

WESTLAKE UNITED CHURCH TRUST
(Registration number IT 409/2002)

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2015

Westlake United Church Trust

(Registration number IT 409/2002)

Annual Financial Statements for the year ended 31 December 2015

General Information

Country of incorporation and domicile	South Africa
Type of trust	The Trust is a non-profit organisation, which is dedicated to helping the poor in Westlake by providing community development programmes, home based care and community advice.
Trustees	Ann Albrecht Brian Fraser David Barnes David Gray David Walsh Harold Stemmet James Spocter Nkululeko Badini
Registered office	Westlake Community Office Cnr Egret Close & Westlake Drive Westlake 7945
Business address	Westlake Community Office Cnr Egret Close & Westlake Drive Westlake 7945
Postal address	PO Box 30113 Tokai 7966
Bankers	First National Bank
Auditor's	BDV Platinum Chartered Accountants (S.A.) Registered Auditors
Trust registration number	IT 409/2002
Tax reference number	0014437156
NPO number	030-186-NPO
PBO number	PBO 18/11/13/100

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Trustees' Responsibilities and Approval

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 International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's are engaged to express an independent opinion on the annual financial statements.

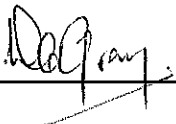
The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

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 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.

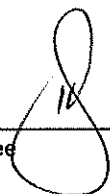
The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial 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 2016 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.

Approval of financial statements



Trustee



Trustee

Date: 28 June 2016

Independent Auditor's Report

To the trustees of Westlake United Church Trust

We have audited the annual financial statements of Westlake United Church Trust, as set out on pages 6 to 14, which comprise the statement of financial position as at 31 December 2015, 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.

Trustees' Responsibility for the Annual Financial Statements

The trust's trustees 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 trustees determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's 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 auditor's 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 trust'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 trust'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

In common with similar organisations, it is not feasible for the organisation to institute accounting controls over income prior to initial entry of the grants, donations and all other income in the accounting records. Accordingly it was impracticable to extend our examination for the grants, donations and all other income beyond the receipts actually recorded.

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 Westlake United Church Trust as at 31 December 2015, 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.

Supplementary Information

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on page 15 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.



BDV Platinum
Director - Braam De Vries
Chartered Accountants (S.A.)
Registered Auditors

Date: 28 June 2016
Westlake

BDV Platinum Professional Services Incorporated
Company Reg No: 2014/122739/21 | VAT No: 4140194244
Physical Address: 49 Bell Crescent, | Westlake Business Park | Westlake 7945
Postal Address: PO Box 31408 | Tokai 7886 | Email: admin@bdvplatinum.com
Telephone: 021 701 7620 | Fax: 086 638 9572 | Web: www.bdvplatinum.com
Directors: Carel Braam de Vries, Mark Dawson, Imtieaz Anthony
Practice No: 803104

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Annual Financial Statements for the year ended 31 December 2015

Trustees' Report

The trustees have pleasure in submitting their report on the annual financial statements of Westlake United Church Trust for the year ended 31 December 2015.

1. The trust

The Trust is a non-profit organisation, which is dedicated to helping the poor in Westlake by providing community development programmes, home based care and community advice.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the trust are set out in these annual financial statements.

3. Trustees

The trustees in office at the date of this report are as follows:

Trustees

Ann Albrecht
Brian Fraser
David Barnes
David Gray
David Walsh
Harold Stemmet
James Spocter
Nkululeko Badini

4. Events after the reporting period

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

5. Auditors

BDV Platinum will continue in office as auditors for the trust for 2016.

