

**THE ASAP FOUNDATION TRUST  
(African Solutions To African Problems)**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2019**

**REGISTRATION NUMBER**

IT 3548/2004

**TRUSTEES**

P D Dlamini (Chairperson)  
M M Thubisi (Vice-Chairperson)  
S A Crewe  
N P Fischel-Abarbanel  
P D Higham  
A A Titus

**BUSINESS ADDRESS**

160 Sir Lowry Road  
Woodstock  
Cape Town  
7925

**WEBSITE**

[www.africansolutions.org](http://www.africansolutions.org)

**AUDITORS**

Harry Curtis & Co.

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# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

### 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 their 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 for the period then ended. The external accountants are engaged to determine whether the annual financial statements are in agreement with the accounting records of the trust and to review the appropriateness of the accounting policies as having been applied in the preparation of the annual financial statements.

The financial statements are prepared from the trust's accounting records and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The trustees acknowledges 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 set 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. The focus of risk management in the trust is 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 are satisfied that the trust has, or has access to, adequate resources to continue in operation existence for the foreseeable future.

The independent auditors are engaged to express an independent opinion on the annual financial statements, and were given unrestricted access to all financial records and related data, including minutes of all meetings of the trustees. The trustees believe that all representations made to the independent auditors during their audit were valid and appropriate. Their audit report is presented on pages 4 and 5.

The annual financial statements set out on pages 7 to 14 , which have been prepared on the going concern basis, were approved by the trustees and signed accordingly.

*Patricia Dlamini*

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TRUSTEE

23 April 2019

*Mbali Thubisi*

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TRUSTEE

*SIGNATURE*

**CONSULTING (PTY) LTD**  
CHARTERED ACCOUNTANTS (SA)

Company Reg No: 2019/036209/07

SAICA Reg No : 20014195

P O Box 53067, Kenilworth,  
2 Adelaide Road, Plumstead

Telephone : (021) 762 0255

Facsimile : (021) 797 6041

Email : office@signacons.co.za

## COMPILERS REPORT

To the Trustees of

### THE ASAP FOUNDATION TRUST (African Solutions To African Problems)

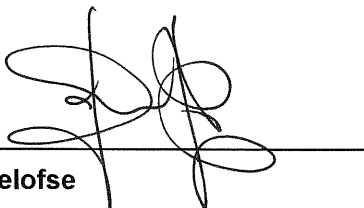
We have compiled the accompanying annual financial statements of The ASAP Foundation Trust based on information you have provided. These annual financial statements comprise the statement of financial position as at 28 February 2019, the statement of income and retained earnings and the statement of cash flows for the year then ended, a summary of significant accounting policies and notes to the financial statements.

We performed this compilation engagement in accordance with the International Standard on Related Services 4410 (Revised) on Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities and in the manner required by the Companies Act, No 71 of 2008. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the trust's accounting policies.



J Oelofse  
Chartered Accountant (SA)

23 April 2019

# HARRY CURTIS & CO

Chartered Accountants

Registered Auditors

SAICA Reg No : 001 30106

IRBA Reg No : 935050

P O Box 53067, Kenilworth, 7745

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## INDEPENDENT AUDITORS REPORT

To the Trustees of

### THE ASAP FOUNDATION TRUST (African Solutions To African Problems)

#### Opinion

We have audited the financial statements of The ASAP Foundation Trust set out on pages 7 to 14, which comprise the statement of financial position as at 28 February 2019, the statement of income and retained earnings and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The ASAP Foundation Trust as at 28 February 2019, and its financial performance and cash flows for the year then ended in accordance with the trust's accounting policies.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 the ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

The trustees are responsible for the other information. The other information comprises the trustees report and 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. We have nothing to report in this regard.

#### Responsibilities of the Trustees for the Financial Statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the trust's accounting policies, 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 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.

