

**THE ASAP FOUNDATION TRUST (AFRICAN SOLUTIONS TO
AFRICAN PROBLEMS)**

(Registration Number IT 3548/2004)

Annual Financial Statements
for the year ended 28 February 2015



BRAUDE GORDON & CO
CHARTERED ACCOUNTANTS (SA)
REGISTERED AUDITORS

THE ASAP FOUNDATION TRUST (AFRICAN SOLUTIONS TO AFRICAN PROBLEMS)

(Registration Number IT 3548/2004)

Annual Financial Statements for the year ended 28 February 2015

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THE ASAP FOUNDATION TRUST (AFRICAN SOLUTIONS TO AFRICAN PROBLEMS)

(Registration Number IT 3548/2004)

Annual Financial Statements for the year ended 28 February 2015

GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	Undertaking public benefit activities which promote development for the poor and needy persons in rural communities in Southern Africa
TRUSTEES	Suzi Peel (Resigned 7 May 2015) Andrew O'Neill Marilyn Hague Noah Fischel Patricia Blanchet Leonora Sauls (Resigned 4 August 2014) Dr. Jaiyesimi Funiwe Njobe (Resigned 10 March 2014) Charlene Balcker (Resigned 4 August 2014) Priscilla Higham (Resigned 31 October 2014)
REGISTERED OFFICE	156 Main Road Muizenburg Village Muizenburg 7945
BANKERS	First National Bank
AUDITORS	Braude Gordon & Co. Suite 201, 200 on Main 200 Main Road Claremont 7708

BRAUDE GORDON & CO

CHARTERED ACCOUNTANTS (SA)
REGISTERED AUDITORS



G.A. GORDON, C.A. (S.A.)
L. SHER, B.COM., C.A. (S.A.)
D.I. SHONE, B.COM, C.A. (S.A.)
N.P. GORDON, B. COM, C.A. (S.A.)

OUR REF.

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CLAREMONT 7708

QUALIFIED INDEPENDENT AUDITOR'S REPORT

To the members of The ASAP Foundation Trust (African Solutions To African Problems)

We have audited the annual financial statements of The ASAP Foundation Trust (African Solutions To African Problems) set out on pages 7 to 14 which comprise the statement of financial position at 28 February 2015, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

The trust's trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting described in note 2, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Qualification

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


In addition to the above, the Managing Trustee, with whom most oversight and control vests, was taken seriously ill during the financial period under review. As a direct result of this, incomplete records were maintained with respect to the authorisation and monitoring of certain project costs. Accordingly we were unable to obtain adequate audit evidence to establish that the validity and cut off of project costs entered to the general ledger were appropriate, although we have no reason to believe that they are not correct.

Audit opinion

In our opinion , except for the qualifications referred to above, the annual financial statements fairly present, in all material respects, the financial position of the trust as at 28 February 2015, and its financial performance and cash flows for the year ended in accordance with the basis of accounting described in note 2.

Other matter

Without further qualifying our opinion we draw attention to the fact that supplementary information set out on pages 15 to 16 do not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.



Braude Gordon & Co.
Registered Auditors

14 January 2016

Per: L. Sher CA (SA)
Registered Auditor
Partner

Suite 201, 200 on Main
200 Main Road
Claremont
7708
7708

THE ASAP FOUNDATION TRUST (AFRICAN SOLUTIONS TO AFRICAN PROBLEMS)

(Registration Number IT 3548/2004)

Annual Financial Statements for the year ended 28 February 2015

TRUSTEES' RESPONSIBILITIES AND APPROVAL

The trustees are required to maintain adequate accounting records to enable the trust to satisfy all reporting requirements applicable to it and provide for the proper conduct of an audit. The accounting records required must be kept in such a manner as to provide adequate precautions against theft, loss or intentional or accidental damage or destruction, falsification, to facilitate the discovery of any falsification and to comply with any other applicable law dealing with accounting records, access to information, or confidentiality. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards as to form and content and present fairly the statement of financial position, results of operations and business of the trust, and explain the transactions and financial position of the business of the trust at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the trust and supported by reasonable and prudent judgements 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 board 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the trustees have no reason to believe that the trust will not be a going concern in the foreseeable future. The financial statements support the viability of the trust.

The financial statements have been audited by the independent auditing firm, Braude Gordon & Co., who have been given unrestricted access to all financial records and related data, including minutes of all meetings of trustees and committees of the board. The trustees believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditors' qualified audit report is presented on page 3 to 4.

