



**Stellenbosch Trail Fund NPC
(Registration number 2015/113617/08)
Financial statements
for the year ended 31 December 2018**

Stellenbosch Trail Fund NPC

(Registration number: 2015/113617/08)

Financial Statements for the year ended 31 December 2018

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To create, improve and maintain all hiking, biking and running trails in and around Stellenbosch.
Directors	RVP de Villiers H Marshall
Registered office	3 Coetzenburg STELLENBOSCH 7600
Business address	3 Coetzenburg STELLENBOSCH 7600
Postal address	3 Coetzenburg STELLENBOSCH 7600
Bankers	Investec bank acc nr: 62532539832
Auditor	Smith and Associates Incorporated Registered Auditor
Company registration number	2015/113617/08
Tax reference number	9032/796/23/8
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The financial statements were internally compiled by: Ansley Bailey
Issued	04 February 2019

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Financial Statements for the year ended 31 December 2018

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Independent Auditor's Report

To the shareholder of Stellenbosch Trail Fund NPC

Opinion

We have audited the financial statements of Stellenbosch Trail Fund NPC set out on 7 to 14, which comprise the statement of financial position as at 31 December 2018, 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 our opinion, except for the possible effect of the matter described in the basis for qualified opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Stellenbosch Trail Fund NPC as at 31 December 2018, 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 71 of 2008.

Basis for opinion

Cash donations are a significant source of fundraising for Stellenbosch Trail 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. We are independent of the company 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 my other ethical responsibilities in accordance with the IRBA Code and in accordance with other 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 (Parts A and B). 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 Directors' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the financial statements and my 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 my 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.

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 71 of 2008, 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 my 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 we conclude that a material uncertainty exists, we are required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. our conclusions are based on the audit evidence obtained up to the date of my 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 my audit.

Smith and Associates Incorporated
Registered Auditor

Date:.....
Stellenbosch

Stellenbosch Trail Fund NPC

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Financial Statements for the year ended 31 December 2018

Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, 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 2019 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 3 to 4.

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

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Financial Statements for the year ended 31 December 2018

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Stellenbosch Trail Fund NPC for the year ended 31 December 2018.

1. Nature of business

Stellenbosch Trail Fund NPC was incorporated in South Africa. The aim of the Stellenbosch Trail Fund is to create, improve and maintain all hiking, biking and running trails in and around Stellenbosch.

There have been no material changes to the nature of the company's business from the prior year.

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 71 of 2008. 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 73 of 2008. Therefore there are no shares issued.

4. Directors

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

Directors	Nationality	Changes
RVP de Villiers	South Africa	
H Marshall	South Africa	
MJ Ehret	South Africa	Resigned on 28/08/2018

5. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the organisation during the year.

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.

8. Auditors

Smith and Associates Incorporated continued in office as auditors for the company for 2018 in terms of section 90 of the Companies Act 71 of 2008t.

9. Liquidity and solvency

The directors have performed the required liquidity and solvency tests.

Stellenbosch Trail Fund NPC

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Statement of Financial Position as at 31 December 2018

Figures in Rand	Note(s)	2018	2017
Assets			
Non-Current Assets			
Property, plant and equipment	2	26,996	1
Current Assets			
Cash and cash equivalents	3	820,792	976,487
Total Assets		847,788	976,488
Equity and Liabilities			
Equity			
Retained income		838,788	959,610
Liabilities			
Current Liabilities			
Trade and other payables	4	9,000	16,878
Total Equity and Liabilities		847,788	976,488

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2018	2017
Revenue	5	947,768	1,226,450
Other income		54,800	11,738
Operating expenses		(1,123,390)	(659,231)
Operating surplus		(120,822)	578,957
Loss for the year		(120,822)	578,957
Other comprehensive income		-	-
Loss for the year		(120,822)	578,957

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Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 January 2017	380,653	380,653
Surplus for the year	578,957	578,957
Balance at 01 January 2018	959,610	959,610
Loss for the year	(120,822)	(120,822)
Balance at 31 December 2018	838,788	838,788

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Statement of Cash Flows

Figures in Rand	Note(s)	2018	2017
Cash flows from operating activities			
Cash (used in) generated from operations	7	(119,701)	599,371
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(35,994)	-
Cash flows from financing activities			
Total cash movement for the year		(155,695)	599,371
Cash at the beginning of the year		976,487	377,116
Total cash at end of the year	3	820,792	976,487

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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 71 of 2008. 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 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.

