





# 2014/2015 FINANCIAL REPORT READY 4 LIFE TRUST


PROFESSIONAL - SOCIAL - INVOLVED

## Ready4Life Trust

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Trust no: IT798/2008  
NPO no: 074-127

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# 1. Financial Statements 2014 / 2015

## Ready4Life Trust

The financial Statements in this report show the Financial Statements of Ready4Life Trust No: IT978-2008 and NPO No: 074-127 from 1<sup>st</sup> of March 2014 until 28<sup>th</sup> of February 2015. The objective of the organization is: to assist children, youth and unemployed of previously disadvantaged people in reaching their full potential and to create awareness of poverty in First World countries.

The Charter and more comprehensive information about the organization is published on the website of Ready4Life ([www.ready4life.org](http://www.ready4life.org)) and in the annual report of Ready4Life. In the annual report a summary explanation of the financial statements is included.

## Changes in accounting principles`

The board of Ready4life has decided to change the accounting principles in 2014/2015. All assets which are benefiting the organization will be activated at the Statement of Financial position and taken up as Trust Capital.

## Reorganization

In 2014-2015 management has started a program to reorganize the organization and realign projects more to the need of the communities it is serving. The tremendous growth of the organization and the requests from the communities were the source. Organizational specialists, who freely volunteered their service, have assisted management to design the program.

## Presentation

In view of the fact that Ready4Life considers the expenditures on Ready4Life's goals to be its principle objective, it has been decided to deviate from the prescribed model for the presentation of Statement of Income and Expenditure. This statement shows the expenditures before the income. The Statement of Expenditure and Income is shown before the balance sheet. The basis used for the valuation of the expenditure, the assets and the accounting principles are explained in chapter 4 of the financial report. It is recommended this to be read before viewing the statement of expenditure and income and the balance sheet.

## 1.1 Statement of Expenditure and Income for 2014/2015

(Figures in Rand)

<b>EXPENDITURE</b>	Explanatory notes	2014/2015	2013/2014
<b>Spent on goals</b>			
<i>Main programmes</i>			
- Assisting schools	2.1	492.916	27.344
- 21st Century Workplace Readiness	2.2	332.499	590.228
- Digital class rooms	2.3	122.414	9.505
<i>Supporting and assisting projects</i>			
- Support & Research Centre	2.4	444.401	
- Health, Welfare and other projects	2.5	84.890	23.681
<b>Total spent on goals</b>		<b>1.477.120</b>	<b>650.758</b>
<b>Fundraising Costs</b>	2.5	55.790	52.251
<b>Management and Administration</b>	2.6	167.713	55.971
<b>Total Expenditure</b>	2.7	<b>1.700.623</b>	<b>758.980</b>
<b>INCOME</b>			
<b>Income from Fundraising</b>	2.8		
Donations		812.903	344.936
Fees and Membership		638.066	360.029
Gifts-in-kind		178.604	
General income (Fundrais events)		21.084	68.767
Interest on investment and financial income		28.137	
<b>Total income</b>	2.9	<b>1.678.794</b>	<b>773.732</b>
<b>Surplus or Deficit</b>		<b>(21.829)</b>	<b>14.752</b>
<b>The surplus or Deficit is added to the:</b>			
General reserve		<b>(21.829)</b>	<b>14.752</b>

## 1.2 Statement of Financial Position as at 28 February 2015

(Figures in Rand)

<b>ASSETS</b>	Explanatory notes	28 February 2015	28 February 2014
<b>Non-current Assets</b>	3.1		
Property 14 Trafalgar Sq		479.405	
		<u>479.405</u>	
<b>Current Assets</b>	3.2		
Vehicles		153.081	
Hard&Softw are		85.338	
Inventory		44.618	
		<u>283.037</u>	
<b>Account Receivables</b>	3.3		
NLDTF project 2011		213.112	213.112
Deposits on leased property		18.720	11.625
Other receivables			3.348
		<u>231.832</u>	<u>228.085</u>
<b>Cash at bank and in hand</b>	3.4		
Bank		2.519	16.382
Cash		8.154	6.441
		<u>10.673</u>	<u>22.823</u>
<b>Total Assets</b>		<u><u>1.004.947</u></u>	<u><u>250.908</u></u>