As part of an audit in accordance with ISAs, 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 organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



**H D CURTIS**  
Registered Auditor  
(Registration No : 639206)

**23 April 2019**

**2 Adelaide Road  
PLUMSTEAD  
7800**

# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

### REPORT OF THE TRUSTEES

The trustees hereby submit their annual report on the audited annual financial statements of the trust for the year ended 28 February 2019.

#### NATURE OF BUSINESS

The objective of the trust is to undertake public benefit activities, and to support other organisations undertaking such activities in order to promote community development for poor and needy persons, including community-based anti-poverty initiatives directed to self-help, empowerment, capacity building, skills development, and the alleviation of rural poverty in South Africa.

#### FINANCIAL RESULTS

The financial position and operating results of the trust for the year ended 28 February 2019 are adequately reflected in the accompanying annual financial statements and do not in our opinion require any further comment.

#### EVENTS SUBSEQUENT TO THE YEAR

No material fact or circumstance has occurred between the accounting date and the date of this report which affects the financial position of the trust as reflected in these financial statements.

#### 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.

#### TRUSTEES

The trustees of the trust at the financial year end are as follows :

P D Dlamini (Chairperson)  
M M Thubisi (Vice-Chairperson)  
S A Crewe  
N P Fischel-Abarbanel  
P D Higham  
A A Titus

#### REGISTERED, BUSINESS AND POSTAL ADDRESS

160 Sir Lowry Road  
Woodstock  
Cape Town  
7925

#### AUDITORS

Harry Curtis & Co continued as the company auditors, for the year under review.

*Patricia Dlamini*

*Mbali Thubisi*

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TRUSTEE

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TRUSTEE

23 April 2019

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# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

### STATEMENT OF FINANCIAL POSITION

	<u>Notes</u>	<u>2019</u> <u>R</u>	<u>2018</u> <u>R</u>
<b><u>ASSETS</u></b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	1	103,651	153,883
<b>CURRENT ASSETS</b>			
		3,301,122	3,489,977
Cash and Cash Equivalents	2	2,010,126	3,464,932
Trade and Other Receivables	3	1,290,996	25,045
		3,404,773	3,643,860
<b><u>RESERVES AND LIABILITIES</u></b>			
<b>CAPITAL AND RESERVES</b>			
		3,338,820	3,441,687
Capital		100	100
Accumulated Funds		3,338,720	3,441,587
<b>CURRENT LIABILITIES</b>			
		65,953	202,173
Provisions		-	-
Trade and Other Payables	4	65,953	202,173
		3,404,773	3,643,860

# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

### STATEMENT OF INCOME AND RETAINED EARNINGS

	<u>Notes</u>	<u>2019</u> <u>R</u>	<u>2018</u> <u>R</u>
<b>INCOME</b>		3,085,467	2,826,166
Donations Received		1,154,974	461,785
Grants Received	5	1,767,921	2,212,859
Interest Received		162,572	151,522
<b>EXPENDITURE</b>		3,188,334	2,684,097
Accounting Fees		161,094	152,900
Advertising, Marketing and Website		56,360	40,101
Auditor's Remuneration		20,700	28,750
Bank Charges		7,549	6,977
Computer Expenses		14,651	10,973
Conferences		-	3,000
Depreciation		50,232	36,925
Insurance		21,046	23,162
Office Expenses, Teas and Refreshments		-	6,834
Printing, Postage and Stationery		1,823	4,251
Professional Fees		147,571	-
Project Expenditure	6	2,452,012	1,973,457
Rent and Security		53,915	93,842
Repairs, Maintenance and Cleaning		1,532	8,495
Secretarial and Compilation Fees		2,000	-
Salaries and Wages		163,508	198,454
Small Assets < R7000		3,750	-
Staff Training, Welfare and Recruitment		500	31,980
Subscriptions		1,842	6,967
Telephone and Communications		6,823	44,015
Travel, Motor and Accommodation		20,226	6,094
Utilities		1,200	6,920
<b>NET SURPLUS / (DEFICIT) FOR THE YEAR</b>		(102,867)	142,069
<b>ACCUMULATED FUNDS AT BEGINNING OF YEAR</b>		3,441,587	3,299,518
<b>ACCUMULATED FUNDS AT END OF YEAR</b>		3,338,720	3,441,587



