

The Pride Shelter Trust Company (Section 21)  
(Registration number 2005/037333/08)  
Annual Financial Statements  
for the year ended 29 February 2016

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

## 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>Active Directors</b>	IP McMahon AJ Massyn G de Swardt NM Funda A Howard
<b>Registered office</b>	1 Molteno Road Oranjezicht 8000
<b>Business address</b>	1 Molteno Road Oranjezicht 8000
<b>Postal address</b>	PO Box 859 Greenpoint 8056
<b>Bankers</b>	The Standard Bank of South Africa Limited
<b>Auditor</b>	Alex Venter CA (S.A.)
<b>NPO number</b>	140-558
<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>Published</b>	19 October 2016

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

## Index

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

<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

19 October 2016

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

## 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 Standard for Small and Medium-sized Entities. 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 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 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 2017 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 12, which have been prepared on the going concern basis, were approved by the board on 19 October 2016 and were signed on its behalf by:

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IP McMahon

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AJ Massyn

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

## Directors' Report

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The directors have pleasure in submitting their report on the annual financial statements of The Pride Shelter Trust Company (Section 21) for the year ended 29 February 2016.

### 1. Nature of business

The Pride Shelter Trust Company (Section 21) was incorporated in South Africa and is engaged in providing shelter to people in crisis. The company operates in South Africa.

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 annual 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 annual financial statements.

### 3. Directors

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

#### Directors

IP McMahon

AJ Massyn

G de Swardt

NM Funda

A Howard

D Nel

F De Nicker

### 4. 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.

### 5. Auditors

Alex Venter CA (S.A.) will continue in office in accordance with section 90 of the Companies Act No. 71 of 2008.

### 6. JA Kerrich Trust

The Pride Shelter Trust Company (section 21) has a beneficial claim against the JA Kerrich Trust (24434/07) with a market value of R 394,397 (book value R 263,991) as at 29 February 2016.

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

## Statement of Financial Position as at 29 February 2016

Figures in Rand	Note(s)	2016	2015
<b>Assets</b>			
Non-Current Assets			
Property, plant and equipment	2	45 254	45 254
Current Assets			
Cash and cash equivalents	3	3 947	27 498
<b>Total Assets</b>		<b>49 201</b>	<b>72 752</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Surplus funds		33 187	55 309
<b>Liabilities</b>			
Current Liabilities			
Trade and other payables	4	16 014	17 443
<b>Total Equity and Liabilities</b>		<b>49 201</b>	<b>72 752</b>

## The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

### Statement of Comprehensive Income

Figures in Rand	Note(s)	2016	2015
Other income	5	243 083	129 110
Operating expenses		(265 342)	(318 138)
<b>Operating loss</b>		<b>(22 259)</b>	<b>(189 028)</b>
Investment revenue	6	137	3 912
<b>Loss for the year</b>		<b>(22 122)</b>	<b>(185 116)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year</b>		<b>(22 122)</b>	<b>(185 116)</b>

## The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

### Statement of Changes in Equity

Figures in Rand	Surplus funds	Total equity
<b>Balance at 01 March 2014</b>	<b>240 425</b>	<b>240 425</b>
Loss for the year	(185 116)	(185 116)
Other comprehensive income	-	-
<b>Total comprehensive loss for the year</b>	<b>(185 116)</b>	<b>(185 116)</b>
<b>Balance at 01 March 2015</b>	<b>55 309</b>	<b>55 309</b>
Loss for the year	(22 122)	(22 122)
Other comprehensive income	-	-
<b>Total comprehensive loss for the year</b>	<b>(22 122)</b>	<b>(22 122)</b>
<b>Balance at 29 February 2016</b>	<b>33 187</b>	<b>33 187</b>



# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

## Statement of Cash Flows

Figures in Rand	Note(s)	2016	2015
<b>Cash flows from operating activities</b>			
Cash receipts from customers		243 083	129 110
Cash paid to suppliers and employees		(266 771)	(311 730)
Cash generated from / (used in) operations	8	(23 688)	(182 620)
Interest income		137	3 912
<b>Net cash from operating activities</b>		<b>(23 551)</b>	<b>(178 708)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	-	(45 254)
<b>Total cash movement for the year</b>		<b>(23 551)</b>	<b>(223 962)</b>
Cash at the beginning of the year		27 498	251 460
<b>Total cash at end of the year</b>	3	<b>3 947</b>	<b>27 498</b>

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

## 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 Standard for Small and Medium-sized Entities, 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 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate.