## 1.2 Statement of Financial Position as at 28 February 2015 (Equity and Liabilities)

(Figures in Rand)

<b>EQUITY AND LIABILITIES</b>	Explanatory notes	28 February 2015	28 February 2014
<b>Equity</b>	3.5		
Trust Capital		506.828	
General reserve		14.716	36.545
Distributable reserve (Designated funds)		213.112	213.112
		<u>734.656</u>	<u>249.657</u>
<b>Non-Current Liabilities</b>	3.6	263.580	
<b>Current Liabilities</b>	3.7	6.711	1.251
<b>Total liabilities</b>		<u>1.004.947</u>	<u>250.908</u>

## 1.2 Statement of Change in Equity as at 28 February 2015

(Figures in Rand)

	Explanatory notes	Trust Capital	General reserve	Distributable reserve (Designated Funds)	Total Equity
<b>Balance at 01 March 2013</b>	<b>3.5</b>		<b>21.793</b>		<b>21.793</b>
Surplus for the year			14.752		14.752
Transfer to Trust Capital					
Transfer to General reserve					
Transfer to Distributable reserve				213.112	213.112
Total changes			<b>14.752</b>	<b>213.112</b>	<b>227.864</b>
<b>Balance at 01 March 2014</b>			<b>36.545</b>	<b>213.112</b>	249.657
Deficit for the year			(21.829)		-21.829
Transfer to Trust Capital		506.828			506.828
Transfer to General reserve					
Transfer to Distributable reserve					
Total changes		<b>506.828</b>	<b>(21.829)</b>	<b>0</b>	484.999
<b>Balance at 28 February 2015</b>		<b>506.828</b>	<b>14.716</b>	<b>213.112</b>	<b>734.656</b>

## 2. Notes to the Statement of Expenditure and Income

This chapter explains the expenditure and income in the sequence of the Statement of Expenditure and Income. Note 2.7 A shows the total of all staff expenses with the relevant explanations.

Due to the realigning of the projects and programmes, Ready4life Trust is focusing on 3 main programmes:

1. Assisting Schools
2. 21<sup>st</sup> Century Workplace Readiness
3. Digital class rooms

Every programme has its own Vision and Mission which serves the organisation Vision and Mission and contains several projects. These are described in the notes hereafter.

To carry out more effectively the main programmes they are assisted and supported by the following projects:

1. Support and Research Centre
2. Health, Welfare and awareness

These programmes are more explained in detail under notes 2.4.

### 2.1 Assisting schools

#### *Vision*

“Children and youth have equal opportunities to achieve their full potential to build up the community”

#### *Mission*

“Empowering children and youth in assisting them with education, to improve health and to develop programs for primary schools in previously disadvantaged communities in Eastern Cape.”

#### *Projects*

1. Kids @ schools
2. Career & Work Expo's
3. SwimSafe
4. Research by local and international students

Costs for Research by local and international students are directly assigned to the Kids @ Schools, Career & Work Expo's and SwimSafe



## 2.1.1 Kids @ Schools

(Figures in Rand)

	Explanatory notes	2014/2015	2013/2014
<b>Direct costs</b>			
<b>Operational costs</b>			
Salaries and stipends local staff	2.7B	5.569	
Costs of International volunteers		297.597	
Stationary		248	
Food programme		1.000	
		304.414	0
<b>Material costs</b>			
Educational material		12.342	4.700
Equipment sports and games		3.843	
School uniforms and shoes			20.775
Material Arts & Crafts		5.150	
		21.335	25.475
<b>Attributed overhead costs</b>		2.479	1.869
<b>Total</b>		328.228	27.344

## 2.1.2 Career & Work Expo's

(Figures in Rand)

	Explanatory notes	2014/2015	2013/2014
<b>Direct costs</b>			
<b>Operational costs</b>			
Salaries and stipends local staff	2.7B	5.289	
Other costs staff (transport and phone )	2.7B	502	
Costs of International volunteers		48.459	
Food & Beverage Exhibitors		6.146	
Stationary, phone, copy costs		6.231	
Publicity		17.104	
Other		680	
		84.411	

(Figures in Rand)

