as and when required, or as allowed for by law, that the third party is similarly committed to having appropriate security measures in place and to protecting your personal information. In certain circumstances, we might need your consent, which we will request from you before continuing with the processing of your information.

For a full privacy notice, please to our website or contact our Information Officer IS van Rooyen for more information: 021 852 0382. By signing this engagement letter, you confirm that you consent to our privacy notice.

Quality of service

We will seek to ensure that our service is satisfactory at all times and delivered with reasonable skill and care. If at any time you would like to discuss with us how the service can be improved, you are invited to contact us.

A requirement of the IRBA is to provide excellent quality audit work, in order to achieve this we are required to review certain of our files internally. Independent third-party reviewers may be utilised to facilitate this

process. The person or institution that will be selected by us will be required by us to sign a confidentiality agreement and will treat all information inspected with the strictest of confidence.

Future years

We propose that the engagement letter will be in place until replaced. If circumstances change, we will issue a new engagement letter. Until such time, this letter will be in force even where there is a change in group structure.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities. If there is anything that you do not agree with or wish to amend, please contact us.

This engagement letter is contractual in nature and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties.

We look forward to a prosperous relationship.

Yours faithfully

DocuSigned by:
Exceed (Cape Town) Incorporated
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Exceed (Cape Town) Incorporated

Chartered Accountants (SA)/ Registered Auditor

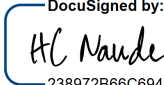
Director: DJC Koegelenberg

Practice no: 964921-0000

Accepted on behalf of Halli Trust by:

Position: Trustee

Name: H Naude

Signature: 
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Date: 2021/03/01

Annexure A: POPIA Act and use of Caseware software

1. Parties

This written agreement is between Halli Trust and EXCEED (CAPE TOWN) INCORPORATED and forms part of the terms of the engagement letter.

2. Definitions

In this engagement:

- a) For the purposes of this agreement applicable data protection laws means the Protection of Personal Information Act 4 of 2013;
- b) Technical and organisational measures means regarding a given goal, the technical and organisational efforts that a reasonable person in the responsible party's position would use to achieve that goal as quickly, effectively, and efficiently as possible;
- c) Data protection law terms. Terms used in this engagement letter that have meanings ascribed to them in applicable data protection laws, including 'data subject', 'processing', 'personal information', 'responsible party' and 'operator', carry the meanings set out under those laws to the extent that this agreement does not define them.

3. Introduction

The parties agreed to the terms of the engagement letter to provide the services to Halli Trust as part of an activity that involves the processing of personal information. EXCEED (CAPE TOWN) INCORPORATED determines why and how to process personal information as part of the activity. This makes EXCEED (CAPE TOWN) INCORPORATED the responsible party.

As part of EXCEED (CAPE TOWN) INCORPORATED providing services, EXCEED (CAPE TOWN) INCORPORATED processes certain personal information on behalf (or for) Halli Trust .

This makes EXCEED (CAPE TOWN) INCORPORATED a responsible party for Halli Trust.

To meet this requirement, the parties enter into this data processing agreement to supplement the engagement letter. The engagement letter remains in full force and effect. If there is a conflict between the engagement letter and this data processing agreement, the data processing agreement prevails.

4. Security measures

EXCEED (CAPE TOWN) INCORPORATED will secure the integrity and confidentiality of personal information in its possession or under its control by taking appropriate, reasonable technical and organizational measures to prevent loss of, damage to or unauthorised destruction of personal information, as well as unlawful access to or processing of personal information

5. Authorisation and confidentiality

The law places certain obligations on EXCEED (CAPE TOWN) INCORPORATED regards the personal information. EXCEED (CAPE TOWN) INCORPORATED will:

- a) only process it with the knowledge or authorisation of Halli Trust ,
- b) treat it as confidential, and
- c) not disclose it.

This does not apply if:

- a) the law requires EXCEED (CAPE TOWN) INCORPORATED to do so, or
- b) EXCEED (CAPE TOWN) INCORPORATED must do so in the course of the proper performance of its duties.

6. Transferring personal information outside South Africa

EXCEED (CAPE TOWN) INCORPORATED will notify the information officer of Halli Trust if it considers transferring the personal information outside of South Africa so that Halli Trust can consider how to do it lawfully.

7. EXCEED (CAPE TOWN) INCORPORATED to notify Halli Trust of incident

EXCEED (CAPE TOWN) INCORPORATED must notify the information officer of Halli Trust immediately (no later than 24 hours) where there are reasonable grounds to believe that an unauthorised person has accessed or acquired the personal information.

20 March 2023

Director: DJC Koegelenberg
Exceed (Cape Town) Incorporated
Po Box 1023
Somerset Mall
7137

Dear Sirs,

This representation letter is provided in connection with your compilation of the financial statements of Halli Trust for the year ended 28 February 2022.

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 for the compilation 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 in accordance with the accounting standards.

2. Information provided

We have provided you with:

- a. Access to all information of which we are aware that is relevant to the compilation 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 compilation; and
- c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain review evidence.

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

3. Accounting estimates and fair value measurements

We confirm that the following representations made to you or implied by us during the course of the compilation are, to the best of our knowledge and belief accurate:

- a. That the assumptions and models used in determining the accounting estimates are appropriate in the context of the accounting policies and applied consistently throughout the process.
- b. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- c. That the assumptions appropriately reflect management's intent.
- d. That disclosures related to accounting estimates are complete and appropriate; and
- e. That no subsequent event requires adjustment to the accounting estimates and disclosures included in the financial statements.

4. Laws and regulations

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when compiling the financial statements.

5. 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.


6. Going concern

We have disclosed to you all information relevant to compiling 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 the financial reporting framework requires adjustment or disclosure have been communicated to you.

Yours faithfully,

DocuSigned by:

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HC Naudé

20 March 2023

Date

HALLI TRUST IT4275/2007

MINUTES OF A TRUSTEE MEETING HELD IN SOMERSET WEST ON 20 MARCH 2023

PRESENT:

M Engelbrecht

DocuSigned by:

M Engelbrecht

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B Möhr

DocuSigned by:

B Möhr

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HC Naudé

DocuSigned by:

HC Naudé

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F Pullen

DocuSigned by:

F Pullen

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RESOLUTIONS

1. That the annual financial statements for the year ended 28 February 2022 be tabled, discussed, and approved.
2. That HC Naudé and B Möhr 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:

HC Naudé

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HC Naudé