

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2021

GENERAL INFORMATION

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

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APPROVAL OF FINANCIAL STATEMENTS

The financial statements set out on pages 5 to 11 were approved and signed by the board of trustees on 7 October 2021.


P D Grealy


C M V Nel

**CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2021**

DANNHAUSER INCORPORATED

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

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 2021, 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

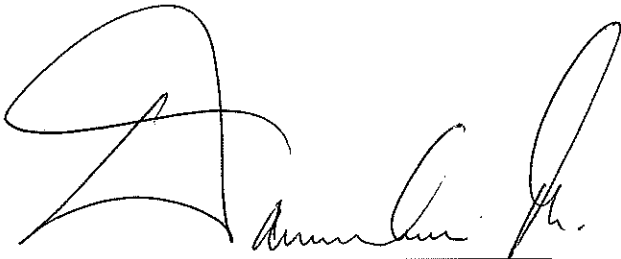
We communicated with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 2021, 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 2021, 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

7 October 2021
Date

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
REPORT OF THE TRUSTEES
28 FEBRUARY 2021

REPORT OF THE TRUSTEES

The trustees have the pleasure in submitting their report for the financial year ended 28 February 2021.

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 onset of the Covid19 pandemic since the March 2020 has severely impacted the Trust's ability to raise revenue. The trustees are focused on ensuring that the trust operates in a responsible manner to ensure its long term sustainability in this environment.

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:
G Fatseas Mazarakis, P D Greally, C M V Nel, J D du Plessis and J K Sparkes.

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 2021 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 2021

STATEMENT OF FINANCIAL POSITION

	<u>Notes</u>	<u>2021</u> R	<u>2020</u> R
ASSETS			
Current assets		8 036 075	11 794 392
Trade and other receivables	2	-	400 000
Cash and cash equivalents	3	8 036 075	11 394 392
TOTAL ASSETS		8 036 075	11 794 392
EQUITY AND LIABILITIES			
Capital and reserves		1 907 331	2 461 909
Trust capital		100	100
Accumulated reserves	4	1 907 231	2 461 809
Current liabilities		6 128 744	9 332 483
Trade and other payables	5	880 630	656 570
Distributions payable	9	5 248 114	8 675 913
TOTAL EQUITY AND LIABILITIES		8 036 075	11 794 392

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
28 FEBRUARY 2021

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	<u>Notes</u>	<u>2021</u> R	<u>2020</u> R
INCOME			
Donations received	6	1 237 208	6 892 679
OTHER INCOME			
Interest received		504 574	856 199
SUBTOTAL		1 741 782	7 748 878
ADMINISTRATIVE EXPENSES		(1 143 337)	(1 312 544)
Admin and accounting fees		60 000	60 000
Auditors remuneration		42 000	36 000
Bank charges		16 830	20 316
Computer expenses		13 534	-
Meeting Snacks expenses		-	2 267
Legal fees		84 185	157 298
Management, procurement and fundraising		906 823	980 719
Rent paid - Parking		-	3 600
Travel and accommodation		19 965	52 344
SUBTOTAL		598 445	6 436 334
DISTRIBUTIONS		(1 153 023)	(6 735 381)
Distributions to hospitals	7	1 153 023	6 735 381
(DEFICIT)/SURPLUS FOR THE YEAR		(554 578)	(299 047)
RETAINED SURPLUS AT THE BEGINNING OF THE YEAR		2 461 809	2 760 856
RETAINED SURPLUS AT THE END OF THE YEAR		1 907 231	2 461 809

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
CASH FLOW STATEMENT FOR THE YEAR ENDED
28 FEBRUARY 2021

STATEMENT OF CASH FLOWS

	<u>Notes</u>	<u>2021</u> R	<u>2020</u> R
Cash flow from operating activities			
Cash receipts from donors		1 637 208	6 492 679
Cash paid to supplier's and service providers		(2 072 300)	(8 137 200)
Cash generated by operations	1	(435 092)	(1 644 521)
Interest received		504 574	856 199
Net cash flow from operating activities		69 482	(788 322)
Cash flow from financing activities			
Decrease/(increase) in provisions for distributions		(3 427 799)	1 822 493
Net cash flow from financing activities		(3 427 799)	1 822 493
Net movement in cash and cash equivalents		(3 358 317)	1 034 171
Cash and cash equivalents at the beginning of the year		11 394 392	10 360 221
Cash and cash equivalents at the end of the year	2	8 036 075	11 394 392

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	(554 578)	(299 047)
Adjustments for:		
Interest received	(504 574)	(856 199)
Operating profit before working capital changes	(1 059 152)	(1 155 246)
Working capital changes	624 060	(489 275)
(Increase)/Decrease in trade and other payables	224 060	(89 275)
(Increase)/Decrease in trade and other receivables	400 000	(400 000)
Cash generated by operations	(435 092)	(1 644 521)

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	8 036 075	11 394 392
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CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2021

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.

