

**CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST  
IT 3593/2008  
FINANCIAL STATEMENTS FOR THE YEAR ENDED  
29 FEBRUARY 2020**

**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**  
**29 FEBRUARY 2020**

**GENERAL INFORMATION**

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**BOARD OF TRUSTEES**

G Fatseas - Mazarakis  
P D Grealy  
C M V Nel  
J D du Plessis  
J K Sparkes

**PBO REFERENCE NO:**

930028535

**REGISTRATION NO:**

IT 3593/2008(G)

**ACCOUNTANTS**

VILJOEN NEL CAs Inc.  
Randburg

**AUDITORS**

DANNHAUSER Inc.  
Randburg

**BANKERS**

Investec Bank  
Sandton

ABSA Bank  
Northcliff


**CONTENTS**

**PAGE**

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

**APPROVAL OF FINANCIAL STATEMENTS**

The financial statements set out on pages 5 to 11 were approved by the board of trustees on 14 August 2020 and signed on their behalf by:

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C M V Nel

## REPORT OF THE INDEPENDENT AUDITORS

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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 29 February 2020, 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 Trust 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 trust'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 Trust 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 trust'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 trust'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 trust 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.

## REPORT OF THE INDEPENDENT AUDITORS

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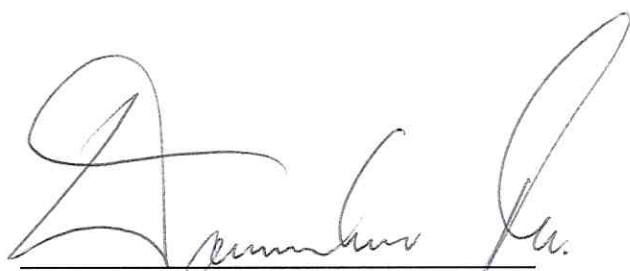
We communicated with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Audit opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the trust as of 29 February 2020, 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 29 February 2020, 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

18 AUGUST 2020



## **REPORT OF THE TRUSTEES**

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The trustees have the pleasure in submitting their report for the financial year ended 29 February 2020.

### **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:

Y Phale resignation 6 January 2020

J D du Plessis and J K Sparkes appointed 6 January 2020

### **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 2020 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  
29 FEBRUARY 2020

**STATEMENT OF FINANCIAL POSITION**

	<u>Notes</u>	<u>2020</u> R	<u>2019</u> R
<b>ASSETS</b>			
<b>Current assets</b>		<b>11 794 392</b>	<b>10 360 221</b>
Trade and other receivables	2	400 000	-
Cash and cash equivalents	3	11 394 392	10 360 221
<b>TOTAL ASSETS</b>		<b>11 794 392</b>	<b>10 360 221</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>		<b>2 461 909</b>	<b>2 760 957</b>
Trust capital		100	100
Accumulated reserves	4	2 461 809	2 760 857
<b>Current liabilities</b>		<b>9 332 483</b>	<b>7 599 264</b>
Trade and other payables	5	656 570	745 844
Distributions payable	9	8 675 913	6 853 420
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11 794 392</b>	<b>10 360 221</b>

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CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST  
IT 3593/2008  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
29 FEBRUARY 2020

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**

	<u>Notes</u>	<u>2020</u> R	<u>2019</u> R
<b>INCOME</b>			
Donations received	6	6 892 679	3 846 034
<b>OTHER INCOME</b>			
Interest received		856 199	1 040 875
<b>SUBTOTAL</b>		<b>7 748 878</b>	<b>4 886 909</b>
<b>ADMINISTRATIVE EXPENSES</b>		<b>(1 312 544)</b>	<b>(1 254 937)</b>
Admin and accounting fees		60 000	40 000
Auditors remuneration		36 000	39 000
Bank charges		20 316	4 206
Meeting Snacks expenses		2 267	-
Legal fees		157 298	196 054
Management, procurement and fundraising		980 719	932 658
Rent paid - Parking		3 600	3 300
Travel and accommodation		52 344	39 718
<b>SUBTOTAL</b>		<b>6 436 334</b>	<b>3 631 972</b>
<b>DISTRIBUTIONS</b>		<b>(6 735 381)</b>	<b>(3 649 980)</b>
Distributions to hospitals	7.1	6 735 381	3 649 980
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>		<b>(299 047)</b>	<b>(18 008)</b>
<b>RETAINED SURPLUS AT THE BEGINNING OF THE YEAR</b>		<b>2 760 856</b>	<b>2 778 864</b>
<b>RETAINED SURPLUS AT THE END OF THE YEAR</b>		<b>2 461 809</b>	<b>2 760 856</b>

