

St. Francis Outreach Trust

Registration number: IT1631/2009


PBO Exemption Reference No. 930031283

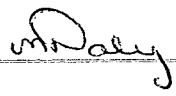
**Annual Financial Statements
for the year ended 28 February 2017**

St Francis Outreach Trust

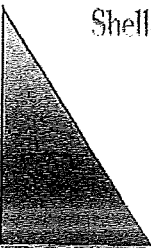
Financial Statements for the period ended 28 February 2017

The following financial statements which were approved by the Trustees for 2017 are attached and signed on behalf of them:

Trustee  _____
U. HASS

Trustee  _____
M. DALY

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Shelley von Seidel CA(SA)

Shelley von Seidel
Die Eike
5 Peter Cloete Ave
Constantia
7806
Tel: (021) 794 2442

16 August 2017
The Trustees
St Francis Outreach Trust

Dear Trustees

Independent review for the period ended 28 February 2017

I have conducted an independent review for the period ended 28 February 2017 and would like to draw the Trustees attention to the following as a result of the work carried out:

1. There have been a few HR issues with the staff in the current year that was picked up in the minutes - as there are now two foster mothers and a driver, I would like to suggest that a formal HR policy and procedure be put in place in order to deal with staff issues and disciplinary actions. This is very important to ensure the safety of the children at all times who are in these persons care.
2. The going concern of the Trust and how it is going to finance two houses as well as the increasing education and other costs needs to be reviewed especially in the light of the fact that there is no stable recurring income coming into the Trust and the motor vehicle costs which were sponsored last year will not be during 2018 financial year. Only R469 415 was actually received in the current year, the rest was an allocation from the balance sheet to the income statement in the as funds were used for there allotted purpose. This balance sheet figure of donor specific donations has decreased from R783 910 to R89 474. A big push for new donor funds and avenues of income is therefore critical.
3. As the children are getting older and the expenditure of the two homes is growing, I would like to recommend that the Trust starts budgeting at the beginning of the financial year as to what expenditure will be incurred so that there is a realistic plan for what income must be budgeted for and attained in order to cover all expenditure and forward planning can be implemented.

[Handwritten signature]

Shelley von Seidel CA(SA)

4. I have suggested in the past that a monthly budget be done for the each of the homes and that actual expenditure be compared to this budget. I do feel that this is imperative as costs will be increasing given the increasing needs of the children and proper financial management needs to be instilled as part of the culture of the Trust to ensure financial stability.

5. The Trust also needs to relook at its "contingency fund" of R120 000 – the household expenditure for the two homes (excluding school fees) in the current financial year was R440 000. The fund needs to be increased therefore to cover any stopgaps in funding to ensure financial sustainability. It is recommended that the reserve fund should cover 5 years of expenditure for foster homes- we should work towards this going forward.

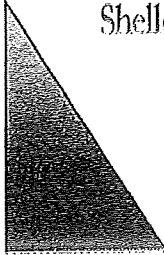
I wish the Trust every success for the next financial year and that the children continue to thrive in the environment that you have provided for them so lovingly with all the work you do.

Kind regards,



Shelley von Seidel





Shelley von Seidel CA(SA)

Shelley von Seidel
Die Eike
5 Peter Cloete Ave
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(021) 794 2442

REPORT TO TRUSTEES OF ST FRANCIS OUTREACH TRUST

I have prepared the accompanying financial statements of St Francis Outreach Trust for the year ended 28 February 2017. These financial statements are the responsibility of the Trustees. My responsibility is to prepare the financial statements based on information supplied by the Trustees and to review the financial data prepared and all internal controls implemented by the Trustees.

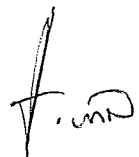
I conducted my review in accordance with the International Standard on Review Engagements 2400. This Standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial information prepared is free of material misstatement. A review is limited primarily to inquiries of the Trustees and analytical procedures applied to financial data and as a result provides less assurance than an audit. I do not express an audit opinion but my work carried out although not an audit per Review Engagements 2400 is more than the review as specified in the Standard.

Based on my review, nothing except the non-compliance of IAS 16 has come to my attention that causes me to believe that the accompanying financial statements do not give a true and fair view (or are not presented fairly, in all material respects) in accordance with International Accounting Standards.

Date: 16 August 2017
Cape Town



Shelley von Seidel CA(SA)



St Francis Outreach Trust

**Statement of comprehensive income and accumulated funds
for the year ended 28 February 2017**

	Notes	2017 R	2016 R
Revenue		1,265,884	1,169,990
Donations received	3/11	1,147,851	1,092,049
Other income	3	118,033	77,941
Expenditure		(871,860)	(410,923)
Administrative expenses	4	(12,338)	(114,936)
Household expenses	4	(859,522)	(295,987)
		(394,024)	759,067
Growth in education fund		(19,824)	19,127
Finance costs	5	53,442	65,850
Accumulated funds for the year		(427,642)	844,044
Accumulated funds at start of year		2,409,985	1,565,941
Accumulated funds at end of year		<u>2,837,627</u>	<u>2,409,985</u>

