

**Afristar Foundation**  
(Registration number 2003/007366/08)  
**Annual financial statements**  
**for the year ended 30 April 2007**

# Afristar Foundation

(Registration number 2003/007366/08)

Annual Financial Statements for the year ended 30 April 2007

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Non Governmental Organisation
<b>Directors</b>	David Rosmarin Nicholas Heinamann John Nzira Nicolette Brouwer
<b>Business address</b>	41 Gleneagles Road Greenside Johannesburg 2193
<b>Postal address</b>	P.O Box 84699 Greenside Johannesburg 2034
<b>Bankers</b>	The Nedbank of South Africa
<b>Auditors</b>	ETA Auditing Incorporated Chartered Accountants (S.A.)
<b>Company registration number</b>	2003/007366/08

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

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## **Report of the Independent Auditors**

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### **To the shareholder of Afristar Foundation**

We have audited the annual financial statements of Afristar Foundation set out on pages 5 to 11 for the year ended 30 April 2007. These annual financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these annual financial statements based on our audit.

### **Scope**

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the annual financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

### **Opinion**

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the company at 30 April 2007 and the results of its operations and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa, 1973.

### **Supplementary information**

We draw your attention to the fact that with the supplementary information set out on page 12 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

**ETA Auditing Incorporated  
Chartered Accountants (S.A.)**

**Per: Jacques Theron**

# **Afristar Foundation**

(Registration number 2003/007366/08)

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## **Directors' Responsibilities and Approval**

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The directors are required by the Companies Act of South Africa, 1973, 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 company 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 South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors 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 directors have reviewed the company's cash flow forecast for the year to 30 April 2008 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

Although the board of directors are primarily responsible for the financial affairs of the company, they are supported by the company's external auditors.

The external auditors are responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 3.

The annual financial statements set out on pages 5 to 12, which have been prepared on the going concern basis, were approved by the board of directors on 01 March 2007 and were signed on its behalf by:

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**Nicholas Heinemann**

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**John Nzira**

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**David Rosmarin**

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**Nicolette Brouwer**

# Afristar Foundation

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## Directors' Report

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The directors submit their report for the year ended 30 April 2007.

### 1. Review of activities

#### Main business and operations

The company is a non governmental organisation and operates principally in South Africa.

During the year there were no major changes in the activities of the business.

The operating results and state of affairs of the company are fully set out in the attached annual 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.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the company..

### 3. Post balance sheet events

The directors are not aware of any matter or circumstance arising since the end of the financial year.

### 4. Authorised and issued share capital

There were no changes in the authorised or issued share capital of the company during the year under review.

### 5. Borrowing limitations

In terms of the Articles of association of the foundation the members may exercise all the powers of the foundation to borrow money, as they consider appropriate.

### 6. Members

The members of the company during the year and to the date of this report are as follows:

Name	Nationality
David Rosmarin	South African
Nicholas Heinamann	South African
John Nzira	South African
Nicolette Brouwer	South African

### 7. Secretary

The secretary of the company is ETA Auditing Incorporated.

### 8. Auditors

ETA Auditing Incorporated will continue in office in accordance with section 270(2) of the Companies Act.

# Afristar Foundation

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Annual Financial Statements for the year ended 30 April 2007

## Balance Sheet

Figures in Rand	Note(s)	2007	2006
<b>Assets</b>			
Current Assets			
Other financial assets	2	30,000	-
Cash and cash equivalents	3	39,476	35,613
		<b>69,476</b>	<b>35,613</b>
<b>Total Assets</b>		<b>69,476</b>	<b>35,613</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		41,417	12,053
<b>Liabilities</b>			
Non-Current Liabilities			
Other financial liabilities	4	9,083	9,083
Current Liabilities			
Trade and other payables	5	18,976	14,477
<b>Total Liabilities</b>		<b>28,059</b>	<b>23,560</b>
<b>Total Equity and Liabilities</b>		<b>69,476</b>	<b>35,613</b>

# Afristar Foundation

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Annual Financial Statements for the year ended 30 April 2007

## Income Statement

Figures in Rand	Note(s)	2007	2006
Revenue	6	174,717	320,780
Operating expenses		(145,353)	(297,904)
<b>Operating profit</b>		<b>29,364</b>	<b>22,876</b>
<b>Profit for the period</b>		<b>29,364</b>	<b>22,876</b>