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST  
IT 3593/2008  
CASH FLOW STATEMENT FOR THE YEAR ENDED  
29 FEBRUARY 2020

## STATEMENT OF CASH FLOWS

	<u>Notes</u>	<u>2020</u> R	<u>2019</u> R
<b>Cash flow from operating activities</b>			
Cash receipts from donors		6 492 679	4 946 034
Cash paid to supplier's and service providers		(8 137 200)	(4 414 275)
<b>Cash generated by operations</b>	<b>1</b>	<b>(1 644 521)</b>	<b>531 759</b>
Interest received		856 199	1 040 875
<b>Net cash flow from operating activities</b>		<b>(788 322)</b>	<b>1 572 634</b>
<b>Cash flow from financing activities</b>			
Decrease/(increase) in provisions for distributions		1 822 493	(6 748 994)
<b>Net cash flow from financing activities</b>		<b>1 822 493</b>	<b>(6 748 994)</b>
<b>Net movement in cash and cash equivalents</b>		<b>1 034 171</b>	<b>(5 176 360)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>10 360 221</b>	<b>15 536 581</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2</b>	<b>11 394 392</b>	<b>10 360 221</b>

### 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	(299 047)	(18 007)
Adjustments for:		
Interest received	(856 199)	(1 040 875)
<b>Operating profit before working capital changes</b>	<b>(1 155 246)</b>	<b>(1 058 882)</b>
<b>Working capital changes</b>	<b>(489 275)</b>	<b>1 590 641</b>
Decrease/(Increase) in trade and other payables	(89 275)	490 641
(Increase)/Decrease in trade and other receivables	(400 000)	1 100 000
<b>Cash generated by operations</b>	<b>(1 644 521)</b>	<b>531 759</b>

**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:

<b>Cash and cash equivalents</b>	<b>11 394 392</b>	<b>10 360 221</b>
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## ACCOUNTING POLICIES

### 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.

	2020 R	2019 R
<b>2. TRADE AND OTHER RECEIVABLES</b>		
Choice Diamonds CC	400 000	-
<b>3. CASH AND CASH EQUIVALENTS</b>		
Investec Current Account - 5001476909	72 592	1 616 174
Investec 32 Day Account - 50014272780	4 917 249	2 525 975
Investec 60 Day Account - 50014076948	6 396 763	5 937 735
ABSA - Daily Call Account - 9212446829	7 788	280 337
	<b>11 394 392</b>	<b>10 360 221</b>
<b>4. ACCUMULATED RESERVES</b>		
Since date of registration of the Trust on 1 October 2008		
Donations		
- Hospitals and charities	139 406 250	132 670 869
- Professional fees	1 937 983	1 780 685
Interest	11 230 048	10 373 849
	<b>152 574 281</b>	<b>144 825 403</b>
Distributions		
- Paid from donations	(132 552 832)	(125 817 451)
- Paid from interest	(698 562)	(698 562)
- Due from donations	(8 675 913)	(6 853 420)
Administration and professional fees	(10 007 657)	(8 695 113)
<b>Surplus at year end</b>	<b>639 317</b>	<b>2 760 857</b>
<b>5. TRADE AND OTHER PAYABLES</b>		
Admin and accounting fees provision	121 429	131 209
Auditors remuneration provision	71 290	69 680
Control account - Combined Artistic Productions (Pty) Ltd	463 851	544 955
- in respect of funds advanced	<b>656 570</b>	<b>745 844</b>

