

**CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018**

DANNHAUSER INCORPORATED

**GEOKTROOIEERDE REKENMEESTERS EN OUDITEURE (SA)
CHARTERED ACCOUNTANTS AND AUDITORS (SA)**


CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018

BOARD OF TRUSTEES	:	G Fatseas - Mazarakis P D Grealy C M V Nel Y Phahle
PBO REFERENCE NO:	:	930028535
REGISTRATION NO:	:	IT 3593/2008
ACCOUNTANTS	:	VILJOEN NEL CAS Randburg
AUDITORS	:	DANNHAUSER INCORPORATED Randburg
BANKERS	:	ABSA Bank Northcliff

CONTENTS	PAGE
Report of the independent auditors	3-4
Report of the trustees	5
Statement of financial position	6
Statement of profit or loss and other comprehensive income	7
Cash flow statement	8
Notes to the financial statements	9 - 11

APPROVAL OF FINANCIAL STATEMENTS


The financial statements set out on pages 4 to 10 were approved and signed by the board of trustees.



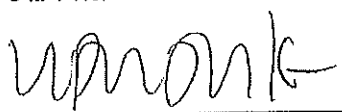
G Fatseas - Mazarakis



P D Grealy



C M V Nel



Y Phahle

REPORT OF THE INDEPENDENT AUDITORS

To the board of trustees of

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST : IT 3593/2008

We have audited the accompanying financial statements of Carte Blanche: "Making a difference" Trust, which comprise the report of the trustees, the statement of financial position as at 28 February 2018, the statement of profit or loss and other comprehensive income and the cash flow statement of the year then ended, and a summary of significant accounting policies and other explanatory notes.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our 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), together with the ethical requirements that are relevant to our audit of the financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IRBA Code. We believe that the audit evidence that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Trustees responsibility for the financial statements

The trustees are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International financial reporting standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of annual financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, the trustees 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 trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility

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 ISAs 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 ISAs, we exercised professional judgement and maintained professional scepticism throughout the audit. We also:

- Identified and assessed 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 our 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.
- Obtained 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.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of the trustees' 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. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluated 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.

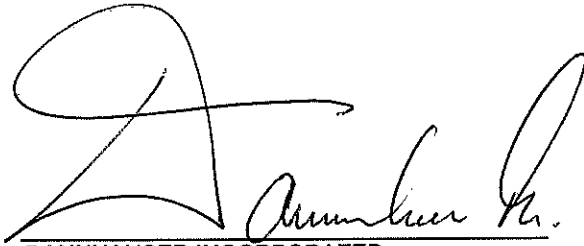
We communicated with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Audit opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the trust as of 28 February 2018, and of its financial performance and its cash flows for the year then ended in accordance with the International financial reporting standards.

Other Reports

As part of our audit of the financial statements for the year ended 28 February 2018, we have read the Report of the Trustees for the purpose of identifying whether there are material inconsistencies between these reports and the audited financial statements. It is the responsibility of the respective trustees to prepare the Trustees report. Based reading the report, we have not identified material inconsistencies between the Report of the Trustees and the audited financial statements. However, we have not audited the Trustees report and accordingly do not express an opinion on the report.



DANNHAUSER INCORPORATED
Registered Accountants and Auditors
Chartered Accountants (SA)
Randburg

Date

7 May 2018

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
REPORT OF THE TRUSTEES
28 FEBRUARY 2018

The trustees have the pleasure in submitting their report for the financial year ended 28 February 2018.

STATEMENT OF RESPONSIBILITY

The trustees are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The accounting officers are responsible to determine that the financial statements are in agreement with the accounting records. The trustees are also responsible for the trusts system of internal financial control. These are designated to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the trustees to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review. The financial statements have been prepared on the going concern basis, since the trustees have every reason to believe that the trust has adequate resources in place to continue operation for the foreseeable future.

NATURE OF THE TRUSTS ACTIVITIES

The trust derives its funds from donations and utilises these funds to provide means for public training hospitals.

RESULTS FOR THE YEAR

Full details are set out in the financial statements attached hereto and the trustees have no further comment.

GOING CONCERN

The Trustees believe that the Trust, 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 Trustees are satisfied that the Trust is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Trustees are not aware of any new material changes that may adversely impact the Trust. The Trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Trust.

EVENTS AFTER THE REPORTING PERIOD

The Trustees are not aware of any facts or circumstances which have occurred since the end of the Trust's financial year and the date of this report, which might influence an assessment of the state of affairs of the Trust.

Trustees

The changes to the Trustees of the Trust during the period under review up to the date of the Auditor's report were as follows:
None

AUDITORS

At the next Trustees meeting, the Trustees will be requested to appoint Dannhauser Incorporated as the independent external auditors of the Trust for the 2019 financial year.

ACKNOWLEDGEMENTS

Thanks and appreciation is extended to all our donors, service providers and the members of the public for your continued support towards the Carte Blanche: "Making A Difference" Trust.