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Annual Financial Statements for the year ended 31 December 2015

Statement of Financial Position as at 31 December 2015

Figures in Rand	Note(s)	2015	2014
Assets			
Non-Current Assets			
Property, plant and equipment	2	5,829,969	5,856,369
Current Assets			
Trade and other receivables	3	115,384	76,411
Cash and cash equivalents	4	924,082	804,054
		1,039,466	880,465
Total Assets		6,869,435	6,736,834
Equity and Liabilities			
Equity			
Special funds	5	409,767	342,980
Non distributable land and buildings reserve		4,845,142	4,845,142
Accumulated surplus		870,920	913,657
		6,125,829	6,101,779
Liabilities			
Current Liabilities			
Deferred income	6	237,659	92,039
Trade and other payables	7	505,947	543,016
		743,606	635,055
Total Equity and Liabilities		6,869,435	6,736,834

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2015	2014
Revenue		1,968,489	2,277,669
Other income		128,947	110,918
Operating expenses		(2,175,633)	(2,136,766)
Operating (deficit) surplus		(78,197)	251,821
Investment revenue		35,460	48,494
(Deficit) surplus for the year		(42,737)	300,315
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		(42,737)	300,315

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Annual Financial Statements for the year ended 31 December 2015

Statement of Changes in Equity

Figures in Rand	Special funds	Non distributable land and buildings reserve	Accumulated surplus	Total funds and reserves
Balance at 01 January 2014	415,653	4,795,142	663,342	5,874,137
Surplus for the year	-	-	300,315	300,315
Transfer to building fund	-	50,000	-	50,000
Total comprehensive income for the year	-	50,000	300,315	350,315
Transfer to building reserve	-	-	(50,000)	(50,000)
Movement in special funds	(72,673)	-	-	(72,673)
Total changes	(72,673)	-	(50,000)	(122,673)
Balance at 01 January 2015	342,980	4,845,142	913,657	6,101,779
Deficit for the year	-	-	(42,737)	(42,737)
Total comprehensive deficit for the year	-	-	(42,737)	(42,737)
Movement in special funds	66,787	-	-	66,787
Total changes	66,787	-	-	66,787
Balance at 31 December 2015	409,767	4,845,142	870,920	6,125,829

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Statement of Cash Flows

Figures in Rand	Note(s)	2015	2014
Cash flows from operating activities			
Cash generated from (used in) operations	9	17,781	(22,378)
Interest income		35,460	48,494
Net cash from operating activities		53,241	26,116
Cash flows from investing activities			
Purchase of property, plant and equipment	2	-	(33,164)
Cash flows from financing activities			
Movement in special funds		66,787	28,948
Repayment of other financial liabilities		-	(600,000)
Movement in bursary fund		-	(101,621)
Net cash from financing activities		66,787	(672,673)
Total cash movement for the year		120,028	(679,721)
Cash at the beginning of the year		804,054	1,483,775
Total cash at end of the year	4	924,082	804,054

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Annual Financial Statements for the year ended 31 December 2015

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. 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

In preparing the annual financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

1.2 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

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 as follows:

Item	Depreciation method	Average useful life
Land	Not depreciable	Not depreciable
Buildings	Not depreciable	Not depreciable
Motor vehicles	Straight line	5 years
Computer equipment	Straight line	3 years
Site equipment	Straight line	5 years

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

Land and buildings are not depreciated.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

1.3 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 surplus or deficit) 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.

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Accounting Policies

1.3 Financial instruments (continued)

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 surplus or deficit.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, are measured at fair value through surplus and deficit.

1.4 Income

Income is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of operations, net of discounts and volume rebates and value added tax.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

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Notes to the Annual Financial Statements

	2015			2014		
	Cost	Accumulated depreciation and impairments	Carrying value	Cost	Accumulated depreciation and impairments	Carrying value
Land	49,824	-	49,824	49,824	-	49,824
Buildings	5,780,145	-	5,780,145	5,780,145	-	5,780,145
Motor vehicles	238,000	(238,000)	-	238,000	(211,600)	26,400
Computer equipment	413,150	(413,150)	-	413,150	(413,150)	-
Site equipment	74,580	(74,580)	-	74,580	(74,580)	-
Total	6,555,699	(725,730)	5,829,969	6,555,699	(699,330)	5,856,369