St Francis Outreach Trust

Statement of financial position at 28 February 2017

	Notes	2017 R	2016 R
<u>ASSETS</u>			
Current assets			
Trade and other receivables	6	20,869	22,204
Cash and cash equivalents	7	667,428	1,422,899
		<u>688,297</u>	<u>1,445,103</u>
Non-current assets			
Investments-Education fund	8	667,432	527,256
Property, plant and equipment	11	236,327	-
Sundry assets	11	16,612	19,718
		<u>920,371</u>	<u>546,974</u>
Total assets		<u><u>1,608,668</u></u>	<u><u>1,992,077</u></u>
Liabilities and Equity			
Current liabilities			
Sundry creditors	9	41,083	51,914
Project specific donations received	10	89,474	783,910
Total liabilities		<u>130,557</u>	<u>835,824</u>
Foster Home project			
ERF 2553 Noordhoek	11	(633,625)	-537,991
ERF 3096 Noordhoek	11	(718,534)	-709,884
Other project funds utilized		(7,357)	(5,857)
Accumulated funds		2,837,627	2,409,985
		<u>1,478,111</u>	<u>1,156,253</u>
Total liabilities and projects		<u><u>1,608,668</u></u>	<u><u>1,992,077</u></u>

St Francis Outreach Trust

Statement of cash flows for the year ended 28 February 2017

	Notes	2017	2016
Cash flows from operating activities			
Accumulated funds for the year		(427,642)	838,187
Adjustments for non-cash income and expenses:			
Depreciation		58,159	5,048
Profit/Loss on disposal of assets		-	3,213
Growth in education fund		19,824	-19,127
Changes in operating assets and liabilities			
(Increase)/Decrease in trade and other receivables		1,335	-10,827
Increase/(Decrease) in sundry creditors		(10,831)	42,735
<i>Net cash from operating activities</i>		<u>(359,155)</u>	<u>859,229</u>
Cash flows from project activities			
Purchase of fixed assets		(393,664)	(364,760)
Purchase of sundry assets		(2,000)	(13,766)
Increase/(Decrease) in Project specific donations		159,348	(254,598)
<i>Net cash used in project activities</i>		<u>(236,316)</u>	<u>(633,124)</u>
Cash flow from investing activities			
Education fund		(160,000)	(480,000)
Interest receivable		-	(5,363)
<i>Net cash used in investing activities</i>		<u>(160,000)</u>	<u>(485,363)</u>
Net increase in cash and cash equivalents		(755,471)	(259,258)
Cash and cash equivalents at beginning of year		1,422,899	1,682,157
Cash and cash equivalents at end of year	7	<u>667,428</u>	<u>1,422,899</u>

St Francis Outreach Trust
Accounting policies and explanatory notes to the financial statements for the
year ended 28 February 2017

1. General information

The Trust has been set up by the Parish of St Francis Simon's Town to support the disadvantaged communities of the southern areas of the Cape Peninsula in South Africa. The St. Francis Outreach Trust has responded to the endemic caused by HIV/AIDS by building and managing foster homes for abused, abandoned children as well as those children affected by HIV/AIDS. There are currently two foster homes in Masiphumulele which looks after twelve children.

The current trustees of the Trust are:

Tim Skea	Uwe Haas
Michelle Janice Daly	Monika Du Sautoy
Judy Whittaker	Diana Higgs
Melanie Steyn	Rupert Bromley
Wayne Honeywill	

2. Basis of preparation and accounting policies

These financial statements have been prepared in accordance with the *International Financial Reporting Standards for Small and Medium-sized Entities* issued by the International Accounting Standards Board. They are presented in the currency units of South Africa. All standards have been followed except those as detailed below:

IAS 16- No depreciation is calculated on the buildings in Masiphumulele.

The presentation of the financial position differs to IFRS and has been agreed by the Trustees.

Revenue recognition

Donations received are recognised when cash is received from the donor. Profit or loss from all fundraising activities (net of costs incurred) is recognised upon the banking of the receipts received after the particular event and when costs are incurred.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any impairment losses (except buildings)

Trade and other receivables

The Trust does not have any trade receivables and sundry debtors are raised where applicable and are considered to be recoverable.

Donations for specific projects

The Trust recognises these donations as a creditor when received until such time as the monies have been used for the purpose given. At that time it will be recognised as revenue in the income statement.

3. Revenue

	2017	2016
	R	R
Donations received	1,147,851	1,092,049
Other income	118,033	77,851
Fundraising	117,823	79,124
Book project	210	1,941
Profit/Loss on disposal	-	(3,214)
	<u>1,265,884</u>	<u>1,169,900</u>

4. Expenditure

Administrative expenses

	2017	2016
	R	R
Depreciation	-	1,532
Bank charges	6,968	6,528
Consulting fees	-	97,756
Entertainment	500	3,254
Insurance	-	992
Postage	-	659
Computer expenses	-	468
Sundry	4,870	3,747
	<u>12,338</u>	<u>114,936</u>

Household expenses

Motor vehicle	105,753	-
Motor vehicle depreciation	53,053	-
Remedial teaching	74,759	-
School fees	185,058	117,433
	<u>418,623</u>	<u>117,433</u>