## Afristar Foundation

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### Statement of Changes in Equity

Figures in Rand	Share capital	Retained income	Total equity
<b>Balance at 01 May 2005</b>	-	<b>(10,823)</b>	<b>(10,823)</b>
Changes in equity			
Profit for the year		22,876	22,876
Total changes	-	22,876	22,876
<b>Balance at 01 May 2006</b>	-	<b>12,053</b>	<b>12,053</b>
Changes in equity			
Profit for the year		29,364	29,364
Total changes	-	29,364	29,364
<b>Balance at 30 April 2007</b>	-	<b>41,417</b>	<b>41,417</b>
Note(s)			

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## Cash Flow Statement

Figures in Rand	Note(s)	2007	2006
<b>Cash flows from operating activities</b>			
Cash generated from operations	7	33,863	37,353
<b>Cash flows from investing activities</b>			
Sale of financial assets		(30,000)	-
<b>Net cash from investing activities</b>		<b>(30,000)</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Repayment of other financial liabilities		-	9,083
<b>Net cash from financing activities</b>		<b>-</b>	<b>(1,740)</b>
<b>Total cash movement for the period</b>		<b>3,863</b>	<b>35,613</b>
Cash at the beginning of the period		35,613	-
<b>Total cash at end of the period</b>	3	<b>39,476</b>	<b>35,613</b>

# Afristar Foundation

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Annual Financial Statements for the year ended 30 April 2007

## Accounting Policies

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### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice, and the Companies Act of South Africa, 1973. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

## Notes to the Annual Financial Statements

Figures in Rand	2007	2006
<b>2. Other financial assets</b>		
<b>Loans and receivables</b>		
Loans - Paul Barker	30,000	-
Loan to be repaid from EU contract work		
	<hr/>	
<b>Current assets</b>		
Loans and receivables	30,000	-
	<hr/>	
<b>3. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Bank balances	39,476	35,613
	<hr/>	
<b>4. Other financial liabilities</b>		
<b>Held at amortised cost</b>		
Members Loans	9,083	9,083
The loans are unsecured, interest-free and no repayment terms have been specified.		
	<hr/>	
<b>Non-current liabilities</b>		
At amortised cost	9,083	9,083
	<hr/>	
<b>5. Trade and other payables</b>		
Trade payables	12,476	12,477
Accrued expenses	6,500	2,000
	<hr/>	
	<b>18,976</b>	<b>14,477</b>

## Afristar Foundation

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### 6. Revenue

Income received	174,717	320,780
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**The amount included in revenue arising from exchanges of goods or services included in revenue are as follows:**

Medicinal Edible Gardens Association	10,500	-
Jewish National Fund	1,227	250
Warwick Sport & Media	3,630	-
Marginalised Community Fund	159,360	-
University of Pretoria	-	6,810
Lesheba Venda Arts	-	4,217
Hewlett Packard RSA	-	259,503
Nedbank Foundation	-	50,000
	<b>174,717</b>	<b>320,780</b>

### 7. Cash generated from operations

Profit before taxation	29,364	22,876
<b>Changes in working capital:</b>		
Trade and other payables	4,499	14,477

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## Detailed Income Statement

Figures in Rand	Note(s)	2007	2006
<b>Revenue</b>			
Income received		174,717	320,780
<b>Operating expenses</b>			
Accounting fees		(4,116)	-
Administration and management fees		(500)	-
Advertising		(2,500)	(1,246)
Auditors remuneration		(4,500)	(4,000)
Bank charges		(760)	(1,194)
Consumables		(3,360)	(34,918)
Donations		(3,000)	-
Gifts		(6,582)	(26,080)
Hire		-	(13,771)
Levies		-	(500)
Other expenses		-	(262)
Repairs and maintenance		(1,050)	(15,889)
Security		(4,165)	(13,070)
Staff training & project planning		(90,859)	(144,328)
Subscriptions		(863)	-
Travel - local		(23,098)	(42,346)
Utilities		-	(300)
		<b>(145,353)</b>	<b>(297,904)</b>
<b>Profit for the period</b>		<b>29,364</b>	<b>22,876</b>