Explanatory notes

2014/2015

2013/2014

**Direct costs (continue)**

**Material costs**

Stand, presenting and tools  
Other material

2.769

2.769

**Attributed overhead costs**

3.967

**Total**

91.147

**2.1.3 SwimSafe**

(figures in Rand)

Explanatory notes

2014/2015

2013/2014

**Direct costs**

**Operational costs**

Salaries and stipends local staff  
Other costs staff (transport and phone )  
Costs of International volunteers  
Other

2.7B

2.7B

32.019

6.200

31.356

69.575

**Attributed overhead costs**

3.967

**Total**

73.542

## 2.2 21<sup>st</sup> Century Workplace Readiness

### Vision

“Connect people from different backgrounds and cultures to be inspired and thus enabling them to achieve their full potential in the 21<sup>st</sup> Century”

### Mission

“To equip learners, students, unemployed youth and graduates with the necessary skills and knowledge needed in the 21<sup>st</sup> century working environment and to promote a culture of lifelong learning in order to succeed in life.”

### Projects

1. Job readiness & Computer training for unemployed youth
2. Hosting International volunteer's & Intern's

Costs for International volunteers & Intern's hosting are directly assigned to all the projects they assisting at. Costs which are paid for international volunteers and students are carried by themselves in line with visa regulations.

### 2.2.1 Job readiness & Computer Training for unemployed youth

(Figures in Rand)	Explanatory notes	2014/2015	2013/2014
<b>Direct costs</b>			
<b>Operational costs</b>			
Salaries, stipends and commissions local staff	2.7B	137.601	77.606
Other costs staff (transport and phone)	2.7B	29.077	26.233
Costs of International volunteers		31.926	
Training staff and Local volunteers		13.680	6.207
Stationary, phone, copy costs		17.253	
Operational costs computer Lab		3357	811
Internet expenses		3195	
Subsidies to schools for IT			3145
Transport		51.998	15.554
Internet expenses			2.183
Study Career exhibitions (Previous year)			36.568
Assessment costs			1.551
Publicity costs		13.214	4.742
Graduation costs		500	
		<b>301.801</b>	<b>174.600</b>

	Explanatory notes	2014/2015	2013/2014
<b>Direct costs (continue)</b>			
<b>Material costs</b>			
Educational material		873	1.487
Computer Lab		8.161	6.972
Stationary and small inventory			10.022
Printing jobs			12.198
		9.034	30.679
<b>Attributed overhead costs</b>		4.958	24.921
<b>Total</b>		315.793	230.200

## 2.2.2 Hosting International Volunteers

(Figures in Rand)

	Explanatory notes	2014/2015	2013/2014
<b>Direct costs</b>			
<b>Operational costs</b>			
Development programm		16.706	
		16.706	

*Note*

Cost for international volunteers are carried by themselves and assigned to the projects.

## 2.3 Digital class rooms

### Vision

“That every school in previous disadvantaged communities in Port Elizabeth can provide an optimal educational environment for children en learners, equal as in advantaged communities”

### Mission

“To give schools access to the global village by providing and maintaining information communication technology infrastructure, interactive learning programmes and support organisation to empower people with enhanced access to information.”

### Projects

1. Smart school network
2. Assisting schools with IT solutions

### 2.3.1 Smart School Network

(Figures in Rand)	Explanatory notes	2014/2015	2013/2014
<b>Direct costs</b>			
<b>Operational costs</b>			
Salaries and stipends local staff development	2.7B	10.487	
Costs of International volunteers		18.244	
Research			6.389
		28.731	6.389
<b>Material costs</b>			
Network		6.995	
Wifi Pilot project		64.507	
		71.502	
<b>Attributed overhead costs</b>		2.479	3.116
<b>Total</b>		102.712	9.505

### 2.3.2 Assisting schools with IT Solutions

(Figures in Rand)

	Explanatory notes	2014/2015	2013/2014
<b>Direct costs</b>			
<b>Operational costs</b>			
Salaries and stipends local staff development	2.7B	19.702	
		19.702	0
<b>Material costs</b>			
		0	
<b>Attributed overhead costs</b>			
		0	0
<b>Total</b>		19.702	0

## 2.4 Supporting and assisting projects

To carry out more effectively the main programmes Ready4life Trust has a Support & Research Centre at 14 Trafalgar Sq, North End in Port Elizabeth and executing health, Welfare and awareness projects.

