

# **Westlake United Church Trust**

(Registration Number IT409/2002)

**Annual Financial Statements**

**for the year ended 31 December 2021**

**Audited Financial Statements**

Date published: 7 October 2022

# Westlake United Church Trust

(Registration Number IT409/2002)

Annual Financial Statements for the year ended 31 December 2021

## Index

---

General Information	2
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 Trust Funds	9
Statement of Cash Flows	10
Accounting Policies	11
Notes to the Financial Statements	12 - 14
The supplementary information presented does not form part of the Financial Statements and is unaudited:	
Detailed Income Statement	15 - 16

# Westlake United Church Trust

(Registration Number IT409/2002)

Annual Financial Statements for the year ended 31 December 2021

## General Information

---

<b>Country of Incorporation and Domicile</b>	South Africa
<b>Registration Number</b>	IT409/2002
<b>Nature of Business and Principal Activities</b>	The Trust is a non-profit organisation, which is dedicated to helping the people of Westlake by providing community development programmes, home based care and support for orphans and vulnerable children.
<b>Trustees</b>	Harold Stemmet (Chairman) Ann Albrecht Chris Heiberg David Walsh Diana Forrester Freeman Ndlovu Fundisile Mbesi
<b>Registered Office</b>	Westlake Community Office Cnr Egret Close & Westlake Drive Westlake 7945
<b>Bankers</b>	First National Bank
<b>Tax Number</b>	0014437156
<b>Value Added Tax Number</b>	4360219978
<b>PAYE Registration number</b>	7290755919
<b>PBO Number</b>	18/11/13/100
<b>NPO Number</b>	030-186-NPO
<b>Level of Assurance</b>	These annual financial statements have been audited in compliance with the applicable requirements of the Trust Property Control Act 57 of 1988 and the trust's Deed of Trust.
<b>Independent Auditor</b>	Advantage Accountants Inc. 33 Brommaert Avenue Constantia 7806

# Westlake United Church Trust

(Registration Number IT409/2002)

Annual Financial Statements for the year ended 31 December 2021

## 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 satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the trust, and explain the transactions and financial position of the business of the trust at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the trust and supported by reasonable and prudent judgements 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 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 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 going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the trustees have no reason to believe that the trust will not be a going concern in the foreseeable future. The financial statements support the viability of the trust.

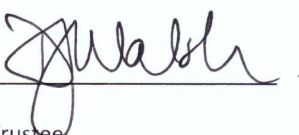
The annual financial statements have been audited by the independent auditing firm, Advantage Accountants Inc., who have been given unrestricted access to all financial records and related data, including minutes of all meetings. The trustees believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 4 to 5.

The annual financial statements set out on pages 7 to 14, and the supplementary information set out on pages 15 to 16 which have been prepared on the going concern basis, were approved by the trustees and were signed on 7 October 2022 on their behalf by:



---

Trustee



---

Trustee





---

Address: 33 Brommaert Avenue, Constantia 7806 P O Box 30444 Tokai 7966  
Tel: 021-701 1494 E-Mail: ralph@advantageinc.co.za IRBA Reg Number 916354-0000

---

## Independent Auditor's Report

---

### To the Trustees of Westlake United Church Trust

#### Opinion

We have audited the financial statements of Westlake United Church Trust set out on pages 7 to 14, which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, the statement of changes in trust funds and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Westlake United Church Trust as at 31 December 2021, 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.

#### Basis for Opinion

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) 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 opinion.

#### Responsibilities of the Trustees for the Financial Statements

The trustees are responsible for the preparation and fair presentation of the 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 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 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 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.
- Evaluate 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.

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.

**Advantage Accountants Inc.**

**7 October 2022**



---

**RA Letcher**  
**Director**

**33 Brommaert Avenue**  
**Constantia**  
**7806**

# Westlake United Church Trust

(Registration Number IT409/2002)

Annual Financial Statements for the year ended 31 December 2021

## Trustees' Report

---

The trustees present their report for the year ended 31 December 2021.

### 1. Review of activities

#### Main business and operations

The Trust is a non-profit organisation, which is dedicated to helping the people of Westlake by providing community development programmes, home based care and support for orphans and vulnerable children. There were no major changes herein during the year.