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
STATEMENT OF FINANCIAL POSITION
28 FEBRUARY 2018

	<u>Notes</u>	<u>2018</u> R	<u>2017</u> R
ASSETS			
Current assets		16 636 582	9 044 459
Trade and other receivables	2	1 100 000	800 000
Cash and cash equivalents	3	15 536 582	8 244 459
TOTAL ASSETS		16 636 582	9 044 459
EQUITY AND LIABILITIES			
Capital and reserves		2 778 965	2 795 827
Trust capital		100	100
Accumulated reserves	4	2 778 865	2 795 727
Current liabilities		13 857 617	6 248 632
Trade and other payables	5	255 203	201 187
Distributions payable	9	13 602 414	6 047 445
TOTAL EQUITY AND LIABILITIES		16 636 582	9 044 459

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
28 FEBRUARY 2018

	<u>Notes</u>	<u>2018</u> <u>R</u>	<u>2017</u> <u>R</u>
INCOME			
Donations received	6	13 409 352	2 557 466
OTHER INCOME			
Interest received		927 583	604 988
SUBTOTAL		14 336 935	3 162 454
ADMINISTRATIVE EXPENSES		(986 544)	(1 003 023)
Admin and accounting fees		40 000	60 000
Auditors remuneration		42 000	42 000
Bank charges		1 188	1 565
Meeting Snacks expenses		1 810	9 161
Legal fees		42 099	64 114
Management, procurement and fundraising		843 770	800 569
Printing and stationery		-	2 885
Refreshments		-	-
Travel and accommodation		15 678	22 729
SUBTOTAL		13 350 391	2 159 432
DISTRIBUTIONS		(13 367 254)	(2 495 860)
Distributions to hospitals	7.1	13 367 254	2 495 860
SURPLUS / (DEFICIT) FOR THE YEAR		(16 863)	(336 428)
RETAINED SURPLUS AT THE BEGINNING OF THE YEAR		2 795 728	3 132 156
RETAINED SURPLUS AT THE END OF THE YEAR		2 778 865	2 795 728

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
CASH FLOW STATEMENT FOR THE YEAR ENDED
28 FEBRUARY 2018

	<u>Notes</u>	<u>2018</u> <u>R</u>	<u>2017</u> <u>R</u>
Cash flow from operating activities			
Cash receipts from donors		13 109 352	2 257 466
Cash paid to supplier's and service providers		<u>(14 299 783)</u>	<u>(3 912 350)</u>
Cash generated by operations	1	(1 190 431)	(1 654 884)
Interest received		927 583	604 988
Net cash flow from operating activities		<u>(262 848)</u>	<u>(1 049 896)</u>
Cash flow from financing activities			
Increase/(decrease) in provisions for distributions		7 554 970	29 645
Net cash flow from financing activities		<u>7 554 970</u>	<u>29 645</u>
Net movement in cash and cash equivalents		7 292 123	(1 020 252)
Cash and cash equivalents at the beginning of the year		8 244 459	9 264 711
Cash and cash equivalents at the end of the year	2	<u>15 536 582</u>	<u>8 244 459</u>

NOTES TO THE CASH FLOW STATEMENT

1. Reconciliation of net profit for the year to cash generated by operations

Net Surplus /(Net loss) for the year	(16 863)	(336 428)
Adjustments for:		
Interest received	<u>(927 583)</u>	<u>(604 988)</u>
Operating profit before working capital changes	(944 446)	(941 416)
Working capital changes	(245 985)	(713 467)
Decrease/(Increase) in trade and other payables	54 015	(413 467)
(Increase)/Decrease in trade and other receivables	<u>(300 000)</u>	<u>(300 000)</u>
Cash generated by operations	<u>(1 190 431)</u>	<u>(1 654 883)</u>

2. Cash and cash equivalents

Cash and cash equivalents consist of balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

Cash and cash equivalents	<u>15 536 582</u>	<u>8 244 459</u>
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CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018

1. ACCOUNTING POLICIES

The following are the principal accounting policies of the trust which are consistent in all material respects.

1.1 Basis of presentation

The financial statements of the trust are presented on the historic cost basis and are consistent with previous years.

1.2 Revenue

Cash collections from donations, rent received and sundry income are brought to account on a cash received basis. Donations contractually committed before the year-end are accrued where receipts of the funds are assured

Interest is recognised on a time proportion basis, taking into account the principal outstanding and the effective rate over the period of maturity.

1.3 Cash flows

For the purpose of the cash flow statement, cash includes cash on hand, deposits held on call with banks and investments in money market instruments.