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.

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

Item	Depreciation method	Average useful life
Office equipment	Straight line	5
IT equipment	Straight line	3

1.2 Financial instruments

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the 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.

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.

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 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.

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Accounting Policies

1.4 Impairment of assets (continued)

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.

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Notes to the Financial Statements

Figures in Rand

2018

2017

2. Property, plant and equipment

	2018			2017		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Office equipment	13,538	(13,537)	1	13,538	(13,537)	1
IT equipment	35,994	(8,999)	26,995	-	-	-
Total	49,532	(22,536)	26,996	13,538	(13,537)	1

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Depreciation	Closing balance
Office equipment	1	-	-	1
IT equipment	-	35,994	(8,999)	26,995
	1	35,994	(8,999)	26,996

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Investec account number: 10012005483	760,439	944,363
FNB bank account number: 62532539832	60,353	32,124
	820,792	976,487

4. Trade and other payables

APBCO Auditors	-	8,378
Smith and Associates Incorporated	9,000	8,500
	9,000	16,878

5. Donations received

Auction	338,995	295,645
Section 18 A	249,000	292,250
Other	359,773	286,555
Stellenbosch Academy	-	352,000
	947,768	1,226,450

6. Auditor's remuneration

Smith and Assosiate Incorporated	9,000	16,878
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7. Cash (used in) generated from operations

(Loss)/profit before taxation	(120,822)	578,957
Adjustments for:		
Depreciation	8,999	11,914
Changes in working capital:		
Trade and other payables	(7,878)	8,500
	(119,701)	599,371

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Notes to the Financial Statements

Figures in Rand

2018

2017

8. 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.

9. Events after the reporting period

There have been no facts or circumstances of a material nature that have occurred between the accounting date and the date of this report.

10. 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 donations tax. Exemption No. 930053257.

Stellenbosch Trail Fund NPC

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Detailed Income Statement

Figures in Rand	Note(s)	2018	2017
Donations Received			
Auction		338,995	295,645
Section 18 A		249,000	292,250
Stellenbosch Academy		-	352,000
Other		359,773	286,555
	5	947,768	1,226,450
Other income			
Rental income		3,200	-
Commission - Zapper		14,724	8,810
Commission - Yoco		17,198	770
Interest received		8,780	2,158
Commission - Pay At		10,898	-
		54,800	11,738
Operating expenses			
Accounting fees		20,638	8,622
Auction related expenses		47,686	26,593
Auditors remuneration	6	9,000	16,878
Bank charges		1,496	2,307
Cleaning		259	-
Clothing- STF cycling kit		51,904	35,357
Computer expenses		-	2,724
Eerste Rivier program - Clothing		40,868	21,245
Eerste Rivier program - Depreciation	2	8,999	11,914
Eerste Rivier program - Salaries and wages		231,102	146,773
Eerste Rivier program - Sundry expenses		27,279	57,771
Entertainment		326	730
Wildlands River stewardship		61,324	-
General expenses		15,952	28,779
Landbousaal expenses		82,134	-
Motor vehicle expenses		39,072	949
Office expenses		2,830	-
Printing and stationery		4,523	246
Repairs and maintenance		30,265	-
Signage and flyers		5,673	9,450
Stellenbosch Academy expenses		245,774	87,978
Trail building		196,286	200,915
		1,123,390	659,231
(Loss)/surplus for the year		(120,822)	578,957