**THE ASAP FOUNDATION TRUST**  
**(African Solutions To African Problems)**

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

**STATEMENT OF CASH FLOWS**

	<u>2019</u> <u>R</u>	<u>2018</u> <u>R</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Surplus / (Deficit) for the Year	(102,867)	142,069
Adjustments :	(112,340)	(114,597)
Investment Income	(162,572)	(151,522)
Depreciation - Non Cash Item	50,232	36,925
<b>Working Capital Changes</b>	(1,402,171)	207,242
Trade and Other Receivables	(1,265,951)	56,652
Trade and Other Payables	(136,220)	150,590
<b>Cash Utilised in Operating Activities</b>	(1,617,378)	234,714
Interest Received	162,572	151,522
	<u>(1,454,806)</u>	<u>386,236</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<u>-</u>	<u>-</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS FOR YEAR</b>	(1,454,806)	386,236
<b>CASH AND CASH EQUIVALENTS AT BEGIN OF YEAR</b>	3,464,932	3,078,696
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>2,010,126</u>	<u>3,464,932</u>

# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

### ACCOUNTING POLICIES

#### Presentation of Financial Statements

The annual financial statements have been prepared in accordance with the trust's accounting policies. The financial statements are prepared on the historical cost basis, and incorporate the principal accounting policies set out below. These accounting policies are consistent, in all material respects, with those applied in the previous year.

#### Recognition of Assets and Liabilities

Assets are recognised if they meet the definition of an asset, it is probable that future economic benefits associated with the asset will flow to the trust and the cost or fair value can be measured reliably.

Liabilities are only recognised if they meet the definition of a liability, it is probable that future economic benefits economic benefits associated with the liability will flow from the trust and the cost or fair value can be measured reliably.

#### 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 :

Computer Equipment	20%
Furniture and Fittings	15%
Motor Vehicles	20%
Office Equipment	15%

#### Financial Instruments

Financial instruments recognised on the statement of financial position include trade receivables, cash and cash equivalents and trade payables.

#### Trade and Other Receivables

Trade and other receivables are stated at cost less an allowance for doubtful debts. The allowance raised is the amount needed to reduce the carrying value to the expected future cash flows.

#### Cash and Cash Equivalents

Cash comprises cash on hand and deposits on call with banks. Cash equivalents comprise highly liquid investments that are convertible to cash with insignificant risk of changes in value. Cash and cash equivalents are measured at fair value.

# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

### ACCOUNTING POLICIES

#### Trade and Other Payables

Trade and other payables are measured at fair value.

#### Revenue Recognition

Grants and donations received as referred to in the statement of income and retained earnings are amounts received from donors during the period together with amounts received in advance in the 2018 financial year pertaining to the 2019 financial year to be expended during the financial year. Monies received in respect of grants for subsequent periods are carried forward to the next financial year.

Interest earned from investments, is recognised on receipt of the investment income from the financial institution.

#### Taxation

The trust has been approved as a public benefit organisation (PBO) by the Commissioner of the South African Revenue Service. In terms of Section 30(3) of the Income Tax Act, the income of any PBO is exempt from income tax to the extent that it has not arisen from any integral, occasional or approved business or trading activity. In terms of Section 10(1)(cN) regarding any taxable business or trading income of a PBO, the greater of 5% of the trading income, or R200,000, is tax free. The taxable portion of a PBO's trading income is taxed at 28%.