### 2.4.1 Support & Research Centre

(Figures in Rand)	Explanatory notes	2014/2015	2013/2014
<b>Direct costs</b>			
<b>Operational costs</b>			
Facility Management	2.7B	11.167	
Canteen expenses		3.893	
Municipality		1.242	
Electricity, water, sewerage		5.478	
Security		6.295	
Insurance		1.664	
Maintenance		31.264	
Cleaning costs material		991	
Internet		9.999	
Phone		13.726	
Stationery & small inventory		8.240	
Interest bond		14.756	
Financing costs		4.130	
		112.845	
<b>Material costs</b>			
Purchase building - Part paid off		209.097	
Renovating		14.694	
Computer hardware		16.878	
ICT network		6.889	
Computer software		64.992	
Inventory		18.264	
Support IT at School			
		330.814	
<b>Attributed overhead costs</b>		742	
<b>Total</b>		444.401	

## 2.4.2 Health, Welfare and other awareness projects

(Figures in Rand)

	Explanatory notes	2014/2015	2013/2014
<b>Direct costs</b>			
<b>Operational costs</b>			
Costs of International volunteers		69.553	8.630
Social grants, school fees etc			4.580
Arts and Culture		9.143	9.225
Cultural exchange programm		299	
Other			
		78.995	22.435
<b>Material expenses</b>			
Awareness campaigns		5.895	
		5.895	
<b>Attributed overhead costs</b>			1.246
<b>Total</b>		84.890	23.681



## 2.5 Fundraising costs

(Figures in Rand)

	Explanatory notes	2014/2015	2013/2014
<b>Direct costs</b>			
Salaries and stipends	2.7B	22275	969
Representation costs fundraising		2.297	300
Thank you gifts		1.098	4.894
Website costs		981	1.019
Travel and accommodation costs		14.191	16.479
Brochures, business cards and network subscriptions		5.624	9.216
Branding T-shirts etc		5.760	
Other fundraising costs		1.085	684
		53.311	33.561
<b>Attributed overhead costs</b>			
		2.479	18.690
<b>Total</b>		<b>55.790</b>	<b>52.251</b>

## 2.6 Management and Administration

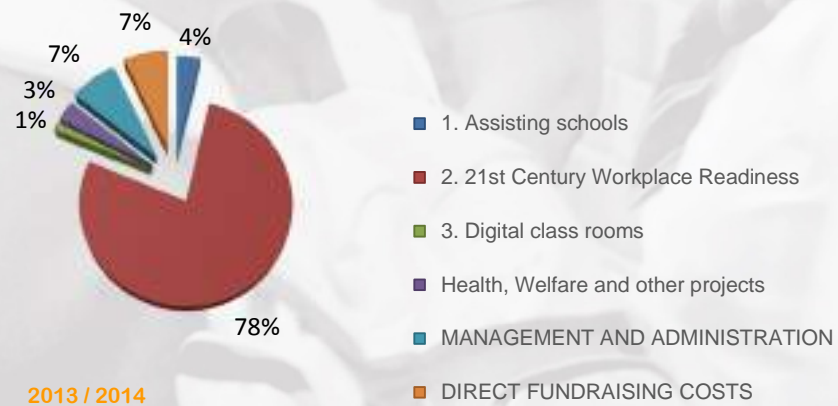
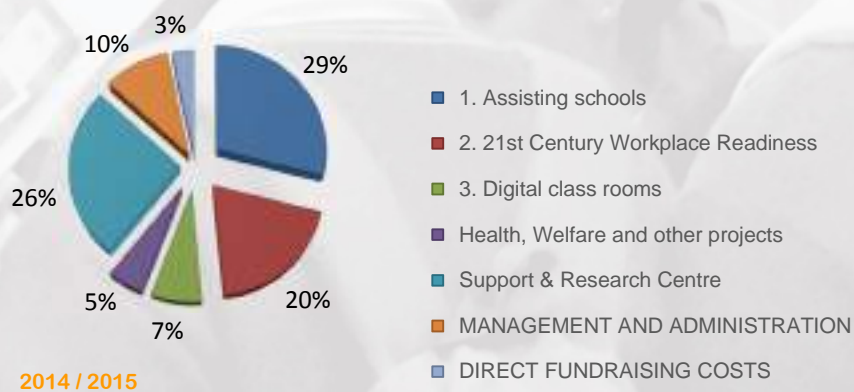
(Figures in Rand)

