

St Francis Kromme Trust
(Registration number 930038246)
Trading as Kromme Enviro-Trust
Annual financial statements
for the year ended 30 September 2016

These annual financial statements have been audited in compliance with the applicable requirements of the Non-profit Organisations Act (No. 71 of 1997).
Issued 20 December 2016

St Francis Kromme Trust

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Trading as Kromme Enviro-Trust

Annual Financial Statements for the year ended 30 September 2016

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Executive members' Responsibilities and Approval

The executive members are required by the Non-profit Organisations Act (No. 71 of 1997), 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 organisation 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 International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

The executive members 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 executive members have reviewed the organisation's cash flow forecast for the year to 30 September 2017 and, in the light of this review and the current financial position, they are satisfied that the organisation has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the organisation's annual financial statements. The annual financial statements have been examined by the organisation's external auditors and their report is presented on pages 3 to 4.

The annual financial statements set out on pages 5 to 10, which have been prepared on the going concern basis, were approved by the executive members on 20 December 2016 and were signed on its behalf by:

Chairman

Vice-chairman

Humansdorp

20 December 2016

Independent Auditors Report

To the executive members of St Francis Kromme Trust

We have audited the annual financial statements of St Francis Kromme Trust, as set out on pages 5 to 10, which comprise the statement of financial position as at 30 September 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Executive Members' Responsibility for the Annual Financial Statements

The organisation's executive members are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and for such internal control as the executive members determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organisation's preparation and fair presentation of the annual financial statements 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 organisation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

As with similar organisations, the organisation does not implement controls over fundraising before the actual recording of receipts in the accounting records. We could therefore not extend our audit tests on the receipts above the actual recordings thereof.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the annual financial statements present fairly, in all material respects, the financial position of St Francis Kromme Trust as at 30 September 2016, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the requirements of the Non-profit Organisations Act (No. 71 of 1997).

Other matter

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on page 11 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Moore Stephens WK Incorporated
Registered Auditors

Per: JMW Viviers
Director

20 December 2016
Humansdorp

St Francis Kromme Trust

(Registration number 930038246)

Trading as Kromme Enviro-Trust

Annual Financial Statements for the year ended 30 September 2016

Statement of Financial Position as at 30 September 2016

	Note(s)	2016 R	2015 R
Assets			
Current Assets			
Cash and cash equivalents	2	315,285	398,428
Total Assets		315,285	398,428
Equity and Liabilities			
Equity			
Reserves	1	275,120	336,315
Retained income		35,042	32,849
		310,162	369,164
Liabilities			
Current Liabilities			
Trade and other payables	3	5,123	9,264
Provisions	4	-	20,000
		5,123	29,264
Total Equity and Liabilities		315,285	398,428

St Francis Kromme Trust

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Statement of Comprehensive Income

	Note(s)	2016 R	2015 R
Other income			
Book sales		11,000	9,710
Donations received		4,690	2,400
Fundraising		1,565	3,636
Heritage centre		2,887	1,305
Interest received		12,906	8,026
Subscriptions		9,964	8,900
		43,012	33,977
Operating expenses			
Auditors remuneration		2,280	-
Bank charges		1,135	2,655
Display expense		-	169
Donations		955	8,550
Wages		300	2,260
Functions and entertainment		1,195	668
Garden supplies		5,917	307
Heritage expense		1,296	2,936
Marketing		3,500	957
Postage and telephone		380	339
Printing and stationery		2,766	1,331
Renewable energy		2,640	-
Rent		228	228
Signage		2,698	-
Sundry expense		-	1,650
Two harbour walk		12,421	7,010
Website		3,108	3,108
		40,819	32,168
Profit for the year		2,193	1,809
Other comprehensive income		-	-
Total comprehensive income for the year		2,193	1,809

St Francis Kromme Trust

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Statement of Changes in Equity

	Other reserves	Beach fund reserve	Total reserves	Retained income	Total equity
	R	R	R	R	R
Balance at 01 October 2014	107,980	-	107,980	31,040	139,020
Profit for the year	-	-	-	1,809	1,809
Other comprehensive income	9,361	218,974	228,335	-	228,335
Total comprehensive income for the year	9,361	218,974	228,335	1,809	230,144
Balance at 01 October 2015	117,341	218,974	336,315	32,849	369,164
Profit for the year	-	-	-	2,193	2,193
Other comprehensive income	-	(61,195)	(61,195)	-	(61,195)
Total comprehensive income for the year	-	(61,195)	(61,195)	2,193	(59,002)
Balance at 30 September 2016	117,341	157,779	275,120	35,042	310,162

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Annual Financial Statements for the year ended 30 September 2016

Statement of Cash Flows

	Note(s)	2016 R	2015 R
Cash flows from operating activities			
Cash receipts from customers		35,606	25,951
Cash paid to suppliers and employees		(131,655)	189,134
Cash (used in) generated from operations	5	(96,049)	215,085
Interest income		12,906	8,026
Net cash from operating activities		(83,143)	223,111
Total cash movement for the year			
Cash at the beginning of the year		398,428	175,317
Total cash at end of the year	2	315,285	398,428

St Francis Kromme Trust

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Annual Financial Statements for the year ended 30 September 2016

Accounting Policies

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Non-profit Organisations Act (No. 71 of 1997). The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

Key sources of estimation uncertainty

Provisions

Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in note 4 - Provisions.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.3 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

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Notes to the Annual Financial Statements

	2016 R	2015 R
2. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	1,716	249
Bank balances	143,599	231,115
Short-term deposits	169,970	167,064
	315,285	398,428

3. Trade and other payables

Trade payables	5,123	9,264
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4. Provisions

Reconciliation of provisions - 2016

	Opening balance	Reversed during the year	Total
Legal provision	20,000	(20,000)	-

5. Cash (used in) generated from operations

Profit before taxation	2,193	1,809
Adjustments for:		
Interest received	(12,906)	(8,026)
Movements in provisions	(20,000)	-
Movement in reserves	(61,195)	218,975
Changes in working capital:		
Trade and other payables	(4,141)	2,327
	(96,049)	215,085

6. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

7. Events after the reporting period

The executive members are not aware of any material event which occurred after the reporting date and up to the date of this report.

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Supplementary Information

1. Reserves

	Opening balance	Amounts received	Amounts paid	Closing balance
Community Garden Fund	5,351	-	-	5,351
Monument around us Fund	111,990	-	-	111,990
Beach Fund	218,974	5,500	(66,695)	157,779
	336,315	5,500	(66,695)	275,120