



Stellenbosch Trail Fund NPC  
(Registration number 2015/113617/08)  
Financial statements  
for the year ended 31 December 2019

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## General Information

---

<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	To create, improve and maintain all hiking, biking and running trails in and around Stellenbosch.
<b>Directors</b>	RVP de Villiers H Marshall
<b>Registered office</b>	3 Coetzenburg <b>STELLENBOSCH</b> 7600
<b>Business address</b>	3 Coetzenburg <b>STELLENBOSCH</b> 7600
<b>Bankers</b>	Investec bank acc nr: 62532539832
<b>Auditor</b>	Smith and Associates Incorporated Registered Auditor
<b>Company registration number</b>	2015/113617/08
<b>Tax reference number</b>	9032/796/23/8
<b>Level of assurance</b>	These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
<b>Preparer</b>	The financial statements were independently compiled by: TM Martin
<b>Issued</b>	31 January 2020
<b>PI-Score</b>	7

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Contents

---

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

	<b>Page</b>
Directors' Responsibilities and Approval	3
Directors' Report	4
Independent Auditor's Report	5 - 6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11 - 12
Notes to the Financial Statements	13 - 14
The following supplementary information does not form part of the financial statements and is unaudited:	
Detailed Income Statement	15

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Directors' Responsibilities and Approval

---

The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors 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 directors have reviewed the company's cash flow forecast for the year to 31 December 2020 and, in the light of this review and the current financial position, They are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor and their report is presented on page 5 - 6.

The financial statements set out on page 7 - 15, which have been prepared on the going concern basis, were approved by the board of directors on ..... and were signed on its behalf by:

---

**RVP de Villiers**

---

**H Marshall**

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Directors' Report

---

The directors have pleasure in submitting their report on the financial statements of Stellenbosch Trail Fund NPC and its associates for the year ended 31 December 2019.

### 1. Nature of business

Stellenbosch Trail Fund NPC was incorporated in South Africa with interests in the Non-profit industry.

### 2. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

### 3. Share capital

Non-profit companies are not required to issue shares in terms of the Companies Act 71 of South Africa. Therefore there are no shares issued.

### 4. Directors

The directors in office at the date of this report are as follows:

#### Directors

RVP de Villiers

H Marshall

### 5. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

### 6. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

### 7. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

### 8. Auditors

Smith and Associate Incorporated will continue in office as auditors for the non-profit company for 2019.

### 9. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa.

# Independent Auditor's Report

---

**To the shareholder of Stellenbosch Trail Fund NPC**

## **Qualified opinion**

We have audited the financial statements of Stellenbosch Trail Fund NPC (the company) set out on pages 7 to 14, which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effect of the matter described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Stellenbosch Trail Fund NPC as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

## **Basis for qualified opinion**

Cash donations are a significant source of fundraising for Stellenbosch Trial Fund NPC. The directors have determined that it is impracticable to establish internal controls over the collection of cash donations prior to the initial entry into its financial records. We were therefore unable to confirm whether all cash donations were recorded.

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 company in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together "the IRBA Codes") and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with "the IRBA Codes" and in accordance with other ethical requirements applicable to performing audits in South Africa. "The IRBA Codes" are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other information**

The directors are responsible for the other information. The other information comprises the information included in the document titled "Stellenbosch Trail Fund NPC financial statements for the year ended 31 December 2019", which includes the Directors' Report as required by the Companies Act of South Africa and the Detailed Income Statement, which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, We conclude that there is a material misstatement of this other information, we are required to report that fact. I have nothing to report in this regard.

# Independent Auditor's Report

---

## Responsibilities of the directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 company's ability to continue as a going concern. If I 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 company 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 directors 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.

**Smith and Associates Incorporated**

**Date:.....**

**Stellenbosch**

**HS Whitehead  
Registered Auditor**

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Statement of Financial Position as at 31 December 2019

Figures in Rand	Note(s)	2019	2018
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	34,129	26,996
<b>Current Assets</b>			
Cash and cash equivalents	3	632,568	820,792
<b>Total Assets</b>		<b>666,697</b>	<b>847,788</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		656,498	838,788
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	4	10,199	9,000
<b>Total Equity and Liabilities</b>		<b>666,697</b>	<b>847,788</b>

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Statement of Comprehensive Income

Figures in Rand	Note(s)	2019	2018
Revenue	5	668,110	947,768
Other income	6	277,809	54,800
Operating expenses		(1,128,209)	(1,123,390)
<b>Operating loss</b>		<b>(182,290)</b>	<b>(120,822)</b>
<b>Deficit for the year</b>		<b>(182,290)</b>	<b>(120,822)</b>
Other comprehensive income		-	-
<b>Total comprehensive deficit for the year</b>		<b>(182,290)</b>	<b>(120,822)</b>

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
<b>Balance at 01 January 2018</b>	<b>959,610</b>	<b>959,610</b>
Loss for the year	(120,822)	(120,822)
<b>Balance at 01 January 2019</b>	<b>838,788</b>	<b>838,788</b>
Loss for the year	(182,290)	(182,290)
<b>Balance at 31 December 2019</b>	<b>656,498</b>	<b>656,498</b>
Note(s)		