Reconciliation of property, plant and equipment - 2015

	Opening balance	Depreciation	Total
Land	49,824	-	49,824
Buildings	5,780,145	-	5,780,145
Computer equipment	26,400	(26,400)	-
	5,856,369	(26,400)	5,829,969

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Depreciation	Total
Land	49,824	-	-	49,824
Buildings	5,746,981	33,164	-	5,780,145
Motor vehicles	74,000	-	(47,600)	26,400
Computer equipment	71,850	-	(71,850)	-
	5,942,655	33,164	(119,450)	5,856,369

Details of properties

Land and buildings are situated at Erf 12265 Constantia, Cape Town.

3. Trade and other receivables

Prepayments	12,266	19,871
Deposits	1,000	1,000
VAT	2,459	2,691
Other receivables	99,659	52,849
	115,384	76,411

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Notes to the Annual Financial Statements

Figures in Rand	2015	2014
4. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	7,769	5,653
Bank balances	26,828	21,430
Short-term deposits	889,485	776,971
	924,082	804,054
5. Special funds		
Social Development Fund		
Balance at beginning of year	299,473	263,025
Add: Funds received	274,505	225,693
Less: Funds applied	(202,718)	(189,245)
Balance at end of year	371,260	299,473
Sports Fund		
Balance at beginning of year	11,830	19,330
Less: Funds applied	-	(7,500)
Balance at end of year	11,830	11,830
Vehicle Fund		
Balance at beginning of year	31,677	31,677
Less: Funds applied	(5,000)	-
Balance at end of year	26,677	31,677
	409,767	342,980
6. Deferred income		
Donations received	162,406	-
Department of Health Western Cape	75,253	61,004
National Lotteries Board	-	31,035
	237,659	92,039
7. Trade and other payables		
Trade payables	56,165	44,266
Westlake Community Foundation	-	13,229
Other payables - Emmanuel Educare Pre-School	449,782	485,521
	505,947	543,016
8. Taxation		

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

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Notes to the Annual Financial Statements

Figures in Rand	2015	2014
9. Cash generated from (used in) operations		
(Deficit) surplus before taxation	(42,737)	300,315
Adjustments for:		
Depreciation and amortisation	26,400	119,450
Interest received	(35,460)	(48,494)
Changes in working capital:		
Trade and other receivables	(38,973)	9,903
Trade and other payables	(37,069)	466,580
Deferred income	145,620	(870,132)
	17,781	(22,378)

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Detailed Statement of Financial Performance

Figures in Rand	Note(s)	2015	2014
Revenue			
Grants		1,040,485	1,194,282
Donations		842,424	962,569
Hall hire and administrative income		85,580	120,818
		1,968,489	2,277,669
Other income			
Capital donations		-	50,000
Interest received		35,460	48,494
Rental income		36,000	-
Sundry income		92,947	60,918
		164,407	159,412
Operating expenses			
Advertising		2,023	1,067
Auditors remuneration		43,888	42,000
Bank charges		11,562	12,434
Cleaning		20,027	15,672
Computer expenses		17,114	31,614
Consulting and professional fees		19,890	15,500
Depreciation		26,400	119,450
Employee costs		1,542,913	1,454,963
Insurance		43,584	42,409
Motor vehicle expenses		31,612	52,146
Municipal expenses		43,022	44,626
Office expenses		26,366	18,707
Printing and stationery		39,170	28,924
Project expenses		190,198	161,093
Repairs and maintenance		40,106	25,631
Security		3,480	-
Sports equipment		-	7,500
Staff welfare		4,525	4,786
Telephone and fax		19,137	23,844
Training		13,800	8,090
Travel - local		36,815	26,311
		2,175,633	2,136,766
(Deficit) surplus for the year		(42,737)	300,315