**THE ASAP FOUNDATION TRUST**  
**(African Solutions To African Problems)**

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

	<u>2019</u> <u>R</u>	<u>2018</u> <u>R</u>		
<b>1. PROPERTY, PLANT AND EQUIPMENT</b>				
	Cost	Accum. Deprec.	Net Book Value	Net Book Value
Computer Equipment	47,588	46,437	1,151	6,910
Furniture and Fittings	63,259	63,259	-	1,973
Motor Vehicles	255,000	152,500	102,500	145,000
Office Equipment	37,463	37,463	-	-
	<u>403,310</u>	<u>299,659</u>	<u>103,651</u>	<u>153,883</u>

The Net Book Value of Property, Plant and Equipment is reconciled as follows:

	Net Book Value at Begin of Year	Additions/ (Disposals)	Depreciation	Net Book Value at End of Year
Computer Equipment	6,910	-	5,759	1,151
Furniture and Fittings	1,973	-	1,973	-
Motor Vehicles	145,000	-	42,500	102,500
Office Equipment	-	-	-	-
	<u>153,883</u>	<u>-</u>	<u>50,232</u>	<u>103,651</u>

**2. CASH AND CASH EQUIVALENTS**

Cash on Hand	1,611	3,551
Current Account	63,338	498,259
Money Market Account	12,678	11,800
Notice Deposit Account	1,932,499	2,951,322
	<u>2,010,126</u>	<u>3,464,932</u>

**3. TRADE AND OTHER RECEIVABLES**

Deposits	3,639	22,352
Prepayments	9,024	2,693
Trade Receivables - Donors	1,278,333	-
	<u>1,290,996</u>	<u>25,045</u>

# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

(Continued)

	<u>2019</u> <u>R</u>	<u>2018</u> <u>R</u>
<b>4. TRADE AND OTHER PAYABLES</b>		
Accruals	64,222	198,867
Trade Payables	1,731	3,306
	<hr/> 65,953	<hr/> 202,173
<b>5. GRANTS RECEIVED</b>		
Aid For Africa	49,335	-
American Endowment Foundation	13,652	-
Blake Discretionary Charitable Trust	25,000	-
K Brewer	25,728	-
M Brockbank	136,522	-
Charles / Lynn Schusterman Family Trust	7,950	-
Consol	-	15,000
B De Shay	33,292	-
East Woods School	83,617	-
EOS Foundation Trust	256,406	-
D Evans - The Edge	-	253,378
S Lerner	-	27,565
V Lynden / V Noel	135,156	-
M.A.C. AIDS Fund	477,000	792,345
National Lotteries Commission - Project No: 89473	238,080	-
K O'Brock	21,090	-
A Richards	140,600	-
Sillicon Valley Community Foundation	-	137,823
The Annenberg Foundation	124,493	-
The Monument Trust	-	522,417
The Nassbaum Foundation	-	200,000
The Nininski Trust	-	264,331
	<hr/> 1,767,921	<hr/> 2,212,859

# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

(Continued)

#### 6. PROJECT EXPENDITURE

ASAP - Cape Town	-	250,941
ASAP - Matatiele	-	215,734
Baphumelele (Khayelitsha, Western Cape)	575,282	159,599
Fakisandla (Nyanga, Western Cape)	146,017	94,263
Itekeng Batswadi (Matatiele, Eastern Cape)	-	8,481
Mantsele	417,940	329,540
Monument Trust - ED	71,132	330,027
Nonkqubela	353,977	214,510
Reahsetjhaba	604,375	342,960
Sakhikamva (Matatiele, Eastern Cape)	-	27,402
Silukhanyo	283,289	-
	<u>2,452,012</u>	<u>1,973,457</u>

#### 7. INCOME TAX

The trust has been approved as a public benefit organisation (PBO) by the Commissioner of the South African Revenue Service. In terms of Section 30(3) of the Income Tax Act, the income of any PBO is exempt from income tax to the extent that it has not arisen from any integral, occasional or approved business or trading activity. In terms of Section 10(1)(cN) regarding any taxable business or trading income of a PBO, the greater of 5% of the trading income, or R200,000, is tax free. The taxable portion of a PBO's trading income is taxed at 28%. No provision has been made for taxation as the trust had no business or trading income for the year which was not approved.