

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

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

<b>REGISTRATION NUMBER</b>	IT 3548/2004
<b>NON PROFIT ORGANISATION NUMBER</b>	042-532-NPO
<b>PUBLIC BENEFIT ORGANISATION NUMBER</b>	930 014 009
<b>TRUSTEES</b>	P D Dlamini (Chairperson) M M Thubisi (Vice-Chairperson) M L Davidson (Treasurer) S A Crewe S Hoffman Z Lloyd S G Vilakazi
<b>BUSINESS ADDRESS</b>	160 Sir Lowry Road Woodstock Cape Town 7925
<b>WEBSITE</b>	<a href="http://www.africansolutions.org">www.africansolutions.org</a>
<b>AUDITORS</b>	Harry Curtis & Co.
<b>PREPARER</b>	J Oelofse CA (SA)

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# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL 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 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 year then ended. The external auditors are engaged to express an independent opinion on the 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 3 and 4.

The annual financial statements set out on pages 6 to 12, which have been prepared on the going concern basis, were approved by the trustees and signed accordingly.



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TRUSTEE

19 April 2022



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TRUSTEE

**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 6 to 12, which comprise the statement of financial position as at 28 February 2022, the statement of comprehensive income 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 2022, 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 trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**19 April 2022**

**4 Adelaide Road**  
**PLUMSTEAD**  
**7800**

# **THE ASAP FOUNDATION TRUST**

## **(African Solutions To African Problems)**

### **ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022**

#### **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 2022.

#### **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 2022 are adequately reflected in the accompanying annual financial statements and do not in our opinion require any further comment.

#### **EVENTS SUBSEQUENT TO THE YEAR**

The COVID-19 pandemic continues to disrupt the trust's operations, however it is not expected to have a significant impact on the future operating results and financial position of the trust.

No other 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)  
M L Davidson (Treasurer)  
S A Crewe  
S Hoffman  
Z Lloyd  
S G Vilakazi

The trust is awaiting updated Letters of Authority from the Master of the High Court in respect of the following appointment and resignations :

#### Appointments

M L Davidson (Treasurer)  
S Hoffman  
Z Lloyd

#### Resignations

P Higham  
N P Fischel-Abarbanel  
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.

#### **PREPARER**

The annual financial statements were prepared by J Oelofse CA (SA).

# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

### STATEMENT OF FINANCIAL POSITION

	<u>Notes</u>	<u>2022</u> <u>R</u>	<u>2021</u> <u>R</u>
<b><u>ASSETS</u></b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	1	4,375	25,375
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2	1,603,696	1,852,388
Trade and Other Receivables	3	1,601,698	1,838,336
		1,998	14,052
		<u>1,608,071</u>	<u>1,877,763</u>
<b><u>FUNDS AND LIABILITIES</u></b>			
<b>FUNDS</b>			
Capital Fund		1,605,989	1,790,042
Accumulated Fund		100	100
		1,605,889	1,789,942
<b>CURRENT LIABILITIES</b>			
Provisions		2,082	87,721
Trade and Other Payables	4	-	-
		2,082	87,721
		<u>1,608,071</u>	<u>1,877,763</u>

# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

### STATEMENT OF COMPREHENSIVE INCOME

	<u>Notes</u>	<u>2022</u> <u>R</u>	<u>2021</u> <u>R</u>
<b>INCOME</b>		2,182,892	2,329,781
Administration Fee		6,345	-
Donations Received	5	1,372,382	1,235,957
Grants Received	6	759,596	1,051,783
Insurance Claim		13,304	-
Interest Received		31,265	42,041
<b>EXPENDITURE</b>		2,366,945	1,998,241
Advertising, Marketing and Website		16,507	9,065
Audit Fee		-	24,955
Bank Charges		8,041	9,500
Computer Expenses		8,239	9,449
Depreciation		21,000	45,125
Insurance		25,909	23,129
Printing, Stationery and Cleaning		265	246
Professional Fees		57,250	12,550
Project Expenditure	7	1,680,468	1,307,480
Salaries and Wages - Administration		516,750	537,101
Small Assets < R7000		-	900
Staff Training, Welfare and Recruitment		7,436	1,881
Subscriptions		11,454	7,340
Telephone and Communications		9,385	5,750
Travel, Motor and Accommodation		4,241	3,770
<b>NET INCOME / (LOSS) FOR THE YEAR</b>		(184,053)	331,540
<b>ACCUMULATED FUND AT BEGINNING OF YEAR</b>		1,789,942	1,458,402
<b>ACCUMULATED FUND AT END OF YEAR</b>		1,605,889	1,789,942

# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

### STATEMENT OF CASH FLOWS

	<u>2022</u> <u>R</u>	<u>2021</u> <u>R</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income / (Loss) for the Year	(184,053)	331,540
<b>Adjustments</b>	(10,265)	3,084
Investment Income	(31,265)	(42,041)
Depreciation - Non Cash Item	21,000	45,125
<b>Working Capital Changes</b>	(73,585)	40,396
Trade and Other Receivables	12,054	(5,013)
Trade and Other Payables	(85,639)	45,409
<b>Cash Utilised in Operating Activities</b>	(267,903)	375,020
Interest Received	31,265	42,041
	<u>(236,638)</u>	<u>417,061</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, Plant and Equipment Purchased	-	(10,500)
	<u>-</u>	<u>(10,500)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	<u>-</u>	<u>-</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS FOR YEAR</b>	(236,638)	406,561
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	1,838,336	1,431,775
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>1,601,698</u>	<u>1,838,336</u>



# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

## ACCOUNTING POLICIES

### Basis of Preparation and Summary of Significant Accounting Policies

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

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. 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.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and 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 the straight-line method which best reflects the pattern in which the asset's economic benefits are consumed by the company.

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

<u>Item</u>	<u>Useful Life</u>
Furniture and Fittings	6 Years
IT Equipment	5 Years
Motor Vehicles	5 Years
Office Equipment	5 Years

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

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

### Financial Instruments

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

# **THE ASAP FOUNDATION TRUST**

## **(African Solutions To African Problems)**

### **ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022**

## **ACCOUNTING POLICIES**

### **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.

### **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 comprehensive income are amounts received from donors during the period together with amounts received in advance in the 2021 financial year pertaining to the 2022 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 exempt. 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 2022

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

			<u>2022</u> <u>R</u>	<u>2021</u> <u>R</u>
<b>1. PROPERTY, PLANT AND EQUIPMENT</b>				
	Cost	Accum. Deprec.	Net Book Value	Net Book Value
Furniture and Fittings	63,259	63,259	-	-
IT Equipment	47,808	43,433	4,375	7,875
Motor Vehicles	255,000	255,000	-	17,500
Office Equipment	37,463	37,463	-	-
	<u>403,530</u>	<u>399,155</u>	<u>4,375</u>	<u>25,375</u>

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
Furniture and Fittings	-	-	-	-
IT Equipment	7,875	-	3,500	4,375
Motor Vehicles	17,500	-	17,500	-
Office Equipment	-	-	-	-
	<u>25,375</u>	<u>-</u>	<u>21,000</u>	<u>4,375</u>

### 2. CASH AND CASH EQUIVALENTS

Cash on Hand	392	314
Current Account	121,438	150,920
Money Market Account	14,887	14,304
Notice Deposit Account	1,464,981	1,672,798
	<u>1,601,698</u>	<u>1,838,336</u>

### 3. TRADE AND OTHER RECEIVABLES

Deposits	-	3,639
Prepayments	-	9,746
Staff Loans	1,998	667
Trade Receivables - Donors	-	-
	<u>1,998</u>	<u>14,052</u>

# THE ASAP FOUNDATION TRUST

## (African Solutions To African Problems)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

(Continued)

	<u>2022</u> <u>R</u>	<u>2021</u> <u>R</u>
<b>4. TRADE AND OTHER PAYABLES</b>		
Accruals	-	46,359
Trade Payables	2,082	41,362
	<u>2,082</u>	<u>87,721</u>
<b>5. DONATIONS RECEIVED</b>		
ASAP - United Kingdom	1,197,342	1,230,507
ASAP - United States of America	169,440	-
Friends of ASAP	5,600	5,450
	<u>1,372,382</u>	<u>1,235,957</u>
<b>6. GRANTS RECEIVED</b>		
DG Murray Trust	30,000	12,000
GivenGain Foundation	796	1,633
M.A.C. AIDS Fund	-	630,000
National Development Agency	20,000	113,870
National Lotteries Commission - Project No: M35596	608,800	-
National Lotteries Commission - Project No: M24113	-	91,641
Rolf-Stephan Nussbaum Foundation	100,000	-
Woolbeding Charity	-	202,639
	<u>759,596</u>	<u>1,051,783</u>
<b>7. PROJECT EXPENDITURE</b>		
Drop-In Centres	-	10,019
Orphans and Vulnerable Children	802,460	688,149
Community Development	377,231	273,220
Food Gardens	455,777	132,854
COVID-19 Response	45,000	203,238
	<u>1,680,468</u>	<u>1,307,480</u>
<b>8. INCOME TAX</b>		

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 exempt. 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.