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Statement of Cash Flows

Figures in Rand	Note(s)	2019	2018
<b>Cash flows from operating activities</b>			
Cash used in operations	8	<u>(162,025)</u>	<u>(119,701)</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	<u>(12,661)</u>	<u>(35,994)</u>
<b>Cash flows from financing activities</b>			
Finance lease payments		<u>(13,538)</u>	-
<b>Total cash movement for the year</b>		<b>(188,224)</b>	<b>(155,695)</b>
Cash at the beginning of the year		820,792	976,487
<b>Total cash at end of the year</b>	3	<b><u>632,568</u></b>	<b><u>820,792</u></b>

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Accounting Policies

---

### 1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

#### 1.1 Significant judgements and sources of estimation uncertainty

##### Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

#### 1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

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

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

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

---

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	6
Office equipment	Straight line	5
IT equipment	Straight line	3

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.

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Accounting Policies

---

### 1.3 Tax

#### Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

#### Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

### 1.4 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill or investment property on the cost model may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

### 1.5 Employee benefits

#### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

### 1.6 Revenue

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

Interest is recognised, in profit or loss, using the effective interest rate method.

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Notes to the Financial Statements

Figures in Rand

2019

2018

### 2. Property, plant and equipment

	2019			2018		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	1,700	(1,699)	1	-	-	-
Office equipment	13,538	(13,537)	1	13,538	(13,537)	1
IT equipment	60,493	(26,366)	34,127	35,994	(8,999)	26,995
<b>Total</b>	<b>75,731</b>	<b>(41,602)</b>	<b>34,129</b>	<b>49,532</b>	<b>(22,536)</b>	<b>26,996</b>

### Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	-	1,700	(1,699)	1
Office equipment	1	-	-	1
IT equipment	26,995	24,499	(17,367)	34,127
	<b>26,996</b>	<b>26,199</b>	<b>(19,066)</b>	<b>34,129</b>

### 3. Cash and cash equivalents

Cash and cash equivalents consist of:

Investec account number: 10012005483	631,409	760,439
FNB Business Account: 625325398	1,056	60,353
Investec account number: 1100544354540	103	-
	<b>632,568</b>	<b>820,792</b>

### 4. Trade and other payables

Provision for audit fees	10,199	9,000
--------------------------	--------	-------

### 5. Donations

Auction	-	338,995
Section 18A	357,000	249,000
Other	311,110	359,773
	<b>668,110</b>	<b>947,768</b>

### 6. Other income

Rental income	50,000	3,200
Commission - Zapper	13,702	14,724
Commission - Yoco	11,466	17,198
Interest received	9,661	8,780
Commission - Pay at	139,380	10,898
Epic Event income	53,600	-
	<b>277,809</b>	<b>54,800</b>

### 7. Taxation

The Stellenbosch Trail Fund NPO was approved as an exempt institution during the 2018 year by the South African Revenue Services and is thereof exempt from income tax and donation tax Exemption nr: 930053257.

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Notes to the Financial Statements

Figures in Rand	2019	2018
<b>8. Cash used in operations</b>		
Loss before taxation	(182,290)	(120,822)
<b>Adjustments for:</b>		
Depreciation and amortisation	19,066	8,999
<b>Changes in working capital:</b>		
Trade and other payables	1,199	(7,878)
	<b>(162,025)</b>	<b>(119,701)</b>

### 9. Going concern

We believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

### 10. Events after the reporting period

We are not aware of any material event which occurred after the reporting date and up to the date of this report.

# Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2019

## Detailed Income Statement

Figures in Rand	Note(s)	2019	2018
<b>Donations</b>			
Auction		-	338,995
Other		311,110	359,773
Section 18A		357,000	249,000
	5	<b>668,110</b>	<b>947,768</b>
<b>Other income</b>			
Commission - Pay At		139,380	10,898
Commission - Yoco		11,466	17,198
Commission - Zapper		13,702	14,724
Epic project income		53,600	-
Interest received		9,661	8,780
Rental income		50,000	3,200
		<b>277,809</b>	<b>54,800</b>
<b>Operating expenses</b>			
Accounting fees		27,987	20,638
Advertising		6,964	-
Auction related expenses		-	47,686
Auditors remuneration		10,200	9,000
Bank charges		1,377	1,496
Cleaning		-	259
Clothing - STF cycling kit		-	51,904
Computer expenses		2,698	-
Depreciation	2	19,066	8,999
Eerste Rivier program - Clothing		29,462	40,868
Eerste Rivier program - Sundry expenses		-	27,279
Eerste Rivier program - Salaries and wages		321,453	231,102
Entertainment		-	326
Epic Event expenses		53,418	-
General expenses		8,324	15,952
Landbousaal expenses		233,050	82,134
Motor vehicle expenses		13,825	39,072
Office expenses		-	2,830
Printing and stationery		8,495	4,523
Repairs and maintenance		1,096	30,265
Signage and flyers		12,384	5,673
Stellenbosch Academy expenses		99,479	245,774
Trail building		170,100	196,286
Trees		32,230	-
Wildlands River Stewardship		76,601	61,324
		<b>1,128,209</b>	<b>1,123,390</b>
<b>Deficit for the year</b>		<b>(182,290)</b>	<b>(120,822)</b>