	Explanatory notes	2014/2015	2013/2014
<b>Direct cost</b>			
Salaries	2.7B	121.772	2.106
Other staff expenses	2.7B	6.414	4.029
Office costs		7.419	19.070
Housing costs office		13.653	24.542
External advice and consulting expenses		8.142	
Financial costs		10.313	6.224
<b>Total</b>		<b>167.713</b>	<b>55.971</b>

## 2.7A Composition of the expenditures

In 2014/2015, the total expenditures amounted to ZAR 1.700.623. The expenditures on goals amounted to ZAR 1.477.120 or 86,9% of the total expenditures. Ready4Life has adopted the standard whereby a minimum 80% of the expenditure is to be spent on goals. These goals have been amply reached.

### 2.7A Composition of expenditure



## 2.7 B Specification and division of costs own organization according to type and allocation

The summary below shows a total of all costs. Ready4Life wants to show the size and the type of some costs and also indicate their attribution to its main activities. The attribution of costs to the different activities is explained in more detail in chapter 4 accounting principles. The total of the costs and the breakdown of the costs are as follows:

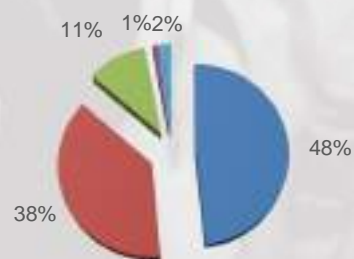
(Figures in Rand)	Spent on goals					Fundraising	Management and Administration	Total 2014/2015	Total 2013/2014
	1. Assisting schools	2. 21st Century Workplace Readiness	3. Digital Class rooms	Supporting and assisting projects	Staff costs hosting Int. Volunteers	Fundraising	Management and administration		
<b>Staff members Full- and Part-time</b>	1,1	3,2	0,1			0,2	1,5	6,1	2,5
<b>Number of local volunteers</b>	1			2			1	4	5,5
<b>Number of international volunteers</b>	62	6	4	9			13	94	45
<b>Staff costs to be divided</b>									
Salaries and stipends	42.476	137.601	30.189	11.167	80.061	22.275	48.796	372.565	134.491
Other staff expenses	6.702	42.757			1.214	14.191	6.414	71.278	47.738
<b>Costs international volunteers</b>									
Carried by themselves	377.412	48.632	18.244	69.553	(81.275)		72.976	505.542	
<b>Other Direct Costs projects</b>	55.915	91.118	71.502	447.829				666.364	429.808
<b>Fundraising costs</b>						16.845		16.845	16.113
<b>Management and Administration</b>									
Office	3.894	4.635	927	742		927	7.419	18.544	54.487
Housing	6.517	7.756	1.552			1.552	13.653	31.030	70.119
External advice							8.142	8.142	
Financial costs							10.313	10.313	6.224
<b>Total costs</b>	<b>492.916</b>	<b>332.499</b>	<b>122.414</b>	<b>529.291</b>	<b>0</b>	<b>55.790</b>	<b>167.713</b>	<b>1.700.623</b>	<b>758.980</b>

## 2.8 Income from fundraising

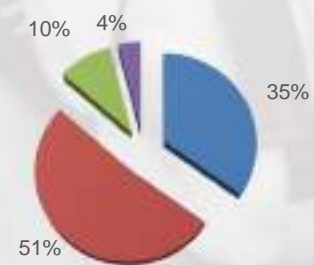
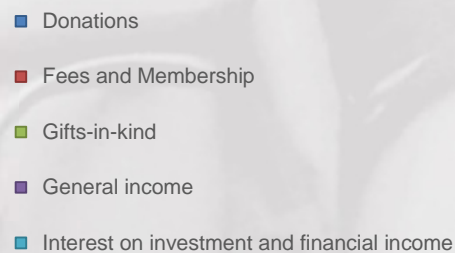
(Figures in Rand)

