

**THE LITTLE OPTIMIST TRUST**  
**(Registration number IT002355/2016)**  
**Annual Financial Statements**  
**for the year ended 28 February 2021**

**Reviewed Financial Statements**

Reviewed by: Alishia Kirsten Smith  
Professional designation: Associate General Accountant (SA)

# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Annual Financial Statements for the year ended 28 February 2021

## Index

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

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# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Annual Financial Statements for the year ended 28 February 2021

## General Information

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<b>Country of Incorporation and Domicile</b>	South Africa
<b>Objective of the Trust</b>	Community based projects
<b>Trustees</b>	G Bertish D Kantor DRD Mills
<b>Independent Reviewers</b>	Copia Business Administration CC 3 Herschel Road Claremont 7735
<b>Trust Registration Number</b>	IT002355/2016



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## Independent Reviewer's Report

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### To the Trustees of the The Little Optimist Trust

We have reviewed the annual financial statements of The Little Optimist Trust set out on pages 5 to 11, which comprise the statement of financial position as at 28 February 2021, and the statement of comprehensive income, statement of changes in trust funds 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 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 misstatement, whether due to fraud or error.

### Independent Reviewer's Responsibility

Our responsibility is to express a conclusion on these annual financial statements based on our review. We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the annual financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of annual financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review engagement are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these annual financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these annual financial statements do not present fairly, in all material respects, the financial position of The Little Optimist Trust as at 28 February 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 to the annual financial statements.

Copia Business Administration CC

22 August 2021

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Per:

Alishia Kirsten Smith

Associate General Accountant (SA)



# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Annual Financial Statements for the year ended 28 February 2021

## Trustees' Responsibilities and Approval

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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 as to form and content and present fairly the statement of financial position, results of operations 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.

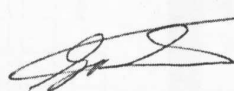
The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the trustees sets standards for internal 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 trustees 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 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 independent reviewers are responsible for independently reviewing and reporting on the annual financial statements. The independent reviewers report is presented on page 2.

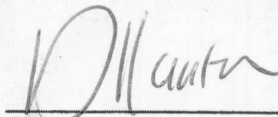
The annual financial statements have been prepared on the going concern basis and are not subject to any material changes to the present financial status. The annual financial statements as set out on pages 5 to 11 were approved by the trustees on 22 August 2021 and were signed on their behalf by:



G Bertish



DRD Mills



D Kantor

# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Annual Financial Statements for the year ended 28 February 2021

## Report of the Trustees

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The trustees present their annual report for the year ended 28 February 2021.

### 1. Objective of the trust

The primary object of the trust is community based projects.

### 2. Financial results

The financial statements reflect the financial position of the trust at 28 February 2021 and the result of its activities for the year then ended.

### 3. Business and operations

The trust's business and operations and the results thereof are clearly reflected in the attached financial statements. No material fact or circumstance has occurred between the accounting date and the date of this report. There was no major change in the nature of the business.

### 4. The Trustees during the year to the date of this report were the following:

G Bertish  
D Kantor  
DRD Mills

(Chairperson)

# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Financial Statements for the year ended 28 February 2021

## Statement of Financial Position

Figures in R	Notes	2021	2020
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3	49,205	64,591
Loans to trustees	4	8,000	-
		<b>57,205</b>	<b>64,591</b>
<b>Current Assets</b>			
Trade and other receivables	5	23,060	58,767
Cash and cash equivalents	6	215,380	233,071
		<b>238,440</b>	<b>291,838</b>
<b>Total Assets</b>		<b>295,645</b>	<b>356,429</b>
<b>Trust Funds and Liabilities</b>			
<b>Trust Fund</b>			
Trust Capital Account		1	1
Retained earnings		269,006	343,314
		<b>269,007</b>	<b>343,315</b>
<b>Current Liabilities</b>			
Trade and other payables	7	17,712	4,188
Borrowings	8	8,926	8,926
		<b>26,638</b>	<b>13,114</b>
<b>Total Funds and Liabilities</b>		<b>295,645</b>	<b>356,429</b>

# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Financial Statements for the year ended 28 February 2021

## Statement of Comprehensive Income

Figures in R	2021	2020
<b>Income</b>	1,669,948	1,979,069
Cost of sales	(28,538)	(231,584)
Gross profit	1,641,410	1,747,485
Other income	-	55,099
Operating costs	(1,715,718)	(1,539,319)
<b>Operating (loss) / profit</b>	<b>(74,308)</b>	<b>263,265</b>
<b>(Loss) / profit for the year</b>	<b>(74,308)</b>	<b>263,265</b>

# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Financial Statements for the year ended 28 February 2021

## Statement of Changes in Trust Funds

Figures in R	Trust capital	Retained earnings	Total
<b>Balance at 1 March 2019</b>	1	80,049	80,050
<b>Total comprehensive income for the year</b>			
Profit for the year		263,265	263,265
<b>Total comprehensive income for the year</b>	-	263,265	263,265
<b>Balance at 29 February 2020</b>	<b>1</b>	<b>343,314</b>	<b>343,315</b>
<b>Balance at 1 March 2020</b>	1	343,314	343,315
<b>Total comprehensive income for the year</b>			
Loss for the year		(74,308)	(74,308)
<b>Total comprehensive income for the year</b>	-	(74,308)	(74,308)
<b>Balance at 28 February 2021</b>	<b>1</b>	<b>269,006</b>	<b>269,007</b>

# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Financial Statements for the year ended 28 February 2021

