



The Little Optimist Trust

(Registration number IT002355/2016)

Annual Financial Statements

for the year ended 29 February 2024

Reviewed Financial Statements

The Little Optimist Trust

(Registration Number IT002355/2016)

Annual Financial Statements for the year ended 29 February 2024

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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

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Annual Financial Statements for the year ended 29 February 2024

General Information

Country of Incorporation and Domicile	South Africa
Nature of Business and Principal Activities	Community based projects
Trustees	G Bertish D Kantor DRD Mills
Bankers	Nedbank Limited
Independent Reviewers	Steyl and Cloete Accountants 19 High Street Oudtshoorn 6625
Trust Registration Number	IT002355/2016



MC BOSHOFF

PROFFESIONELE REKENMEESTER (SA)

Independent Reviewer's Report

To the Trustees of The Little Optimist Trust

We have reviewed the financial statements of The Little Optimist Trust set out on pages 7 to 14, which comprise the statement of financial position as at 29 February 2024, 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.

Trustees' Responsibility for the Annual Financial Statements

The trustees are responsible for the preparation of these financial statements in accordance with the basis of accounting as described in note 2 to the financial statements.

Independent Reviewer's Responsibility

Our responsibility is to express a conclusion on these financial statements. 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)). ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the 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 financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review 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 financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements of The Little Optimist Trust are not prepared, in all material respects, in accordance with the basis of accounting as described in note 2 to the financial statements.

MC BOSHOFF
Professional Accountant (SA)
Independent Reviewer (SA)
Member no. 41961

10/07/2024

DATE

Report of the Compiler

To the Trustees of the The Little Optimist Trust

We have compiled the accompanying financial statements of The Little Optimist Trust based on information you have provided. These financial statements comprise the statement of financial position of The Little Optimist Trust as at 29 February 2024, the statement of comprehensive income, the statement of changes in trust funds and the statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements on the basis of accounting described in Note 2. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the basis of accounting described in Note 2.



DW STEYL
Professional Accountant (SA)
Member no. 25882

10/07/2024
DATE

The Little Optimist Trust

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Annual Financial Statements for the year ended 29 February 2024

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 as to form and content in the presentation of 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 3.

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 7 to 14 were approved by the trustees on 5 June 2024 and were signed on their behalf by:



G Bertish



O Kantor



DRD Mills

The Little Optimist Trust

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Annual Financial Statements for the year ended 29 February 2024

Report of the Trustees

The trustees present their annual report for the year ended 29 February 2024.

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 29 February 2024 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. 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.

5. Events after reporting date

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.

6. 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

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Financial Statements for the year ended 29 February 2024

Statement of Financial Position

Figures in R	Notes	2024	2023
Assets			
Non-Current Assets			
Property, plant and equipment	3	7,711	24,698
Current Assets			
Trade and other receivables	4	6,470	10,500
Cash and cash equivalents	5	1,128,602	1,419,962
Total Assets		1,142,783	1,455,160
Trust Funds and Liabilities			
Trust Fund			
Trust Capital Account		1	1
Retained earnings	6	1,142,782	1,437,975
Non-Current Liabilities			
Borrowings	7	-	180
Current Liabilities			
Trade and other payables	8	-	17,004
Borrowings	9	-	926
Total Funds and Liabilities		1,142,783	1,455,160

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Financial Statements for the year ended 29 February 2024

Statement of Comprehensive Income

Figures in R	2024	2023
Income	2,169,219	2,864,704
Cost of sales	(628,570)	(370,225)
Gross profit	<u>1,540,649</u>	<u>2,494,479</u>
Operating costs	(1,835,842)	(1,333,023)
(Loss) / profit for the year	<u>(295,193)</u>	<u>1,161,456</u>

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Financial Statements for the year ended 29 February 2024

Statement of Changes in Trust Funds

Figures in R	Trust capital	Retained earnings	Total
Balance at 1 March 2022	1	276,519	276,520
Profit for the year	-	1,161,456	1,161,456
Balance at 28 February 2023	1	1,437,975	1,437,976
Balance at 1 March 2023	1	1,437,975	1,437,976
Loss for the year	-	(295,193)	(295,193)
Balance at 29 February 2024	1	1,142,782	1,142,783

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Financial Statements for the year ended 29 February 2024

Statement of Cash Flows

Figures in R	2024	2023
Cash flows (used in) / from operating activities		
(Loss) / profit for the year	(295,193)	1,161,456
<i>Adjustments for:</i>		
Depreciation of tangible assets	16,986	16,986
Operating cash flow before working capital changes	(278,207)	1,178,442
<i>Working capital changes</i>		
Decrease in trade and other receivables	4,030	72,560
Increase in short term loans	(926)	(8,000)
(Decrease) / increase in trade and other payables	(16,077)	7,067
Net cash flows (used in) / from operations	(291,180)	1,250,069
Net cash flows (used in) / from operating activities	(291,180)	1,250,069
Loans (repaid) / raised	(180)	180
Trustees loans raised	-	8,000
Net (decrease) / increase in cash and cash equivalents	(291,360)	1,258,249
Cash and cash equivalents at beginning of the year	1,419,962	161,713
Cash and cash equivalents at end of the year	1,128,602	1,419,962

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Financial Statements for the year ended 29 February 2024

Accounting Policies

1. General information

The Little Optimist Trust is a trust founded in South Africa. The type of trust and its 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 accounting policies as 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:

2.1.1 Sales of goods – retail

Sales of goods are recognised when a entity sells a product to the customer as control passes to the customer on the day the transaction takes place. Retail sales are usually in cash or by credit card.