The operating results and statement of financial position of the trust are fully set out in the attached financial statements and do not in our opinion require any further comment.

### 2. 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.

### 3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The trustees are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the trust.

### 4. Trustees

The trustees of the trust during the year and up to the date of this report are as follows:

Harold Stemmet (Chairman)  
Ann Albrecht  
Chris Heiberg  
David Walsh  
Diana Forrester  
Freeman Ndlovu  
Fundisile Mbesi

### 5. Independent Auditors

Advantage Accountants Inc. were the independent auditors for the year under review.



# Westlake United Church Trust

(Registration Number IT409/2002)

Financial Statements for the year ended 31 December 2021

## Statement of Financial Position

Figures in R	Notes	2021	2020
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	6 237 094	5 908 747
<b>Total non-current assets</b>		<b>6 237 094</b>	<b>5 908 747</b>
<b>Current assets</b>			
Accounts and other receivables	3	356 405	271 403
Cash and cash equivalents	4	1 172 388	1 636 433
<b>Total current assets</b>		<b>1 528 793</b>	<b>1 907 836</b>
<b>Total assets</b>		<b>7 765 887</b>	<b>7 816 583</b>
<b>Trust funds and liabilities</b>			
<b>Trust funds</b>			
Accumulated surplus / (accumulated deficit)		1 136 911	1 136 274
Non-distributable land and buildings reserve		4 845 142	4 845 142
<b>Total trust funds</b>		<b>5 982 053</b>	<b>5 981 416</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Special funds	5	1 054 410	983 143
<b>Current liabilities</b>			
Accounts and other payables	6	97 415	137 955
Deferred income	7	632 006	714 066
<b>Total current liabilities</b>		<b>729 421</b>	<b>852 021</b>
<b>Total liabilities</b>		<b>1 783 831</b>	<b>1 835 164</b>
<b>Total trust funds and liabilities</b>		<b>7 765 884</b>	<b>7 816 580</b>



# Westlake United Church Trust

(Registration Number IT409/2002)

Financial Statements for the year ended 31 December 2021

## Statement of Comprehensive Income

Figures in R	2021	2020
Revenue	4 877 689	5 045 568
Other income	120 000	97 225
Administrative expenses	(218 222)	(216 476)
Other expenses	(4 778 830)	(4 852 398)
<b>Surplus from operating activities</b>	<b>637</b>	<b>73 919</b>
<b>Surplus for the year</b>	<b>637</b>	<b>73 919</b>

# Westlake United Church Trust

(Registration Number IT409/2002)

Financial Statements for the year ended 31 December 2021

## Statement of Changes in Trust Funds

Figures in R	Non-distributable land and buildings reserve	Accumulated surplus	Total
<b>Balance at 1 January 2020</b>	4 845 142	1 062 355	5 907 497
<b>Changes in trust funds</b>			
Surplus for the year	-	73 919	73 919
Total comprehensive income	-	73 919	73 919
<b>Balance at 31 December 2020</b>	<b>4 845 142</b>	<b>1 136 274</b>	<b>5 981 416</b>
<b>Balance at 1 January 2021</b>	4 845 142	1 136 274	5 981 416
<b>Changes in trust funds</b>			
Surplus for the year	-	637	637
Total comprehensive income	-	637	637
<b>Balance at 31 December 2021</b>	<b>4 845 142</b>	<b>1 136 911</b>	<b>5 982 053</b>

# Westlake United Church Trust

(Registration Number IT409/2002)