The annual financial statements as set out on pages 7 to 14 were approved by the board on 14 January 2016 and were signed on its behalf by:



Trustee



Trustee

THE ASAP FOUNDATION TRUST (AFRICAN SOLUTIONS TO AFRICAN PROBLEMS)

(Registration Number IT 3548/2004)

Annual Financial Statements for the year ended 28 February 2015

TRUSTEES' REPORT

The trustees present their report for the year ended 28 February 2015.

1. Review of activities

Main business and operations

The principal activities of the trust are public benefit activities which promote development for the poor and needy persons in rural communities in Southern Africa and there were no major changes herein during the year.

The operating results and statement of financial position of the trust are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework require adjustment or disclosure have been adjusted or disclosed.

4. Trustees

The trustees of the trust during the year and to the date of this report are as follows:

Suzi Peel (Resigned 7 May 2015)
Andrew O'Neill
Marilyn Hague
Noah Fischel
Patricia Blanchet
Leonora Sauls (Resigned 4 August 2014)
Dr. Jaiyesimi Funiwe Njobe (Resigned 10 March 2014)
Charlene Balcker (Resigned 4 August 2014)
Priscilla Higham (Resigned 31 October 2014)

5. Auditors

Braude Gordon & Co. were the auditors for the year under review.

THE ASAP FOUNDATION TRUST (AFRICAN SOLUTIONS TO AFRICAN PROBLEMS)

(Registration Number IT 3548/2004)

Annual Financial Statements as at 28 February 2015

Statement of Financial Position

Figures in R	Note(s)	2015	2014
Assets			
Non-Current Assets			
Property, plant and equipment	3	293,069	227,627
Current Assets			
Other receivables and prepayments	4	13,585	19,664
Cash and cash equivalents	5	1,532,108	110,586
		1,545,693	130,250
Total Assets		1,838,762	357,877
Equity and Liabilities			
Equity			
Trust capital	6	100	100
Accumulated funds		1,807,564	315,972
		1,807,664	316,072
Current Liabilities			
Trade and other payables	7	31,098	41,805
Total Equity and Liabilities		1,838,762	357,877

THE ASAP FOUNDATION TRUST (AFRICAN SOLUTIONS TO AFRICAN PROBLEMS)

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Statement of Comprehensive Income

Figures in R	Note(s)	2015	2014
Revenue		4,270,461	2,662,165
Other income		-	1,900
Finance income		49,029	27,230
Total income		<u>4,319,490</u>	<u>2,691,295</u>
Direct expenditure on projects		<u>(1,056,356)</u>	<u>(1,909,586)</u>
Net income before other expenditure		3,263,134	781,709
Operating costs		<u>(1,771,542)</u>	<u>(1,830,228)</u>
Profit/ (loss) for the year		<u>1,491,592</u>	<u>(1,048,519)</u>

THE ASAP FOUNDATION TRUST (AFRICAN SOLUTIONS TO AFRICAN PROBLEMS)

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Statement of Changes in Equity

Figures in R	Trust capital	Accumulated funds	Total
Balance at 1 March 2013	100	1,364,491	1,364,591
Total comprehensive income for the year		(1,048,519)	(1,048,519)
Balance at 28 February 2014	100	315,972	316,072
Balance at 1 March 2014	100	315,972	316,072
Total comprehensive income for the year		1,491,592	1,491,592
Balance at 28 February 2015	100	1,807,564	1,807,664

Note

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THE ASAP FOUNDATION TRUST (AFRICAN SOLUTIONS TO AFRICAN PROBLEMS)

(Registration Number IT 3548/2004)

Annual Financial Statements for the year ended 28 February 2015

Statement of Cash Flows

Figures in R	Note(s)	2015	2014
Cash flows from operating activities			
Profit/ (loss) for the year		1,491,592	(1,048,519)
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment		64,228	41,692
Investment income		(49,029)	(27,230)
Loss on disposal of property, plant and equipment		50,332	-
Decrease in trade and other receivables		6,079	10,551
(Decrease)/Increase in trade and other payables		(10,709)	15,725
Cash generated by/(utilised in) operating activities		<u>1,552,493</u>	<u>(1,007,781)</u>
Interest received		49,029	27,230
Net cash from operating activities		<u>1,601,522</u>	<u>(980,551)</u>
Cash flows from investing activities			
Property, plant and equipment acquired		(255,000)	-
Proceeds on disposals of property, plant and equipment		75,000	-
Net cash utilised in investing activities		<u>(180,000)</u>	<u>-</u>
Increase/(Decrease) in cash and cash equivalents		1,421,522	(980,551)
Cash and cash equivalents at beginning of the year		110,586	1,091,137
Cash and cash equivalents at end of the year	5	<u>1,532,108</u>	<u>110,586</u>

THE ASAP FOUNDATION TRUST (AFRICAN SOLUTIONS TO AFRICAN PROBLEMS)

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Annual Financial Statements for the year ended 28 February 2015

Accounting Policies

1. General information

The ASAP Foundation Trust (African Solutions To African Problems) is a private company incorporated in South Africa.

