

The Pride Shelter Trust Company (Section 21)  
(Registration number 2005/037333/08)  
Annual Financial Statements  
for the year ended 29 February 2012

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	To carry on the business of providing shelter to people in crisis
<b>Directors</b>	RQ Smith IP McMahon EO Lawrence R Ngalo AJ Massyn GM Isaacs G de Swardt
<b>Registered office</b>	Unit 29 Waverley Business Park Winchester Road Mowbray 7700
<b>Business address</b>	Unit 29 Waverley Business Park Winchester Road Mowbray 7700
<b>Postal address</b>	PO Box 13935 Mowbray 7705
<b>Bankers</b>	The Standard Bank of South Africa Limited
<b>Auditor</b>	Alex Venter CA (S.A.) Registered Accountant and Auditor
<b>Company registration number</b>	2005/037333/08
<b>Tax reference number</b>	9498/684/15/9
<b>Level of assurance</b>	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
<b>Preparer</b>	The annual financial statements were independently compiled by: Alex Venter CA (S.A.)
<b>Published</b>	24 August 2012

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## Index

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

<b>Index</b>	<b>Page</b>
Independent Auditor's Report	3
Directors' Responsibilities and Approval	4
Directors' Report	5
Statement of Financial Position	6
Statement of Comprehensive Income	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Accounting Policies	10
Notes to the Annual Financial Statements	11 - 12

The following supplementary information does not form part of the annual financial statements and is unaudited:

Detailed Income Statement	13 - 14
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### Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

### Preparer

Alex Venter CA (S.A.)

### Published

24 August 2012

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## Independent Auditor's Report

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### To the directors of The Pride Shelter Trust Company (Section 21)

I have audited the annual financial statements of The Pride Shelter Trust Company (Section 21), which comprise the statement of financial position as at 29 February 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the directors' report, as set out on pages 5 to 12.

### Directors' Responsibility for the Annual Financial Statements

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standards, and requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

### Auditor's Responsibility

My responsibility is to express an opinion on these annual financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

### Basis for Qualified Opinion

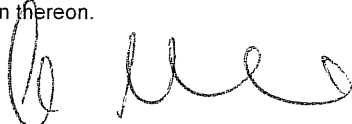
Similar to other organisations who receive cash donations, it is not feasible for the company to institute accounting controls over the completeness of cash collections. Accordingly, it was impracticable for me to extend my examination beyond the receipts actually recorded.

### Qualified Opinion

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the annual financial statements present fairly, in all material respects, the financial position of The Pride Shelter Trust Company (Section 21) as at 29 February 2012, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards, and the requirements of the Companies Act 71 of 2008.

### Other matter

Without qualifying my opinion, I draw attention to the fact that supplementary information set out on pages 13 to 14 does not form part of the annual financial statements and is presented as additional information. I have not audited this information and accordingly do not express an opinion thereon.



Alex Venter CA (S.A.)  
Registered Accountant and Auditor

24 August 2012

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## Directors' Responsibilities and Approval

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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 annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual 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 Standards. The external auditor is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments 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 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.

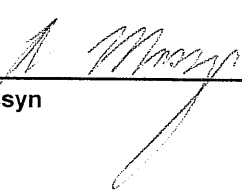
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

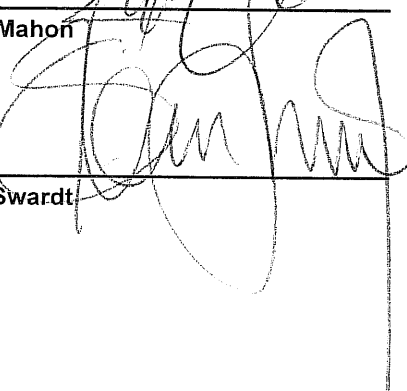
The directors have reviewed the company's cash flow forecast for the year to 28 February 2013 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditor and their report is presented on page 3.

The annual financial statements set out on pages 5 to 14, which have been prepared on the going concern basis, were approved by the board on 24 August 2012 and were signed on its behalf by:

  
\_\_\_\_\_  
IP McMahon

  
\_\_\_\_\_  
AJ Massyn

  
\_\_\_\_\_  
G de Swardt

\_\_\_\_\_  
EO Lawrence

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## Directors' Report

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The directors submit their report for the year ended 29 February 2012.

### 1. Review of activities

#### Main business and operations

The company is engaged in to carry on the business of providing shelter to people in crisis and operates principally in South Africa.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

### 2. Directors

The directors of the company during the year and to the date of this report are as follows:

Name  
RQ Smith  
IP McMahon  
EO Lawrence  
R Ngalo  
AJ Massyn  
GM Isaacs  
G de Swardt

### 3. Auditor

Alex Venter CA (S.A.) will continue in office in accordance with section 90 of the Companies Act 71 of 2008.

### 4. JA Kerrich Trust

The Pride Shelter Trust Company (Section 21) has a beneficial claim against the JA Kerrich Trust (24434/07) to the value of R661,471.74.

