

**INFINITE FAMILY SOUTH AFRICA TRUST
TRUST NUMBER 2515/2010**

**FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 MARCH 2012**

**INFINITE FAMILY SOUTH AFRICA TRUST
TRUST NUMBER 2515/2010**

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FOR THE PERIOD ENDED 31 MARCH 2012**

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**INFINITE FAMILY SOUTH AFRICA TRUST
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TRUSTEES' RESPONSIBILITIES AND APPROVAL

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

The trustees are required by the Trust Property Control Act, 1988, and the trust deed, 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 year then ended, in conformity with its accounting policies. The external auditors are engaged to express an independent opinion on the annual financial statements.

The financial statements are prepared in accordance with the trust's accounting policies and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The trustees acknowledge that they are ultimately responsible for the system of internal financial controls established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board of trustees sets out 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 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 controls provides reasonable assurance that the financial records may be relied on for the presentation 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 31st March 2013 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.

Although the board of trustees is primarily responsible for the financial affairs of the trust, it is supported by the trust's external auditors.

The external auditors are responsible for independently reviewing 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 2 and 3.

The financial statements set out on pages 4 to 13, were approved by the board of trustees on the 30th November 2012 and were signed on its behalf by:

INFINITE FAMILY SOUTH AFRICA TRUST
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STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2012

	Note	2012 R
ASSETS		508 662
Current assets		508 662
Cash and cash equivalents	2	508 662
Total assets		508 662
RESERVES AND LIABILITIES		508 662
Reserves		495 807
Trust capital		100
Accumulated fund		495 707
Current liabilities		12 855
Accounts payable	3	12 855
Deferred income	4	-
Total reserves and liabilities		508 662

**INFINITE FAMILY SOUTH AFRICA TRUST
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2012**

	Note	8 Months to 31/3/2012 R
INCOME		892 796
Grants and donations	5	892 516
Interest received	6	280
EXPENDITURE		397 089
Accounting fees		1 500
Assets expensed directly		3 657
Bank charges		3 784
Consulting fees		5 000
Grants distributed	7	62 250
Office supplies		2 523
Programme costs		11 589
Repairs and maintenance		1 440
Salaries and contributions		292 605
Telephone and internet		8 545
Travel and accommodation		4 196
SURPLUS FOR THE PERIOD		495 707

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**STATEMENT OF CHANGES IN RESERVES
FOR THE PERIOD ENDED 31 MARCH 2012**

	Trust Capital R	Accumulated Fund R	Total R
Issue of trust capital	100	-	100
Net surplus for the period	-	495 707	495 707
Balance at 31 March 2012	100	495 707	495 807

**INFINITE FAMILY SOUTH AFRICA TRUST
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**STATEMENT OF CASH FLOWS FOR THE
PERIOD ENDED 31 MARCH 2012**

	Note	8 Months to 31//3/2012 R
Cash received from donors		892 516
Cash expended on programmes, suppliers and employees		(384 234)
		<hr/>
Cash generated from/(utilised in) operations	9	508 282
Interest received		280
		<hr/>
Net cash inflow/(outflow) from operating activities		508 562
Cash flows generated from/(utilised in) investing activities		-
Cash flows generated from/(utilised in) financing activities		100
		<hr/>
Net increase in cash and cash equivalents		508 662
Cash and cash equivalents at beginning of period		-
		<hr/>
Cash and cash equivalents at end of period	2	508 662
		<hr/> <hr/>

**INFINITE FAMILY SOUTH AFRICA TRUST
TRUST NUMBER 2515/2010**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2012**

1. ACCOUNTING POLICIES

The financial statements are prepared on the historical cost basis, except for financial instruments as indicated below. The financial statements incorporate the following principal accounting policies set out below :-

1.1 Accounting convention

The trust is registered with the Master of the High Court under the Trust Property Control Act, 1988, and, as such no part of its income or property shall be transferred to its trustees directly or indirectly. All reserves of the trust are consequently non-distributable.

1.2 Financial instruments

Measurement

Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to initial recognition, these instruments are measured as set out below:

Accounts receivable

Accounts receivables and accrued income are stated at cost less provision for impairment losses.

Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

Accounts payable

Accounts payable which are short - term obligations, are stated at their nominal value.

1.3 Income recognition

Income from grants is generally brought to account in the period to which it relates.

All other income is brought to account as and when received.

1.4 Interest income

Interest is brought to account as and when received.

**INFINITE FAMILY SOUTH AFRICA TRUST
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 MARCH 2012 (Continued)**

1. ACCOUNTING POLICIES (Continued)

1.5 Expenditure recognition

Expenditure is accounted for on the accrual basis.

1.6 Project accounting and expense allocation

In terms of its contractual obligations to donors, the trust's policy is to allocate project expenses that are clearly identifiable as such, directly against project funds. Indirect and shared costs are apportioned on the basis of management estimates.

Accrued and deferred grant income is based on the balance of each project or donor fund after taking into account the direct, indirect and shared costs as described above. The unexpended surplus of the project fund is deferred to the following year or the deficit is accrued in the year under review.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 MARCH 2012 (Continued)

	31/3/2012 R
2. CASH AND CASH EQUIVALENTS	
Nedbank - call account	500 381
Petty cash	8 281
	<u>508 662</u>
3. ACCOUNTS PAYABLE	
Accruals	12 855
Payroll liabilities	-
	<u>12 855</u>
4. DEFERRED INCOME	
BT Comms	-
US Non profits	-
	<u>-</u>
	8 Months to 31/3/2012 R
5. GRANTS AND DONATIONS	
Corporations	500 000
BT Comms	490 000
Zebra Square (Pty) Ltd	10 000
US Non profits	392 516
	<u>892 516</u>
6. NET INTEREST RECEIVED	
Interest received - call account	<u>280</u>
7. GRANTS DISTRBUTED	
Nkosi's Haven	49 050
Tsogang Sechaba	13 200
	<u>62 250</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 MARCH 2012 (Continued)**

**8 Months
to
31/3/2012
R**

8. TAXATION

No provision has been made for taxation as the Trust is exempt from South African Normal tax in terms of section 10(1)(cN) as read with Section 30 of the Income Tax Act.

9. CASH GENERATED FROM OPERATIONS

Surplus for the period	495 707
Adjusted for :	
Interest received	(280)
Increase/(decrease) in deferred income	-
Operating surplus before working capital changes	495 427
Working capital changes	12 855
Increase in accounts payable	12 855
	508 282

10. GOING CONCERN

The existence of the trust is dependent on the continued support of its donors, by way of grants. Should the grants be withdrawn it is highly unlikely that the trust will be able to continue as a going concern. Donors have agreed to continue supporting the trust in 2013.

11. FINANCIAL RISK

11.1 Currency risk

The trust is exposed to currency risk to the extent that some grants are received by the trust in foreign currency.

11.2 Interest rate risk

The trust is exposed to interest rate risk, as it places funds at both fixed and floating interest rates. The risk is managed by maintaining an appropriate mix between fixed and floating rates and placings within market expectations.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 MARCH 2012 (Continued)**

11. FINANCIAL RISK (Continued)

11.3 Credit risk

The trust's credit risk is attributable to liquid funds. The credit risk on liquid funds is limited because the counter party is a bank with credit rating assigned by international credit-rating agencies. The trust has no significant concentration of credit risk.

14.4 Liquidity risk

The trust manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash reserves are maintained.