

Victory 4 All Foundation Trust  
(Registration number IT971/2005)  
Annual Financial Statements  
for the year ended 31 December 2014

Moore Stephens WK Incorporated  
Chartered Accountants (S.A.)  
Published 19 August 2015

# Victory 4 All Foundation Trust

(Registration number IT971/2005)

Annual Financial Statements for the year ended 31 December 2014

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Type of trust</b>	Intervivos
<b>Trustees</b>	J Vos J Felix LP Els C de Zwart TC van der Ree
<b>Registered office</b>	17 Red Heart Crescent Jeffreys Bay 6330
<b>Business address</b>	17 Red Heart Crescent Jeffreys Bay 6330
<b>Postal address</b>	17 Red Heart Crescent Jeffreys Bay 6330
<b>Compilers</b>	Moore Stephens WK Incorporated Chartered Accountants (S.A.)
<b>Trust registration number</b>	IT971/2005
<b>Tax reference number</b>	0003/489/17/6
<b>Level of assurance</b>	These annual financial statements have not been audited or independently reviewed.

# Victory 4 All Foundation Trust

(Registration number IT971/2005)

Annual Financial Statements for the year ended 31 December 2014

## Index

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

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

# Victory 4 All Foundation Trust

(Registration number IT971/2005)

Annual Financial Statements for the year ended 31 December 2014

## Trustees' Responsibilities and Approval

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The trustees are required 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 trust 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 basis of accounting as set out in Note 1 to the financial statements. The external compilers are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the basis of accounting as set out in Note 1 to the financial statements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

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

The trustees 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 trustees have reviewed the trust's cash flow forecast for the year to 31 December 2015 and, in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

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 of trustees on 19 August 2015 and were signed on its behalf by:

\_\_\_\_\_  
J Vos

Jeffreys Bay

19 August 2015

## **Practitioners' Compilation Report**

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### **To the trustees of Victory 4 All Foundation Trust**

We have compiled the annual financial statements of Victory 4 All Foundation Trust, as set out on pages 5 - 12, based on the information you have provided. These annual financial statements comprise the statement of financial position of Victory 4 All Foundation Trust as at 31 December 2014, 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 information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with the basis of accounting as set out in Note 1 to the financial statements. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the basis of accounting as set out in Note 1 to the financial statements.

**Moore Stephens WK Incorporated  
Chartered Accountants (S.A)**

*MOORE STEPHENS WK INC.*

**Per: J Barnard  
Director**

**19 August 2015  
Jeffreys Bay**

# Victory 4 All Foundation Trust

(Registration number IT971/2005)

Annual Financial Statements for the year ended 31 December 2014

## Statement of Financial Position as at 31 December 2014

Figures in Rand	Note(s)	2014	2013
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	13 729 202	12 311 127
<b>Current Assets</b>			
Cash and cash equivalents	3	195 725	6 720
<b>Total Assets</b>		<b>13 924 927</b>	<b>12 317 847</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Trust capital		5 802 480	5 802 480
Accumulated surplus		8 122 449	6 515 368
		<b>13 924 929</b>	<b>12 317 848</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables		(2)	(1)
<b>Total Equity and Liabilities</b>		<b>13 924 927</b>	<b>12 317 847</b>

# Victory 4 All Foundation Trust

(Registration number IT971/2005)

Annual Financial Statements for the year ended 31 December 2014

## Statement of Comprehensive Income

Figures in Rand	Note(s)	2014	2013
<b>Revenue</b>			
Donations		6 498 565	4 674 410
Rendering of services		282 038	-
Goods donated		916	-
Funds Raised		4 400	-
		<b>6 785 919</b>	<b>4 674 410</b>
<b>Other income</b>			
Insurance claim received		7 936	-
Interest received		1 145	323
		<b>9 081</b>	<b>323</b>
<b>Expenses (Refer to page 7)</b>		<b>(5 187 919)</b>	<b>(4 113 912)</b>
<b>Surplus for the year</b>		<b>1 607 081</b>	<b>560 821</b>
<b>Total comprehensive income for the year</b>		<b>1 607 081</b>	<b>560 821</b>