Financial Statements for the year ended 31 December 2021

## Statement of Cash Flows

Figures in R	Note	2021	2020
<b>Cash flows (used in) / from operations</b>			
Surplus / (deficit) for the year		637	73 919
<b>Adjustments to reconcile surplus / (deficit)</b>			
Adjustments for increase in other operating receivables		(62 469)	(40 301)
Adjustments for decrease in other operating payables		(40 540)	(256 695)
Adjustments for (decrease) / increase in deferred income		(82 060)	261 643
Adjustments for depreciation and amortisation expense		125 208	161 158
<b>Total adjustments to reconcile surplus / (deficit)</b>		<b>(59 861)</b>	<b>125 805</b>
<b>Net cash flows (used in) / from operations</b>		<b>(59 224)</b>	<b>199 724</b>
<b>Cash flows used in investing activities</b>			
Proceeds from disposal of property, plant and equipment		120 000	34 179
Acquisitions and donations of property, plant and equipment		(453 553)	(48 067)
<b>Cash flows used in investing activities</b>		<b>(333 553)</b>	<b>(13 888)</b>
<b>Cash flows (used in) / from financing activities</b>			
Movement in special funds		(71 267)	599 170
<b>Cash flows (used in) / from financing activities</b>		<b>(71 267)</b>	<b>599 170</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(464 044)</b>	<b>785 006</b>
Cash and cash equivalents at beginning of the year		1 636 433	851 427
<b>Cash and cash equivalents at end of the year</b>	<b>4</b>	<b>1 172 389</b>	<b>1 636 433</b>

# Westlake United Church Trust

(Registration Number IT409/2002)

Financial Statements for the year ended 31 December 2021

## Accounting Policies

---

### 1. Basis of preparation and summary of significant accounting policies

The financial statements of Westlake United Church Trust have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The financial statements have been prepared under the historical cost convention. They are presented in South African Rand.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the trustees.

Land and buildings are not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Asset class	Useful life / depreciation rate
Motor vehicles	5 years
Office equipment	5 years
Computer equipment	3 years
Security Equipment	3 years
Sewing equipment	3 years
Gardening and Irrigation equipment	3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other income' in the statement of comprehensive income.

#### 1.2 Tax

The trust has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act and the receipts and accruals are exempt from income tax in terms of section 10 (1)(cN) of the Income Tax Act.



# Westlake United Church Trust

(Registration Number IT409/2002)

Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

Figures in R

### 2. Property, plant and equipment

Balances at year end and movements for the year

	Land	Buildings	Motor vehicles	Office equipment	Computer equipment	Security Equipment	Sewing Equipment	Gardening and Irrigation Equipment	Total
<b>Reconciliation for the year ended 31 December 2021</b>									
Balance at 1 January 2021	49 824	5 780 145	238 000	74 580	856 818	48 067	-	-	7 047 434
At cost	-	-	(238 000)	(74 580)	(816 494)	(9 613)	-	-	(1 138 687)
Accumulated depreciation	49 824	5 780 145	-	-	40 324	38 454	-	-	5 908 747
<b>Movements for the year ended 31 December 2021</b>									
Acquisitions	-	-	408 878	8 374	-	-	9 141	10 350	436 742
Depreciation	-	-	(66 398)	(645)	(35 739)	(20 795)	(768)	(863)	(125 208)
<b>Property, plant and equipment at end of year</b>	<b>49 824</b>	<b>5 780 145</b>	<b>342 480</b>	<b>7 729</b>	<b>4 585</b>	<b>17 659</b>	<b>8 373</b>	<b>9 487</b>	<b>6 220 281</b>
<b>Closing balance at 31 December 2021</b>									
At cost	49 824	5 780 145	408 878	82 954	856 818	64 879	9 141	10 350	7 262 989
Accumulated depreciation	-	-	(66 398)	(75 225)	(852 233)	(30 408)	(768)	(863)	(1 025 895)
<b>Net book value</b>	<b>49 824</b>	<b>5 780 145</b>	<b>342 480</b>	<b>7 729</b>	<b>4 585</b>	<b>34 471</b>	<b>8 373</b>	<b>9 487</b>	<b>6 237 094</b>

# Westlake United Church Trust

(Registration Number IT409/2002)

Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

Figures in R

2021

2020

### 3. Accounts and other receivables

Accounts and other receivables comprise:

Emmanuel Educare Pre-school	118 740	-
Other receivables	185 338	179 289
Prepaid expenses	7 101	28 633
Deposits	1 000	1 000
The Compassionate Action Trust	-	62 481
Value added tax	44 226	-
<b>Total accounts and other receivables</b>	<b>356 405</b>	<b>271 403</b>

### 4. Cash and cash equivalents

Cash and cash equivalents comprise:

