

Halli Trust
(Registration number IT1922/2010)
Financial statements
for the year ended 28 February 2023

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

General Information

Country of incorporation and domicile	South Africa
Type of trust	Non-profit trust
Trustees	M Naude HC Naude B Möhr
Registered office	17 Romulus Street Somerset West 7130
Auditors	Exceed (Cape Town) Incorporated Chartered Accountants (SA) Registered Auditors
Trust registration number	IT1922/2010
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Trust Property Control Act 57 of 1988.
Preparer	The financial statements were independently compiled by: DJC Koegelenberg Chartered Accountant (SA)
Issued	01 March 2024

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

Index

The reports and statements set out below comprise the financial statements presented to the trustee:

	Page
Trustees' Responsibilities and Approval	3
Independent Auditor's Report	4 - 5
Trustees' Report	6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11
Notes to the Financial Statements	12 - 13
The following supplementary information does not form part of the financial statements and is not audited:	
Detailed Income Statement	14

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

Trustees' Responsibilities and Approval

The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the 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 basis of accounting described in note 1.

The financial statements are prepared in accordance with the basis of accounting described in note 1 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 trustees 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 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 29 February 2024 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.

The external auditors are responsible for independently auditing and reporting on the trust's financial statements. The financial statements have been examined by the trust's external auditors and their report is presented on pages 4 and 5.

The financial statements set out on pages 6 to 13, which have been prepared on the going concern basis, were approved by the trustees on 01 March 2024 and were signed by:

DocuSigned by:

238072D66C604AD...

HC Naude

DocuSigned by:

5FE3A8D1140747E...

B Möhr

Independent Auditor's Report

To the trustees of Halli Trust

Qualified Opinion

We have audited the financial statements of Halli Trust set out on pages 6 to 13, which comprise the statement of financial position as at 28 February 2023, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements of Halli Trust for the year ended 28 February 2023 are prepared, in all material respects, in accordance with the basis of accounting described in Note 1 to the financial statements and the requirements of the Trust Property Control Act 57 of 1988.

Basis for Qualified Opinion

In accordance with other similar institutions, it is not customary for the organisation to initiate accounting controls over cash collections in respect of donations, prior to the initial entry collections in the accounting records of the organisation. It is therefore practically impossible for us to extend our inquiry to the receipts over and above those actually recorded.

We conducted our audit in accordance with International Standards on Auditing. 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) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

The trustees are responsible for the other information. The other information comprises the Trustees' Report as required by the Trust Property Control Act 57 of 1988 and the supplementary information as set out on page 14. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of the Trustees for the Financial Statements

The trustees are responsible for the preparation of the financial statements in accordance with the basis of accounting described in Note 1 to the financial statements and the requirements of the Trust Property Control Act 57 of 1988, for determining that the basis of preparation is acceptable in the circumstance and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Responsibilities for the Audit of the Financial Statements

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 International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess 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.
- Obtain 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude 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. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. 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.

We communicate 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.

DocuSigned by:

Exceed (Cape Town) Incorporated

24829C1735064EA...

Exceed (Cape Town) Incorporated

Director: DJC Koegelenberg

Chartered Accountant (SA)

Registered Auditor

01 March 2024

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

Trustees' Report

The trustees submit their report on the financial statements of Halli Trust for the year ended 28 February 2023.

1. Nature of business

The non-profit trust is engaged in making a difference with educational involvement, community involvement and the rehabilitation and caring of animals.

There have been no material changes to the nature of the trust's business from the prior year.

2. Trustees

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

Trustees

M Naude
HC Naude
B Möhr

3. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the trust or in the policy regarding their use.

4. Events after the reporting period

No matter which is material to the financial affairs of the company has occurred between 28 February 2023 and the date of this report.