# Victory 4 All Foundation Trust

(Registration number IT971/2005)

Annual Financial Statements for the year ended 31 December 2014

## Statement of Comprehensive Income

Figures in Rand	Note(s)	2014	2013
<b>Operating expenses</b>			
Accounting fees		17 076	18 433
Advertising		465	-
Arts and projects - Rainbow center		4 135	-
Bakery purchases		674	31 686
Bank charges		19 973	17 557
Computer expenses		32 480	36 247
Depreciation		515 140	499 813
Direct help program		8 200	20 020
Donations		-	6 358
Electricity		4 030	1 100
Employee costs		2 879 331	2 166 901
Equipment hire		-	320
Fines and penalties		2 600	400
General cost		67 362	29 899
Hospitality & Accommodation		24 577	31 218
Insurance		41 838	36 452
Marketing & Promotions		3 340	35 808
Medical assistance		3 215	75 693
Motor vehicle expenses		103 095	124 818
Motor vehicle hire		-	3 382
King`s College stationary		123 070	40 945
Pest control		1 607	2 337
Petrol and oil		89 609	95 120
Printing and stationery		109 860	117 910
Purchase handbooks		50 427	61 236
Rainbow Angels		30 000	-
Rainbow expenses		-	13 945
Rent - Self storage		5 580	3 600
Repairs and maintenance		149 297	64 249
School Necessities		47 665	-
Security		15 199	8 650
Small Equipment		17 588	791
Soup kitchen		170 971	44 418
Support Fosterhomes		432 088	462 880
Suspence account		(5 732)	-
Telephone and fax		111 470	21 898
Transport and freight		6 493	-
Travel and Accommodation		105 196	39 828
		<b>5 187 919</b>	<b>4 113 912</b>



# Victory 4 All Foundation Trust

(Registration number IT971/2005)

Annual Financial Statements for the year ended 31 December 2014

## Statement of Changes in Equity

Figures in Rand	Trust capital	Accumulated surplus	Total equity
<b>Balance at 01 January 2013</b>	<b>5 802 480</b>	<b>5 954 547</b>	<b>11 757 027</b>
Surplus for the year	-	560 821	560 821
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>560 821</b>	<b>560 821</b>
<b>Balance at 01 January 2014</b>	<b>5 802 480</b>	<b>6 515 368</b>	<b>12 317 848</b>
Surplus for the year	-	1 607 081	1 607 081
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>1 607 081</b>	<b>1 607 081</b>
<b>Balance at 31 December 2014</b>	<b>5 802 480</b>	<b>8 122 449</b>	<b>13 924 929</b>

# Victory 4 All Foundation Trust

(Registration number IT971/2005)

Annual Financial Statements for the year ended 31 December 2014

## Statement of Cash Flows

Figures in Rand	Note(s)	2014	2013
<b>Cash flows from operating activities</b>			
Cash receipts from donations		6 785 919	4 674 410
Cash paid to suppliers and employees		(4 664 844)	(3 614 100)
Cash generated from operations	4	2 121 075	1 060 310
Interest income		1 145	323
<b>Net cash from operating activities</b>		<b>2 122 220</b>	<b>1 060 633</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(1 933 215)	(1 130 098)
<b>Total cash movement for the year</b>		<b>189 005</b>	<b>(69 465)</b>
Cash at the beginning of the year		6 720	76 185
<b>Total cash at end of the year</b>	3	<b>195 725</b>	<b>6 720</b>

# Victory 4 All Foundation Trust

(Registration number IT971/2005)

Annual Financial Statements for the year ended 31 December 2014

## Accounting Policies

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### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the accounting policies as set out below. The annual financial statements have been prepared on the historical cost basis. 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.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item	Average useful life
Buildings	100 years (100% residual value)
Furniture and fixtures	5 years
Motor vehicles	4 years
Containers	10 years (100% residual value)
Bakery equipment	6 years

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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

# Victory 4 All Foundation Trust

(Registration number IT971/2005)