	2021 R	2020 R
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2. TRADE AND OTHER RECEIVABLES

Choice Diamonds CC	-	400 000
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3. CASH AND CASH EQUIVALENTS

Investec Current Account - 5001476909	255 223	72 592
Investec 32 Day Account - 50014272780	3 210 981	4 917 249
Investec 60 Day Account - 50014076948	4 551 884	6 396 763
ABSA - Daily Call Account - 9212446829	17 987	7 788
	8 036 075	11 394 392

4. ACCUMULATED RESERVES

Since date of registration of the Trust on 1 October 2008

Donations		
- Hospitals and charities	140 559 273	139 406 250
- Professional fees	2 022 168	1 937 983
Interest	11 734 622	11 230 048
	154 316 063	152 574 281
Distributions		
- Paid from donations	(135 311 162)	(130 730 340)
- Paid from interest	(698 562)	(698 562)
- Due from donations	(5 248 114)	(8 675 913)
Administration and professional fees	(11 150 994)	(10 007 657)
Surplus at year end	1 907 231	2 461 809

5. TRADE AND OTHER PAYABLES

Admin and accounting fees provision	181 429	121 429
Auditors remuneration provision	73 690	71 290
Control account - Combined Artistic Productions (Pty) Ltd	625 511	463 851
- in respect of funds advanced	880 630	656 570

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2021

NOTES TO THE FINANCIAL STATEMENTS

	2021	2020
	R	R
6. DONATIONS RECEIVED		
6.1 IN RESPECT OF HOSPITALS		
Angelo American Chairman's Fund	-	1 000 000
Blue Label Distributions (Pty) Ltd	-	200 000
Choice Diamonds	250 000	400 000
Combined Artistic Productions (Pty) Ltd	38 000	12 000
Drager South Africa (Pty) Ltd	-	433 767
East Coast Medical	-	123 496
Franke South Africa (Pty) Ltd	16 310	-
Freddy Hirsch Group (Pty) Ltd	-	200 000
LFP Training Consultants (Pty) Ltd	150 000	250 000
Liqui Moly South Africa	-	200 000
Max on Top (Pty) Ltd	98 000	-
Medtronic Africa (Pty) Ltd	-	57 013
Medical Gas Solutions CC	335 848	-
N de Kock	-	1 000
Pelican System (Pty) Ltd	21 871	-
Poly Sales Africa (Pty) Ltd t/a Polyflor South Africa	-	385 929
Respiratory Care Africa (Pty) Ltd	-	1 384 616
S Sergel	10 000	27 460
South 32 Limited	-	2 000 000
Southern Air Conditioning (Pty) Ltd	202 078	-
Sundry	-	100
Sunny Corrugated Board Packaging (Pty) Ltd	-	30 000
Sunnypacks Manufacturing (Pty) Ltd	-	30 000
Tala Division of Norcross SA (Pty) Ltd	30 916	-
SUBTOTAL (Note 7)	1 153 023	6 735 381
6.2 IN RESPECT OF ADMINISTRATION		
Webber Wentzel Attorneys	84 185	157 298
SUBTOTAL	84 185	157 298
TOTAL DONATIONS RECEIVED	1 237 208	6 892 679

CARTE BLANCHE: "MAKING A DIFFERENCE" TRUST
IT 3593/2008
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
28 FEBRUARY 2021

NOTES TO THE FINANCIAL STATEMENTS

	<u>Notes</u>	2021 R	2020 R
7. DISTRIBUTIONS TO BE PAID FROM DONATIONS TO:			
Distributions - Hospitals		1 153 023	6 735 381
- Frere Hospital		-	-
- King Edward VIII Congella		-	-
- Ngwelezana Hospital		-	2 327 808
- Tygerberg Hospital Paediatric Operating Theatre		-	-
- Tygerberg Hospital Project 2		-	2 097 573
- Tygerberg Hospital Project 3		993 023	-
- Sebokeng Hospital Project 2		160 000	2 310 000
- Other		-	-
TOTAL DONATIONS FOR DISTRIBUTION		1 153 023	6 735 381
8. DISTRIBUTIONS PAID			
Distributions paid to hospitals		(4 580 822)	(4 911 388)
- Ngwelezana Paediatric Burns		(331 561)	(2 829 060)
- Tygerberg Hospital		(4 249 261)	(2 082 328)
Distributions paid in respect of Training		-	(1 500)
Ex John Deere Education Fund			
- ICY Child Camp		-	(1 500)
Legal Fees			
- Weber Wentzel Attorneys		(84 185)	(157 298)
TOTAL DISTRIBUTIONS PAID		(4 665 007)	(5 070 186)
9. DISTRIBUTIONS PAYABLE			
Distributions payable opening balance		8 675 913	6 853 420
Donations received	6	1 237 208	6 892 679
Donations distributed	8	(4 665 007)	(5 070 186)
TOTAL DISTRIBUTIONS PAYABLE		5 248 114	8 675 913
- John Deere Education Fund		122 626	122 626
- Kalafong Hospital		147 049	147 049
- Tygerberg Hospital		-	-
- Sebokeng Hospital		-	-
- Ngwelezana Hospital		251 585	683 146
- Tygerberg Hospital 2		846 804	4 791 042
- Tygerberg Hospital 3		688 000	-
- Sebokeng Hospital 2		3 040 327	2 780 327
- General Fund		151 723	151 723
		5 248 114	8 675 913

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.