	Explanatory notes	2014/2015	2013/2014
<b>Donations</b>			
International		801.856	25.860
Local		11.047	244.797
<b>Total</b>		812.903	270.657
<b>Fees and Membership</b>			
International (contribution in costs by International volunteers)		570.111	360.029
Local		67.955	38.218
<b>Total</b>		638.066	398.247
<b>Gifts-in-kind</b>		178.604	74.279
<b>General income</b>			
<i>Net income out of fundrais events</i>			
Income Muffin sale and Gift wrapping		29.607	31.379
Costs		(10.537)	(9.893)
<i>Total net income</i>		19.070	21.486
Other income		2.014	9.063
<b>Total</b>		21.084	30.549
<b>Interest on investment and financial income</b>		28.137	
<b>Total</b>		1.678.794	773.732

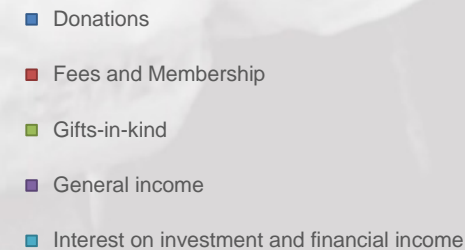
### 2.8A Composition of Income



2014 / 2015



2013 / 2014



## 3. Notes to the Statement of Financial Position

### 3.1 Property, Vehicles and equipment

	Property 14 Trafalgar Sq	Vehicles	Computer equipment	Inventory	Total
(Figures in Rand)					
Cost/valuation beginning of the year		118.500		14.000	132.500
Accumulated depreciation		(12.179)		(3.982)	(16.161)
<b>Carrying value at beginning of the year</b>	0	106.321	0	10.018	116.339
Additions	479.405	52.973	109.012	40.301	681.691
Disposals					0
Depreciation		(6.213)	(23.674)	(5.701)	(35.588)
Revaluations					
<b>Carrying value at 28 February 2015</b>	479.405	153.081	85.338	44.618	762.442
Cost/valuation at end of the year	479.405	171.473	109.012	54.301	814.191
Accumulated depreciation		(18.392)	(23.674)	(9.683)	(51.749)
<b>Carrying value at 28 February 2015</b>	479.405	153.081	85.338	44.618	762.442

### 3.2 Account Receivables

(Figures in Rand)	Explanatory notes	2015	2014
Receivable NLDTF project 2011		213.112	213.112
Deposits on leased volunteers houses		18.720	11.625
Advance payments salaries			2.857
To receive from management			491
<b>Balance at 28 February</b>		<b>231.832</b>	<b>228.085</b>

### 3.3 Cash at bank and in hand

(Figures in Rand)	Explanatory notes	2015	2014
Balance of bank		2.519	16.382
Balance of cash in hand at office		8.154	6.441
Balance at 28 February		10.673	22.823

### 3.4 Equity

Trust Capital (Figures in Rand)	2015	2014
Balance as per 1 January	116.339	
Transfer to	426.077	
Transfer from	(35.588)	
Balance at 28 February	506.828	

*Note*

The Board of Ready4life has decided to change the accounting policy of recording the assets also at the Statement of Financial position. Donations received by donors for purchasing assets were previously recorded only in the State of Expenses and Income to show donors that the donations are spent. For recording of assets at the Statement of Financial Position an Capital fund is held as part of Trust Capital. Adding, revaluation and depreciation of assets will be recorded in the Capital Fund.

General reserve (Figures in Rand)	2015	2014
Balance as per 1 January	36.545	21.793
Allocation of surplus or deficit	(21.829)	14.752
Balance at 28 February	14.716	36.545

**Distributable reserve (Designated funds) (Figures in Rand)**

	2015	2014
<i>NLDTF grant 2011</i>		
<i>Total grand</i>	426.224	426.224
Accumulated spent	(213.112)	
Balance at beginning of the year	213.112	426.224
Spent		(213.112)
Balance at 28 February	213.112	213.112

**3.5 Non-Current Liabilities**

(Figures in Rand)	Duration	Interest %	Currency loan agreement	Principal in Euro	Principal in Rand	Beginning balance	Repayment during year	Balance at 28 February	Current	Non-Current
<i>Bond - 14 Trafalgar Sq, Port Elizabeth</i>	5	5%	€	35.000	472.677		209.097	263.580		263.580

**Note**

The Dutch sister organisation Stichting Lim Foundation pays the interest and payback of the bond out of its income. There are no current payments due.