Annual Financial Statements for the year ended 31 December 2014

## Notes to the Annual Financial Statements

Figures in Rand

2014 2013

### 2. Property, plant and equipment

	2014			2013		
	Cost / Valuation	Accumulated depreciation and impairments	Carrying value	Cost / Valuation	Accumulated depreciation and impairments	Carrying value
Buildings	12 328 334	-	12 328 334	10 562 974	-	10 562 974
Furniture and fixtures	707 093	(371 892)	335 201	671 214	(222 239)	448 975
Motor vehicles	692 849	(493 744)	199 105	577 849	(388 671)	189 178
Containers	110 000	-	110 000	110 000	-	110 000
Other fixed assets	13 981	(7 370)	6 611	-	-	-
Bakery equipment	1 502 995	(753 044)	749 951	1 500 000	(500 000)	1 000 000
<b>Total</b>	<b>15 355 252</b>	<b>(1 626 050)</b>	<b>13 729 202</b>	<b>13 422 037</b>	<b>(1 110 910)</b>	<b>12 311 127</b>

#### Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Depreciation	Total
Buildings	10 562 974	1 765 360	-	12 328 334
Furniture and fixtures	448 975	35 879	(149 653)	335 201
Motor vehicles	189 178	115 000	(105 073)	199 105
Containers	110 000	-	-	110 000
Other fixed assets	-	13 981	(7 370)	6 611
Bakery equipment	1 000 000	2 995	(253 044)	749 951
	<b>12 311 127</b>	<b>1 933 215</b>	<b>(515 140)</b>	<b>13 729 202</b>

#### Reconciliation of property, plant and equipment - 2013

	Opening balance	Additions	Depreciation	Total
Buildings	9 574 552	988 422	-	10 562 974
Furniture and fixtures	455 542	127 676	(134 243)	448 975
Motor vehicles	304 748	-	(115 570)	189 178
Containers	96 000	14 000	-	110 000
Bakery equipment	1 250 000	-	(250 000)	1 000 000
	<b>11 680 842</b>	<b>1 130 098</b>	<b>(499 813)</b>	<b>12 311 127</b>

# Victory 4 All Foundation Trust

(Registration number IT971/2005)

Annual Financial Statements for the year ended 31 December 2014

## Notes to the Annual Financial Statements

Figures in Rand

2014 2013

### Details of properties

#### Erf 563, Pellsrus(Soloman Mahlandu Road)

- Cost Price	30 000	30 000
- Improvements	5 000	5 000
	<b>35 000</b>	<b>35 000</b>

#### Foster home - Humansdorp (3)

- Cost Price	1 950 000	1 950 000
- Improvements	202 696	107 696
	<b>2 152 696</b>	<b>2 057 696</b>

#### Foster homes - Jeffreys Bay (5)

7 Koraal straat, C-Place (Erf 950, Jeffreys Bay) and 16 Calamari street, Pellsrus (Erf549, Jeffreys Bay)

- Cost Price	360 000	360 000
- Improvements	2 782 726	2 782 726
	<b>3 142 726</b>	<b>3 142 726</b>

#### Office

20 Garnaal Street, Pellsrus (Erf 549, Pellsrus)

- Cost Price	395 000	395 000
- Improvements	80 000	80 000
	<b>475 000</b>	<b>475 000</b>

#### Other

- Care center	761 976	761 976
- Wendy Hut	72 805	72 805
- 15 Mandela Street	85 000	85 000
- Worship center	2 950 117	2 950 117
- Rainbow School	2 620 360	950 000
- Playground- Pellsrus	32 653	32 653
	<b>6 522 911</b>	<b>4 852 551</b>

### 3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	11 961	54
Bank balances	183 764	6 666
	<b>195 725</b>	<b>6 720</b>

### 4. Cash generated from operations

Surplus before taxation	1 607 081	560 821
<b>Adjustments for:</b>		
Depreciation and amortisation	515 140	499 813
Interest received - investment	(1 145)	(323)
<b>Changes in working capital:</b>		
Trade and other payables	(1)	-
	<b>2 121 075</b>	<b>1 060 311</b>