2. Summary of significant accounting policies

These annual financial statements have been prepared in accordance with the accounting policies as set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in South African Rands.

2.1 Revenue recognition

Revenue presents donations received from overseas and local Public Benefit Organisations. Donations are recognised as income upon receipt thereof.

Interest income

Interest income is recognised using the effective interest method.

2.2 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

Motor vehicles	6 years
Computer equipment	5 years
Office equipment	6.67 years
Furniture and fittings	6.67 years

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Accounting Policies

2.3 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown under current liabilities on the statement of financial position.

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Notes to the Annual Financial Statements

Figures in R

2015

2014

3. Property, plant and equipment

	Cost	Accumulated depreciation	2015 Carrying value	Cost	Accumulated depreciation	2014 Carrying value
<i>Owned assets</i>						
Motor vehicles	349,995	96,495	253,500	391,995	222,732	169,263
Furniture and fittings	73,259	45,900	27,359	73,259	35,404	37,855
Office equipment	37,463	36,776	687	37,463	34,539	2,924
Computer equipment	30,310	18,787	11,523	30,310	12,725	17,585
	491,027	197,958	293,069	533,027	305,400	227,627

The carrying amounts of property, plant and equipment can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2015 Carrying value at end of year
<i>Owned assets</i>					
Motor vehicles	169,263	255,000	(125,332)	(45,431)	253,500
Furniture and fittings	37,855	-	-	(10,496)	27,359
Office equipment	2,924	-	-	(2,237)	687
Computer equipment	17,585	-	-	(6,062)	11,523
	227,627	255,000	(125,332)	(64,226)	293,069

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2014 Carrying value at end of year
<i>Owned assets</i>					
Motor vehicles	190,780	-	-	(21,517)	169,263
Furniture and fittings	48,688	-	-	(10,833)	37,855
Office equipment	6,204	-	-	(3,280)	2,924
Computer equipment	23,647	-	-	(6,062)	17,585
	269,319	-	-	(41,692)	227,627

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Figures in R	2015	2014
4. Other receivables and prepayments		
Sundry debtors	5,585	13,164
Deposits	8,000	6,500
	<u>13,585</u>	<u>19,664</u>
5. Cash and cash equivalents		
Favourable cash balances		
Cash on hand	1,419	637
FNB current account	352,742	24,017
RMB money market	1,177,947	85,932
	<u>1,532,108</u>	<u>110,586</u>
6. Trust capital		
Initial donation	<u>100</u>	<u>100</u>
7. Trade and other payables		
Accruals	<u>112,548</u>	<u>41,805</u>
8. Taxation		

The trust is exempt from taxes in terms of Section 18A of the Income Tax Act, as it is recognised as a public benefit organisation in terms of Section 30 of the Income Tax Act.

THE ASAP FOUNDATION TRUST (AFRICAN SOLUTIONS TO AFRICAN PROBLEMS)

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Detailed Income Statement

Figures in R	2015	2014
Gross Revenue		
Donation income	4,270,461	2,662,165
	<u>4,270,461</u>	<u>2,662,165</u>
Direct expenditure on projects		
ASAP Alliance Conference	-	138,766
Baphumelele (Khayelitsha, Western Cape)	13,257	38,386
Fakisandla (Nyanga, Western Cape)	55,381	114,746
Hlomelihusasa (Mount Frere, Eastern Cape)	-	31,288
Ikwezi Lomso (Khayelitsha, Western Cape)	-	9,814
Imithayelanga youth development	40,088	144,773
Itekeng Batswadi (Matatiele, Eastern Cape)	56,281	286,475
Kakaretso (Qwa Qwa, Free State)	-	49,782
Khula kahle (Matatiele, Eastern Cape)	16,078	31,131
Library project expenses	215,460	212,749
Mamahou (Matatiele, Eastern Cape)	43,677	195,067
Nonqubela	157,996	-
Reahasetjhaba	210,641	190,131
Sakhikamva (Matatiele, Eastern Cape)	211,018	466,478
Volunteer expenses	36,479	-
	<u>1,056,356</u>	<u>1,909,586</u>
Gross Surplus	<u>3,214,105</u>	<u>752,579</u>
Other Income		
Insurance claim received	-	1,900
Interest received	49,029	27,230
	<u>49,029</u>	<u>29,130</u>
	<u>3,263,134</u>	<u>781,709</u>

The supplementary information presented does not form part of the annual financial statements and is unaudited