**3.4 Current Liabilities**

(Figures in Rand)	Explanatory Notes	2015	2014
Tax regarding staff		570	524
Leave Accrual Value and outstanding staff payments		2.728	727
Other accruals		3.413	
Balance at 28 February		6.711	1.251

## 4. Accounting Principles

### General

The accounting principles used for the valuation of assets and liabilities are based on historical costs. If not stated differently, assets and liabilities are shown at their nominal value. Revenues and costs are allocated in the period they relate to. Book year period is from the 1<sup>st</sup> of March 2014 until the 28<sup>th</sup> of February 2015.

### Donations and contributions

Direct public donations and contributions are accounted for on a cash basis.

### Operational costs organisation

Ready4Life Trust has 3 main programmes;

1. Assiting schools
2. 21<sup>st</sup> Century Workplace Readiness
3. Digital class rooms

These programmes are assisted and supported by the following projects:

1. Support and Research centre
2. Health, Welfare and awereness projects

The costs of the activities consist of two components, namely operational costs and material costs. The operational costs are needed to run the programmes and material costs are once-off costs contributing to the programmes.

### Events after the reporting period

Events after the reporting period are disclosed. An event after the reporting period is disclosed when it results in significant commitments or downward revaluation of assets.

### Income

#### - Donations and gifts

Direct received donations in South Africa from the public and private companies are accounted for on a cash basis.

#### - Fees and Memberships

Received fees in programmes and contributions in costs from international volunteers in South Africa are accounted for on a cash basis.

#### - General income

Received general income out of fundraising projects in South Africa are accounted for on a cash basis



### **Costs fundraising**

Fundraising costs relate to all costs of activities with the direct or indirect purpose to donate money for one or more goals of Ready4Life. Ready4Life has adopted the standard whereby the maximum costs for fundraising may not exceed more than 15% of total income.

### **Management and Administration Expenses**

Management and Administration costs relate to the costs made for managing the organization. In addition, 100% of the costs of the annual report have been allocated to "Management and Administration" costs. The costs of recruiting staff to work at the Ready4Life Office and also costs for general financial administration, planning and control, the (majority of) legal expenses, as well as costs of Management staff have been included in this category.

### **Currency exchange conversion**

Loans, bonds, Income and expenses which are in another currency are converted to Rand based on the monthly average exchange rate provided by Standard Bank.

### **Assets**

Property and equipment are valued at cost price, less straight-line depreciation, based on the expected economic life of the asset in accordance with SARS regulations.

### **Non-current Liabilities**

Non-current Liabilities are liabilities with a term of more than one year.

### **Current Liabilities**

Current Liabilities are liabilities with a term less than one year.

### **Cash at bank and in hand**

Cash at bank and in hand concern the balances of cash and bank accounts of projects and of the Ready4Life Office that holds accounts for project funds.

# HDP AUDIT

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## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF READY FOR LIFE TRUST

### Report on the financial statements

We have examined the annual financial statements of READY FOR LIFE TRUST, which comprise the balance sheet as at 28 February 2015, the statement of income and expenditure for the year then ended and a summary of significant accounting policies and other explanatory notes, as set out on pages 3 to 24.

### Trustees

The trustees are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The trustees are also responsible for the trust's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the trustees have every reason to believe that the trust has adequate resources in place to continue in operation for the foreseeable future.

### Scope

The scope of our audit was limited to an inspection of income and expenditure.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation

We believe that our audit provides a reasonable basis for our opinion.

### Audit opinion

In our opinion the financial statements fairly present, in all material aspects, the income and expenditure for the year ended 28 February 2015.

HDP AUDIT

Per: Hayden du Preez  
Registered Accountant and Auditor  
Port Elizabeth  
24 April 2017

APPENDIX –AUDIT REPORT