#### 1.2 Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

#### 1.3 Other income

Other income is measured at the fair value of the 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 2016

## Notes to the Annual Financial Statements

Figures in Rand

2016

2015

### 2. Property, plant and equipment

	2016			2015		
	Cost / Valuation	Accumulated depreciation and impairments	Carrying value	Cost / Valuation	Accumulated depreciation and impairments	Carrying value
Leasehold improvements	45 254	-	45 254	45 254	-	45 254

#### Reconciliation of property, plant and equipment - 2016

	Opening balance	Total
Leasehold improvements	45 254	45 254

#### Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Total
Leasehold improvements	-	45 254	45 254

A register containing the information required by Regulation 25(3) of the Companies Regulations, 2011 is available for inspection at the registered office of the company.

### 3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	3 820	3 850
Bank balances	127	23 648
	<b>3 947</b>	<b>27 498</b>

### 4. Trade and other payables

Trade payables	16 014	17 443
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### 5. Other income

Rental income	13 285	20 940
Trust income	150 000	50 000
Fundraisers	7 500	13 235
Donation income	72 298	44 935
	<b>243 083</b>	<b>129 110</b>

### 6. Investment revenue

Interest revenue		
Bank	137	3 912

# The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

## Notes to the Annual Financial Statements

Figures in Rand	2016	2015
<b>7. Taxation</b>		
No provision has been made for 2016 tax as the company is in the process of registering with SARS as a tax exempt entity.		
<b>8. Cash used in operations</b>		
Loss before taxation	(22 122)	(185 116)
<b>Adjustments for:</b>		
Interest received - investment	(137)	(3 912)
<b>Changes in working capital:</b>		
Trade and other payables	(1 429)	6 408
	<b>(23 688)</b>	<b>(182 620)</b>
<b>9. Consumables</b>		
Bread & rolls	604	1 316
Butter & cheese	-	1 030
Clothing & packaging	410	248
Dairy	2 339	2 141
Fruit & veg	1 575	3 007
Groceries	43 984	28 914
Meat & chicken	1 430	2 063
	<b>50 342</b>	<b>38 719</b>

## The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

### Detailed Income Statement

Figures in Rand	Note(s)	2016	2015
<b>Other income</b>			
Rental income		13 285	20 940
Trust income		150 000	50 000
Fundraising income		7 500	13 235
Donations received		72 298	44 935
Interest received	6	137	3 912
		<b>243 220</b>	<b>133 022</b>
<b>Expenses (Refer to page 14)</b>		<b>(265 342)</b>	<b>(318 138)</b>
<b>Loss for the year</b>		<b>(22 122)</b>	<b>(185 116)</b>

## The Pride Shelter Trust Company (Section 21)

(Registration number 2005/037333/08)

Annual Financial Statements for the year ended 29 February 2016

### Detailed Income Statement

Figures in Rand	Note(s)	2016	2015
<b>Operating expenses</b>			
Accounting fees		(11 689)	(30 041)
Advertising		(8 723)	(36 573)
Bank charges		(3 319)	(3 769)
Consumables		(50 342)	(38 719)
Dog expenses		(1 488)	(661)
Employee costs		(132 223)	(116 471)
General expenses		(9 193)	(7 412)
Licences		(1 188)	(1 188)
Municipal expenses		(17 000)	(30 429)
Office expenses		(797)	(6 963)
Repairs and maintenance		(12 283)	(30 024)
Security		(4 504)	(4 137)
Telephone and fax		(12 593)	(11 751)
		<b>(265 342)</b>	<b>(318 138)</b>