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

Statement of Financial Position as at 28 February 2023

	Notes	2023 R	2022 R
Assets			
Non-Current Assets			
Loans to related parties		-	25 000
Current Assets			
Trade and other receivables	3	97 265	30 190
Cash and cash equivalents	4	249 045	289 826
		346 310	320 016
Total Assets		346 310	345 016
Equity and Liabilities			
Equity			
Trust capital	5	100	100
Accumulated surplus		346 210	344 916
		346 310	345 016
Total Equity and Liabilities		346 310	345 016

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

Statement of Comprehensive Income

	Notes	2023 R	2022 R
Revenue	6	1 142 242	951 168
Operating expenses		(1 116 374)	(734 921)
Operating surplus		25 868	216 247
Investment revenue	7	426	13
Surplus for the year		26 294	216 260

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

Statement of Changes in Equity

	Trust capital	Accumulated surplus	Total equity
	R	R	R
Balance at 01 March 2021	100	128 656	128 756
Surplus for the year	-	216 260	216 260
Balance at 01 March 2022	100	344 916	345 016
Surplus for the year	-	26 294	26 294
Balance at 28 February 2023	100	346 210	346 310

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

Statement of Cash Flows

	Notes	2023 R	2022 R
Cash flows from operating activities			
Cash receipts from customers		1 075 170	951 168
Cash paid to suppliers and employees		(1 116 374)	(708 628)
Cash (used in) generated from operations	9	(41 204)	242 540
Interest income		426	-
Net cash (outflow) / inflow from operating activities		(40 778)	242 540
Cash flows from investing activities			
Cash advanced in loans to related parties		-	(25 000)
Total cash and cash equivalents movement for the year		(40 778)	217 540
Cash and cash equivalents at the beginning of the year		289 826	72 286
Total cash and cash equivalents at end of the year	4	249 048	289 826

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the accounting policies as set out below. The financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the trust holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the trust and the cost can be measured reliably. Day to day servicing costs are included in surplus or deficit in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the trust.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Land and buildings	5 years
Motor vehicles	5 years
Computer equipment	3 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

1.2 Revenue

Revenue is recognised to the extent that the trust 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 trust. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

Notes to the Financial Statements

	2023			2022		
	R			R		
2. Property, plant and equipment						
	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Motor vehicles	370 768	(370 768)	-	370 768	(370 768)	-
Computer equipment	12 185	(12 185)	-	12 185	(12 185)	-
Land and buildings	8 030	(8 030)	-	8 030	(8 030)	-
Total	390 983	(390 983)	-	390 983	(390 983)	-
3. Trade and other receivables						
Trade receivables				3		-
Value-added tax				97 262		30 190
				97 265		30 190
4. Cash and cash equivalents						
Cash and cash equivalents consist of:						
Cash on hand				13 122		31 547
Bank balances				235 923		258 279
				249 045		289 826
5. Trust capital						
Capital account / Trust capital						
Balance at beginning of year				100		100
6. Revenue						
Loyalty program donations				25 435		32 301
Fundraisers				481 140		352 130
Donations				635 667		566 737
				1 142 242		951 168
7. Investment revenue						
Interest revenue						
Bank				426		13
8. Taxation						
The organisation is exempt from income tax in terms of section 10(1)(cN) of the Income Tax Act.						

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

Notes to the Financial Statements

	2023 R	2022 R
9. Cash (used in) generated from operations		
Net surplus before taxation	26 294	216 261
Adjustments for:		
Depreciation	-	53 226
Investment income	(426)	-
Changes in working capital:		
Increase in trade and other receivables	(67 072)	(26 947)
	<u>(41 204)</u>	<u>242 540</u>

Halli Trust

(Registration number: IT1922/2010)