2. TRADE AND OTHER RECEIVABLES

Choice Diamonds CC

2018
R

2017
R

1 100 000

800 000

3. CASH AND CASH EQUIVALENTS

ABSA - 35day (32 day -2013) call account
 ABSA - Daily call account

9 851 401

8 108 429

5 685 181

136 030

15 536 582

8 244 459

4. ACCUMULATED RESERVES

Since date of registration of the Trust on 1 October 2008

Donations

- Hospitals and charities
- Professional fees

Interest

129 020 890

115 653 637

1 584 631

1 542 532

9 332 973

8 405 390

139 938 494

125 601 559

Distributions

- Paid from donations
- Paid from interest
- Due from donations

Administration and professional fees

(115 418 476)

(109 606 193)

(698 562)

(698 562)

(13 602 414)

(6 047 445)

(7 440 177)

(6 453 632)

2 778 865

2 795 727

Surplus at year end

5. TRADE AND OTHER PAYABLES

Admin and accounting fees
 Auditors remuneration
 Control account - Combined Artistic Productions CC

127 889

87 889

63 430

49 280

63 884

64 018

255 203

201 187

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018

	2018 R	2017 R
6. DONATIONS RECEIVED		
6.1 IN RESPECT OF HOSPITALS		
A Fitzgerald	1 000	-
B Sampson	10 000	-
Blue Label Telecoms	180 000	180 000
Choice Diamonds	1 100 000	800 000
Cirus Cirus Gateway (Pty) Ltd	-	2 800
CTFM Gateway Cook	-	3 550
Drager South Africa (Pty) Ltd	725 853	-
D van Wyk	-	500
EBB & Flo Café	-	1 386
EL Scholtz	500	-
Freddy Hirsch Group	110 000	110 000
Homebrew films (Pty) Ltd	-	252 700
Hussar Beluga	-	10 200
ICAN Automation (Pty) Ltd	300 867	-
John Dary John Dorys Gateway	-	1 296
J Visser	-	1 000
Kansai Plascon's	38 875	-
Karl Stortz Endoscopy	-	426 664
Luxury Hotels Spa	-	346 476
N de Kock	200	-
Polyflor South Africa	215 248	-
Poly Sales Sales Africa (Pty) Ltd	-	97 638
Ram Krishna	-	25 001
R Govender	100	1 050
Sakhiwo Infrastructure Solutions (Pty) Ltd	100 000	-
S Sergel	55 610	10 000
S Hackart	3 000	600
S Naidoo	-	25 000
South 32 Limited	10 300 000	-
Sunny Corrugated Board Packaging (Pty) Ltd	120 000	-
Sunny Packbo	-	100 000
Trencor Services	106 000	100 000
SUBTOTAL	13 367 253	2 495 860
6.2 IN RESPECT OF ADMINISTRATION		
Webber Wentzel	42 099	61 606
SUBTOTAL	42 099	61 606
TOTAL DONATIONS RECEIVED	13 409 352	2 557 466

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2018

		2018 R	2017 R
7. DISTRIBUTIONS TO BE PAID FROM DONATIONS TO:			
	<u>Notes</u>		
7.1 Distributions - Hospitals	7.1	13 367 254	2 495 860
- Frere Hospital		941 101	-
- King Edward VIII Congella		-	-
- Ngwelezana Hospital		10 400 000	-
- Tygerberg Hospital Paediatric Operating Theatre		482 701	2 398 223
- Tygerberg Hospital 2		1 543 452	-
- Sebokeng Hospital		-	97 638
TOTAL DONATIONS FOR DISTRIBUTION		13 367 254	2 495 860
8. DISTRIBUTIONS PAID			
Distributions paid to hospitals		(5 812 284)	(2 397 122)
- Frere Hospital		(941 101)	-
- Sebokeng Hospital		34 736	(1 970 458)
- Tygerberg Hospital		(4 905 919)	(426 664)
Distributions paid to charities		-	(69 093)
- Johannesburg Child Welfare feeding grant		-	-
- Johannesburg Parent and Child Counselling Centre Feeding Grant		-	-
- John Deere Education Fund - Wits University		-	(69 093)
Legal Fees			
- Weber Wentzel		(42 099)	(61 606)
TOTAL DISTRIBUTIONS PAID		(5 854 383)	(2 527 821)
9. DISTRIBUTIONS PAYABLE			
Distributions payable opening balance		6 047 445	6 017 800
Donations received		13 409 352	2 557 467
Donations distributed	8	(5 854 383)	(2 527 822)
TOTAL DISTRIBUTIONS PAYABLE		13 602 414	6 047 445
- John Deere Education Fund		124 126	124 126
- Kalafong Hospital		147 049	147 049
- Tygerberg Hospital		1 155 479	5 238 955
- Sebokeng Hospital		420 327	385 591
- Ngwelezana Hospital		10 400 000	-
- Tygerberg Hospital 2		1 203 710	-
- General Fund		151 723	151 723
		13 602 414	6 047 445

10. TAXATION

No provision for taxation has been made, as the trust is exempt from Income tax in terms of Section 10(1)(cN) of the Income Tax Act.