2.1.2 Non-profit income

Donations, sponsorships and income from fundraising events and auctions are recognised upon receipt either in cash or via electronic funds transfer.

2.2 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:

Office equipment	20.00%
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Financial Statements for the year ended 29 February 2024

Accounting Policies

Summary of significant accounting policies continued...

2.3 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.

2.4 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.

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Financial Statements for the year ended 29 February 2024

Notes to the Annual Financial Statements

Figures in R 2024 2023

3. Property, plant and equipment

	Cost	Accumulated depreciation	2024 Carrying value	Cost	Accumulated depreciation	2023 Carrying value
<i>Owned assets</i>						
Plant and equipment	84,931	(77,220)	7,711	84,931	(60,233)	24,698
	84,931	(77,220)	7,711	84,931	(60,233)	24,698

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	2024 Carrying value at end of year
<i>Owned assets</i>					
Plant and equipment	24,697	-	-	(16,986)	7,711
	24,697	-	-	(16,986)	7,711

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2023 Carrying value at end of year
<i>Owned assets</i>					
Plant and equipment	41,684	-	-	(16,986)	24,698
	41,684	-	-	(16,986)	24,698

4. Trade and other receivables

Trade debtors	6,470	10,500
	<u>6,470</u>	<u>10,500</u>

5. Cash and cash equivalents

Favourable cash balances

Cash on hand	959	959
Nedbank Limited	1,127,643	1,419,003
	<u>1,128,602</u>	<u>1,419,962</u>

6. Retained earnings

(Loss) / profit for the year	(295,193)	1,161,456
Retained profit at beginning of the year	1,437,975	276,519
Undistributed retained earnings at the end of the year	<u>1,142,782</u>	<u>1,437,975</u>

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Financial Statements for the year ended 29 February 2024

Notes to the Annual Financial Statements

Figures in R

	2024	2023
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7. Borrowings

Loan: Little Optimist Publishing	-	180
	-	180

8. Trade and other payables

Payroll Control	-	16,078
	-	16,078

9. Borrowings

Publishing loan	-	926
	-	926

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Financial Statements for the year ended 29 February 2024

Detailed Income Statement - Trust

Figures in R	2024	2023
Income	1,848,548	2,269,803
Book sales	6,219	9,360
Donations	1,077,376	1,666,239
Sponsorships	753,258	582,500
Merchandise sales	11,695	11,704
Cost of Sales	117,372	23,394
Purchases	117,372	23,394
Gross profit	1,731,176	2,246,409
Expenditure	1,630,026	1,151,961
Accounting fees	42,056	17,681
Advertising	70,534	55,327
Assets under R7500	-	4,025
Bank charges	5,720	4,581
Commission paid	-	30,325
Computer expenses	1,599	1,599
Consulting fees	48,404	13,575
Depreciation - Tangible assets	16,986	16,986
Donations	69,776	269,030
Entertainment	2,000	2,606
Fuel	3,473	-
General expenses	-	4,869
Insurance	5,875	3,849
Legal expense	31,926	-
Motor vehicle expense	-	95
Office expenses	11,814	-
Postage	6,536	972
Project cost: Astra Special School	161,190	-
Rent paid	90,360	-
Repairs and maintenance	10	-
Salaries	1,026,338	726,441
Travel - local	33,099	-
Workmens Compensation	2,330	-
Net profit	101,150	1,094,448
Taxation	-	-
Net profit after tax	101,150	1,094,448

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Detailed Income Statement - Academy

Figures in R	2024	2023
Income	320,671	594,901
Donations	209,127	503,555
Sailing days: Private	58,094	53,031
Merchandise sales	49,450	38,315
Sponsorships	4,000	-
Cost of Sales	511,198	346,831
Purchases	511,198	346,831
Gross (loss) / profit	(190,527)	248,070
Expenditure	205,816	181,062
General expenses	-	11,526
Lease rental on operating lease	131,074	122,048
Assets under R7500	699	-
Office expenses	20,893	-
Setup costs	8,067	12,258
Printing and stationery	-	4,998
Repairs and maintenance	8,360	2,300
Salaries	13,650	-
Training	23,073	9,490
Travel - local	-	18,442
Net (loss) / profit	(396,343)	67,008
Taxation	-	-
Net profit / (loss) after tax	(396,343)	67,008