Cash on hand	8 514	9 149
Balances with banks	1 163 874	1 627 284
<b>Net cash and cash equivalents</b>	<b>1 172 388</b>	<b>1 636 433</b>

### 5. Special funds

#### Nutrition and Support Groups Fund

Balance at beginning of year	279 391	323 300
Add: Funds received	283 080	283 080
Less: Funds applied	(276 363)	(326 989)
Balance at end of year	286 108	279 391

#### Sports Fund

Balance at beginning of year	9 997	9 997
Add: Funds received	4 843	-
Less: Funds applied	-	-
Balance at end of year	14 840	9 997

#### Vehicle Fund

Balance at beginning of year	34 218	26 677
Add: Funds received	202 070	7 541
Less: Funds applied	(176 363)	-
Balance at end of year	59 925	34 218

#### Legacy Fund

Balance at beginning of year	659 537	24 000
Add: Funds received	34 000	635 537
Less: Funds applied	-	-
Balance at end of year	693 537	659 537

#### Total

1 054 410	983 143
-----------	---------

# Westlake United Church Trust

(Registration Number IT409/2002)

Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

Figures in R

2021

2020

### 6. Accounts and other payables

Accounts and other payables comprise:

Other Payables	97 415	51 862
Emmanuel Educare Pre-School	-	84 105
Value added tax	-	1 988
<b>Total accounts and other payables</b>	<b>97 415</b>	<b>137 955</b>

### 7. Deferred income

Deferred income comprises:

Donations received	450 000	542 829
Dept. of Health Western Cape	182 006	171 237
	<b>632 006</b>	<b>714 066</b>

# Westlake United Church Trust

(Registration Number IT409/2002)

Annual Financial Statements for the year ended 31 December 2021

## Detailed Income Statement

Figures in R	2021	2020
<b>Revenue</b>		
Donations received	2 005 019	2 393 496
Grants - Other	2 540 935	2 308 653
Hall hire and administrative income	30 109	63 791
Interest received	29 040	33 650
Rent income	60 000	60 000
Sundry sales income	212 586	185 978
<b>Total revenue</b>	<b>4 877 689</b>	<b>5 045 568</b>
<b>Other income</b>		
Insurance claims received	-	15 442
Other income - office	-	10 000
Profit/Loss on sale of assets	120 000	71 783
<b>Total other income</b>	<b>120 000</b>	<b>97 225</b>
<b>Administrative expenses</b>		
Accounting fees	(4 600)	-
Auditors remuneration - fees	(36 675)	(27 500)
Bank charges	(15 008)	(17 078)
Computer expenses	(77 652)	(80 503)
Printing and stationery	(56 594)	(53 556)
Telephone and fax	(27 693)	(37 839)
<b>Total administrative expenses</b>	<b>(218 222)</b>	<b>(216 476)</b>



# Westlake United Church Trust

(Registration Number IT409/2002)

Annual Financial Statements for the year ended 31 December 2021

## Detailed Income Statement

Figures in R	2021	2020
<b>Other expenses</b>		
Cleaning	(8 753)	(4 001)
Community project expenses	(296 895)	(480 042)
Consulting fees	(13 366)	-
Depreciation	(125 208)	(161 158)
Donations	(730)	-
Employee cost	(3 323 307)	(2 808 633)
Fundraising	(528)	(1 950)
Funeral expenses	(1 856)	(1 315)
General office expenses	(21 262)	(28 642)
HIV support / Home based care	(472 115)	(321 574)
HR Services	(60 375)	(50 250)
Insurance	(41 029)	(35 907)
Legacy fund	(34 000)	(635 537)
Marketing & events	(27 635)	(4 248)
Motor vehicle expenses	(103 442)	(49 940)
Municipal expenses	(70 715)	(70 874)
Pest control	(1 435)	-
Repairs and maintenance	(127 421)	(123 323)
Security	(24 418)	(67 425)
Training	(24 340)	(7 579)
<b>Total other expenses</b>	<b>(4 778 830)</b>	<b>(4 852 398)</b>
<b>Surplus from operating activities</b>	<b>637</b>	<b>73 919</b>
<b>Surplus for the year</b>	<b>637</b>	<b>73 919</b>