## Statement of Cash Flows

Figures in R	Note	2021	2020
<b>Cash flows (used in) / from operating activities</b>			
(Loss) / profit for the year		(74,308)	263,265
<i>Adjustments for:</i>			
Depreciation of tangible assets		15,386	8,541
Profit on disposal of property, plant and equipment		-	(55,099)
<b>Operating cash flow before working capital changes</b>		<b>(58,922)</b>	<b>216,707</b>
<i>Working capital changes</i>			
Decrease / (increase) in trade and other receivables		35,707	(25,562)
Increase / (decrease) in trade and other payables		13,524	(76,112)
<b>Net cash flows (used in) / from operations</b>		<b>(9,691)</b>	<b>115,033</b>
<b>Net cash flows (used in) / from operating activities</b>		<b>(9,691)</b>	<b>115,033</b>
<b>Cash flows from investing activities</b>			
Property, plant and equipment acquired	3	-	(57,932)
Proceeds on disposals of property, plant and equipment		-	107,299
<b>Net cash flows from investing activities</b>		<b>-</b>	<b>49,367</b>
<b>Cash flows used in financing activities</b>			
Trustees loans repaid		(8,000)	(107,299)
Long term loans movement		-	-
<b>Net cash flows used in financing activities</b>		<b>(8,000)</b>	<b>(107,299)</b>
Net (decrease) / increase in cash and cash equivalents		(17,691)	57,101
Cash and cash equivalents at beginning of the year		233,071	175,970
<b>Cash and cash equivalents at end of the year</b>	6	<b>215,380</b>	<b>233,071</b>

# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Financial Statements for the year ended 28 February 2021

## Accounting Policies

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### 1. General information

The Little Optimist Trust is a trust founded in South Africa. The principal activities is that of a Community based projects.

### 2. Summary of significant accounting policies

These financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in South African Rand.

#### 2.1 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and / or services in the ordinary course of the trust's activities. Revenue is shown net of value-added tax, returns, and discounts.

The trust recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the trust's activities, as described below:

#### 2.2 Income taxes

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### 2.3 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Costs 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 charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

Other fixed assets	20.00%
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#### 2.4 Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the trust will not be able to collect all amounts due according to the original terms of the receivables.

# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Financial Statements for the year ended 28 February 2021

## Accounting Policies

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*Summary of significant accounting policies continued...*

### 2.5 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.



# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Financial Statements for the year ended 28 February 2021

## Notes to the Annual Financial Statements

Figures in R 2021 2020

### 3. Property, plant and equipment

	Cost	Accumulated depreciation	2021 Carrying value	Cost	Accumulated depreciation	2020 Carrying value
<i>Owned assets</i>						
Other fixed assets	76,932	(27,727)	<b>49,205</b>	76,932	(12,341)	64,591

The carrying amounts of property, plant and equipment can be reconciled as follows:

	Carrying value at beginning of year	Additions / Fair value gains	Classified as held for sale / Disposals	Depreciation / Impairments	2021 Carrying value at end of year
<i>Owned assets</i>					
Other fixed assets	64,591	-	-	(15,386)	49,205

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2020 Carrying value at end of year
<i>Owned assets</i>					
Other fixed assets	67,400	57,932	(52,200)	(8,541)	64,591

### 4. Loans to trustees

#### Non-interest bearing long term loans

G Bertish	8,000	-
	<u>8,000</u>	<u>-</u>

### 5. Trade and other receivables

Trade debtors	23,060	58,767
	<u>23,060</u>	<u>58,767</u>

### 6. Cash and cash equivalents

#### Favourable cash balances

Nedbank trust account	214,421	232,012
Petty cash	959	1,059
	<u>215,380</u>	<u>233,071</u>

### 7. Trade and other payables

Other creditor	17,712	4,188
	<u>17,712</u>	<u>4,188</u>

### 8. Borrowings

Publishing loan	8,926	8,926
	<u>8,926</u>	<u>8,926</u>

# THE LITTLE OPTIMIST TRUST

(Registration Number IT002355/2016)

Financial Statements for the year ended 28 February 2021

## Detailed Income Statement

Figures in R	2021	2020
<b>Income</b>		
Book sales	50,050	280,085
Donations	1,271,148	1,050,651
Ticket sales	150	24,903
Sponsorships	348,600	623,430
	<u>1,669,948</u>	<u>1,979,069</u>
<b>Cost of Sales</b>		
Purchases	28,538	231,584
	<u>28,538</u>	<u>231,584</u>
<b>Gross Profit</b>	<b><u>1,641,410</u></b>	<b><u>1,747,485</u></b>
<b>Other income</b>		
Profit on sale of fixed assets	-	55,099
<b>Expenditure</b>		
Accounting fees	40,072	29,605
Advertising	93,369	106,634
Assets less than R7000	3,196	14,871
Auction and event expenses	-	11,000
Bank charges	5,850	5,923
Cleaning	1,691	-
Computer expenses	8,740	3,099
Consulting fees	-	20,000
Depreciation - Tangible assets	15,386	8,541
Donations	236,136	126,682
Electricity and water	33,207	-
General expenses	15,342	59,700
Hire - Equipment	-	8,350
Legal expense	12,363	-
Motor vehicle expense	1,758	2,407
Other expenses 2	538	-
Postage	-	1,295
Printing and stationery	5,219	3,894
Rent Paid	65,969	45,991
Repairs and maintenance	73,956	91,296
Salaries	1,031,741	934,924
Staff welfare	841	13,858
Travel - local	70,344	51,249
	<u>1,715,718</u>	<u>1,539,319</u>
<b>Operating (loss) / profit before distributions</b>	<b><u>(74,308)</u></b>	<b><u>263,265</u></b>
<b>Distributions paid</b>		
Distribution	-	-
<b>(Loss) / profit after distribution</b>	<b><u>(74,308)</u></b>	<b><u>263,265</u></b>