Kanana Road

Management fees	90,000	-
Depreciation	2,408	2,543
Maintenance	13,616	5,992
Insurance	3,204	2,240
Phone	4,375	4,257
Salary	68,068	58,006
Transport	-82	4,535
UIF	1,244	694
Overtime/bonus	12,609	26,709
Water	19,399	12,532

Education costs	11,854	-
Children expenses	2,692	11,277
Sundry expenses	1,363	1,802
	<u>230,750</u>	<u>130,587</u>

Masonwabe Road

Grant spending	31,740	-
Management fees	90,000	-
Depreciation	2,698	973
Maintenance	904	12,451
Insurance	3,045	1,427
Phone	3,673	1,145
Salary	54,340	18,240
Transport	2,650	4,220
UIF	1,244	
Overtime/bonus	9,228	1,218
Water	2,656	2,477
Education costs	6,524	
Children expenses	856	1,962
Sundry	592	3854
	<u>210,150</u>	<u>47,967</u>
Total household expenditure	<u>859,522</u>	<u>295,987</u>

5. Finance Costs

	2017	2016
	R	R
Interest received	53,442	65,850
	<u>53,442</u>	<u>65,850</u>

6. Trade and other receivables

	2017	2016
	R	R
Sundry debtors	17,345	16,841
Interest receivable	3,524	5,363
	<u>20,869</u>	<u>22,204</u>

7. Cash and cash equivalents

	2017	2016
	R	R
Current account	22,392	60,518
Investment account	641,014	1,360,277
Call account	3,022	1,104
Cash on hand	1,000	1,000
	<u>667,428</u>	<u>1,422,899</u>

8. Investments


	2017 R	2016 R
Foord International Feeder Fund		
Opening balance	127,256	28,128
Investment		80,000
Fees		-227
Growth in investment	(14,762)	19,355
	112,494	127,256
Coronation Global Feeder Fund		
Opening balance	400,000	-
Investment	160,000	400,000
Growth in investment	-5,062	-
	554,938	400,000
Total investments	667,432	527,256

9. Sundry creditors

	2017 R	2016 R
Accrued expenses	17,283	44,891
Sundry Creditors	23,800	7,023
	41,083	51,914

10. Project specific donations received

	2017 R	2016 R
General expenses Masonwabe	-	217,655
Education	89,474	51,377
Masonwabe 2016/2017 expenses	-	147,667
Don Campbell Grant for expenses	-	366,611
Other sundry children expenses	-	600
	89,474	783,910
Break down from donors		
Stichting Ibhongo	18,756	59,927
Old Mutual	-	14,000
Sabine Luedtke	-	67,228
Episcopal Diocese Cleveland USA	-	76,500
Campbell Family Foundation	-	514,278
Fundraising profits	-	51,377
Sundry	-	600

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CRM Black	15,750	
St Lukes Church, Modbury	7,678	
Towerstone	4,000	
Franciscan Aid Fund	43,290	
	<u>89,474</u>	<u>783,910</u>

11. Donations received

	2017	2016
	R	R
Sabine Luedtke	46,770	58,954
Steenberg Golf Club	-	20,000
Hawley Green	-	6,248
Franciscan Order	-	58,369
General donations	62,102	20,219
Transfer from donor specific projects	1,038,979	928,259
Stichting Ibhongo	91,171	89,576
Tamara Roberts and family	-	8,333
Peggy Manby	-	17,414
Kim Ji Young	-	10,615
Jo Gyou Jin	-	5,429
Liz Hardman	-	2,250
St Lukes Church, Modbury	21,747	26,095
Fundraising	51,377	47,288
Campbell Family Foundation	514,278	384,733
Family of Monika	-	14,000
Towerstone	-	5,000
St Peter's USA	127,160	312,526
Truworhs	-	5,000
Sabine Luedtke	67,228	-
CRM Black	34,250	-
Old Mutual	14,000	-
Other	600	-
Franciscan Aid	117,168	-
	<u>1,147,851</u>	<u>1,092,049</u>

12. Foster home project and sundry assets

		Erf 2554 Kanana	Erf 3116 Masonwabe	Motor Vehicles	Sundry assets	Total
Cost						
	1-Mar-16	537,991	709,884	-	31,258	1,279,133
Additions		95,634	8,650	289,380	2,000	395,664
Write-off		-	-	-	-	-
	28-Feb-17	633,625	718,534	289,380	33,258	1,674,797
Accumulated depreciation						
	1-Mar-16	-	-	-	11,540	11,540
Annual depreciation		-	-	53,053	5,106	58,159
Write-off		-	-	-	-	-
	28-Feb-17	-	-	53,053	16,646	69,699
Carrying amount		633,625	718,534	236,327	16,612	1,605,098

The stand at Erf 2554 Noordhoek was purchased during the 2010 financial year.
During 2011 the house was completed and all building costs capitalised.

The stand at Erf 3116 Noordhoek was purchased during the 2014 financial year.
The house was completed during the 2016 financial year and all building costs capitalised.