Financial Statements for the year ended 28 February 2023

Detailed Income Statement

	2023 R	2022 R
Revenue		
Loyalty program donations	25 435	32 301
Fundraisers	481 140	352 130
Donations	635 667	566 737
	1 142 242	951 168
Operating expenses		
Advertising	10 548	4 762
Animal welfare	25 608	2 113
Bank charges	5 774	6 632
Depreciation	-	53 227
Equipment rentals	10 124	1 511
Fundraiser expenses	309 609	151 131
Gifts	9 891	6 470
Halli visit expenses	4 589	1 534
Insurance	11 108	10 354
Motor vehicle expenses	68 307	27 859
Office expenses	39 396	23 921
Other expenses	4 420	856
Petrol and oil	10 804	27 900
Public benefit organisation expenses	218 433	323 652
Repairs and maintenance	8 348	12 243
Staff welfare	15 519	1 584
Telephone and internet	21 941	8 223
Training	3 541	-
Volunteers	338 414	70 949
	1 116 374	734 921
Operating surplus	25 868	216 247
Investment income	426	13
Surplus for the year	26 294	216 260

Halli Trust

IT number: 1922/2010

MINUTES OF A TRUSTEE MEETING HELD ON 01 March 2024

PRESENT:

M Naude

DocuSigned by:

M Naude

3041356F4E5C496...

B Möhr

DocuSigned by:

B Möhr

5FE3A8D1149747E...

HC Naude

DocuSigned by:

HC Naude

238972B66C694AD...

RESOLUTIONS:

1. That the annual financial statements for the year ended 28 February 2023 be tabled, discussed and approved.
2. That HC Naude and B Möhr are hereby authorised to sign the financial statements on behalf of the trustees.

DECLARATION:

The Trustees declare herewith that, to the best of their knowledge, all income accrued to the Trust during the accounting period and all expenses and liabilities are disclosed in the above-mentioned annual financial statements and that the values of all current assets and current liabilities are in accordance with those disclosed in the annual financial statements.

I, the undersigned Trustee, was present at the meeting mentioned above and have approved the above-mentioned resolutions in writing and confirm that this minute is a true record of the proceedings.

The meeting adjourned.

DocuSigned by:

HC Naude

238972B66C694AD...

Trustee

01 March 2024

Date

01 March 2024

Director: DJC Koegelenberg
Exceed (Cape Town) Incorporated
Po Box 1023
Somerset Mall
7137

Dear Sirs,

This representation letter is provided in connection with your compilation of the financial statements of Halli Trust for the year ended 28 February 2023.

We confirm that, to the best of our knowledge and belief, and having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves, the following:

1. Financial statements

We have fulfilled our responsibilities, as set out in the terms of the engagement for the compilation of the financial statements, and confirm that the financial statements fairly present, in all material respects, the state of affairs, results of the operations and cash flows in accordance with the accounting standards.

2. Information provided

We have provided you with:

- a. Access to all information of which we are aware that is relevant to the compilation of the financial statements such as records, documentation and other matters;
- b. Additional information that you have requested from us for the purpose of the compilation; and
- c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain review evidence.

All transactions have been recorded in the accounting records and are reflected in the financial statements.

3. Accounting estimates and fair value measurements

We confirm that the following representations made to you or implied by us during the course of the compilation are, to the best of our knowledge and belief accurate:

- a. That the assumptions and models used in determining the accounting estimates are appropriate in the context of the accounting policies and applied consistently throughout the process;
- b. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable;
- c. That the assumptions appropriately reflect management's intent;
- d. That disclosures related to accounting estimates are complete and appropriate; and
- e. That no subsequent event requires adjustment to the accounting estimates and disclosures included in the financial statements.

4. Laws and regulations

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when compiling the financial statements.

5. Litigations and claims

The estimated effect of pending or threatened litigation and claims against Halli Trust have been properly recorded or disclosed in the financial statements.

Except as disclosed in the notes to the financial statements, we are not aware of any additional claims that have been or are expected to be received.

6. Going concern

We have disclosed to you all information relevant to compiling the financial statements in accordance with the going concern assumption.

7. Subsequent events

All events subsequent to the date of the financial statements and for which the financial reporting framework requires adjustment or disclosure have been communicated to you.

Yours faithfully,

DocuSigned by:

238072B66C604AD...

Trustee

01 March 2024

Date