## NOTES TO THE FINANCIAL STATEMENTS

	2020 R	2019 R
<b>6. DONATIONS RECEIVED</b>		
<b>6.1 IN RESPECT OF HOSPITALS</b>		
24.Com Online Studio (Pty) Ltd T/A Red Carpet Travel with Lia	-	4 172
Angelo American Chairman's Fund	1 000 000	-
A Fitzgerald	-	2 000
A Lang	-	250
BE Cohen	-	150 000
Blue Label Distributions (Pty) Ltd	200 000	180 000
Brendonbb	-	500
Choice Diamonds	400 000	1 050 000
Contract Hardware KZN CC	-	42 494
Combined Artistic Productions (Pty) Ltd	12 000	-
Corobrik (Pty) Ltd	-	34 559
Drager South Africa (Pty) Ltd	433 767	-
Dekro Paints (Pty) Ltd	-	117 341
East Coast Medical	123 496	-
Exxaro Chairman's Fund	-	1 128 344
Franke South Africa (Pty) Ltd	-	123 607
Freddy Hirsch Group (Pty) Ltd	200 000	290 000
Hospi Track Africa (Pty) Ltd	-	41 614
Gauteng Premier's office	-	50 000
ITE Products (Pty) Ltd	-	34 333
LFP Training Consultants (Pty) Ltd	250 000	-
Liqui Moly South Africa	200 000	-
LIXIL Africa (Pty) Ltd	-	140 050
Marmoran (Pty) Ltd	-	22 862
Medtronic Africa (Pty) Ltd	57 013	-
N de Kock	1 000	900
Pelican System (Pty) Ltd	-	44 570
Poly Sales Africa (Pty) Ltd t/a Polyflor South Africa	385 929	-
Respiratory Care Africa (Pty) Ltd	1 384 616	-
R Govender	-	300
S Sergel	27 460	26 084
South 32 Limited	2 000 000	-
Sundry	100	-
Sunny Corrugated Board Packaging (Pty) Ltd	30 000	30 000
Sunnypacks Manufacturing (Pty) Ltd	30 000	30 000
Trencor Service (Pty) Ltd	-	106 000
<b>SUBTOTAL</b>	<b>6 735 381</b>	<b>3 649 980</b>
<b>6.2 IN RESPECT OF ADMINISTRATION</b>		
Webber Wentzel Attorneys	157 298	196 054
<b>SUBTOTAL</b>	<b>157 298</b>	<b>196 054</b>
<b>TOTAL DONATIONS RECEIVED</b>	<b>6 892 679</b>	<b>3 846 034</b>

**CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST**  
**IT 3593/2008**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**29 FEBRUARY 2020**

## **NOTES TO THE FINANCIAL STATEMENTS**

	<u>Notes</u>	<b>2020</b> <b>R</b>	<b>2019</b> <b>R</b>
<b>7. DISTRIBUTIONS TO BE PAID FROM DONATIONS TO:</b>			
<b>7.1 Distributions - Hospitals</b>		<b>6 735 381</b>	<b>3 649 980</b>
- Frere Hospital		-	-
- King Edward VIII Congella		-	-
- Ngwelezana Hospital		2 327 808	2 994 377
- Tygerberg Hospital Paediatric Operating Theatre		-	605 603
- Tygerberg Hospital Project 2		2 097 573	-
- Sebokeng Hospital Project 2		2 310 000	50 000
- Other		-	-
<b>TOTAL DONATIONS FOR DISTRIBUTION</b>		<b>6 735 381</b>	<b>3 649 980</b>
<b>8. DISTRIBUTIONS PAID</b>			
<b>Distributions paid to hospitals</b>		<b>(4 911 388)</b>	<b>(10 398 974)</b>
- Frere Hospital		-	-
- Ngwelezana Paediatric Burns		(2 829 060)	(9 821 204)
- Royal Family Kids Alberton		-	(2 500)
- Sebokeng Hospital		-	-
- Tygerberg Hospital		(2 082 328)	(575 270)
<b>Distributions paid in respect of Training</b>		<b>(1 500)</b>	<b>-</b>
Ex John Deere Education Fund		-	-
- ICY Child Camp		(1 500)	-
<b>Legal Fees</b>			
- Weber Wentzel Attorneys		<b>(157 298)</b>	<b>(196 054)</b>
<b>TOTAL DISTRIBUTIONS PAID</b>		<b>(5 070 186)</b>	<b>(10 595 028)</b>
<b>9. DISTRIBUTIONS PAYABLE</b>			
Distributions payable opening balance		<b>6 853 420</b>	<b>13 602 414</b>
Donations received	<b>6</b>	<b>6 892 679</b>	<b>3 846 034</b>
Donations distributed	<b>8</b>	<b>(5 070 186)</b>	<b>(10 595 028)</b>
<b>TOTAL DISTRIBUTIONS PAYABLE</b>		<b>8 675 913</b>	<b>6 853 420</b>
- John Deere Education Fund		122 626	124 126
- Kalafong Hospital		147 049	147 049
- Tygerberg Hospital		-	-
- Sebokeng Hospital		-	420 327
- Ngwelezana Hospital		683 146	1 184 398
- Tygerberg Hospital 2		4 791 042	4 778 296
- Sebokeng Hospital 2		2 780 327	50 000
- General Fund		151 723	149 224
		<b>8 675 913</b>	<b>6 853 420</b>

## **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.