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## Statement of Financial Position

Figures in Rand	Note(s)	2012	2011
<b>Assets</b>			
Current Assets			
Cash and cash equivalents	2	104,330	147,407
<b>Total Assets</b>		<b>104,330</b>	<b>147,407</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Surplus funds		104,195	147,407
<b>Liabilities</b>			
Current Liabilities			
Trade and other payables	3	135	-
<b>Total Equity and Liabilities</b>		<b>104,330</b>	<b>147,407</b>

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## Statement of Comprehensive Income

Figures in Rand	Note(s)	2012	2011
Other income	4	204,210	155,750
Operating expenses		(247,607)	(112,158)
<b>Operating (loss) profit</b>		<b>(43,397)</b>	<b>43,592</b>
Investment revenue	5	185	3,359
<b>(Loss) profit for the year</b>		<b>(43,212)</b>	<b>46,951</b>
Other comprehensive income		-	-
<b>Total comprehensive (loss) income for the year</b>		<b>(43,212)</b>	<b>46,951</b>



# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## Statement of Changes in Equity

Figures in Rand	Surplus funds	Total equity
<b>Balance at 01 March 2010</b>	<b>100,456</b>	<b>100,456</b>
Changes in equity		
Total comprehensive income for the year	46,951	46,951
Total changes	46,951	46,951
<b>Balance at 01 March 2011</b>	<b>147,407</b>	<b>147,407</b>
Changes in equity		
Total comprehensive loss for the year	(43,212)	(43,212)
Total changes	(43,212)	(43,212)
<b>Balance at 29 February 2012</b>	<b>104,195</b>	<b>104,195</b>

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## Statement of Cash Flows

Figures in Rand	Note(s)	2012	2011
<b>Cash flows from operating activities</b>			
Cash receipts from customers		204,210	155,750
Cash paid to suppliers and employees		(247,472)	(112,158)
Cash (used in) generated from operations	8	(43,262)	43,592
Interest income		185	3,359
<b>Net cash from operating activities</b>		<b>(43,077)</b>	<b>46,951</b>
<b>Total cash movement for the year</b>		<b>(43,077)</b>	<b>46,951</b>
Cash at the beginning of the year		147,407	100,456
<b>Total cash at end of the year</b>	2	<b>104,330</b>	<b>147,407</b>

# **The Pride Shelter Trust Company (Section 21)**

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## **Accounting Policies**

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### **1. Presentation of Annual Financial Statements**

The annual financial statements have been prepared in accordance with the International Financial Reporting Standards, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, 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 Other income**

Other income is measured at the fair value of consideration received or receivable and represents donations or trust income received.

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

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## Notes to the Annual Financial Statements

Figures in Rand	2012	2011
<b>2. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	897	-
Bank balances	103,433	147,407
	<b>104,330</b>	<b>147,407</b>
<b>3. Trade and other payables</b>		
Trade payables	135	-
<b>4. Other income</b>		
Donations received	39,300	155,750
Trust Income	150,000	-
Fundraisers	4,640	-
Rental income	10,270	-
	<b>204,210</b>	<b>155,750</b>
<b>5. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	185	3,359
<b>6. Consumables</b>		
Beverages	2,320	-
Bread & rolls	2,323	-
Butter & cheese	3,783	-
Cleaning & packaging	5,416	-
Dairy	3,185	-
Fruit & veg	3,959	-
Groceries	15,734	-
Meat & chicken	7,392	-
Toiletries	1,319	-
	<b>45,431</b>	<b>-</b>
<b>7. Taxation</b>		
<b>Reconciliation of the tax expense</b>		
Reconciliation between accounting profit and tax expense.		
Accounting (loss) profit	(43,212)	46,951
Tax at the applicable tax rate of 28%% (2011: 28%)	-	13,146
<b>Tax effect of adjustments on taxable income</b>		
Non-profit organisation exemption	-	(13,146)
	<b>-</b>	<b>-</b>

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## Notes to the Annual Financial Statements

Figures in Rand	2012	2011
<b>8. Cash (used in) generated from operations</b>		
(Loss) profit before taxation	(43,212)	46,951
<b>Adjustments for:</b>		
Interest received	(185)	(3,359)
<b>Changes in working capital:</b>		
Trade and other payables	135	-
	<b>(43,262)</b>	<b>43,592</b>

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## Detailed Income Statement

Figures in Rand	Note(s)	2012	2011
<b>Other income</b>			
Donations received	4	39,300	155,750
Fundraising income	4	4,640	-
Interest received	5	185	3,359
Rental income	4	10,270	-
Trust income	4	150,000	-
		<b>204,395</b>	<b>159,109</b>
<b>Expenses (Refer to page 14)</b>		<b>(247,607)</b>	<b>(112,158)</b>
<b>(Loss) profit for the year</b>		<b>(43,212)</b>	<b>46,951</b>

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2012

## Detailed Income Statement

Figures in Rand	Note(s)	2012	2011
<b>Operating expenses</b>			
Accounting fees		(135)	(4,877)
Advertising		(23,268)	(11,498)
Auditor's remuneration		(4,911)	-
Bank charges		(5,593)	(1,222)
Consumables	6	(45,431)	-
Employee costs		(93,486)	-
Garden expenses		-	(5,000)
General		(4,314)	-
Lease rentals on operating lease		(1,230)	-
Office expenses		-	(550)
Repairs and maintenance		(10,396)	(83,074)
Security		(3,255)	(2,937)
Set up costs		(36,958)	-
TV Levies		(1,829)	-
Telephone and fax		(16,251)	-
Transport and freight		(550)	-
Website costs		-	(3,000)
		<b>(247,607)</b>	<b>(112,158)</b>