

Afristar Foundation
(Registration number 2003/007366/08)
Annual financial statements
for the year ended 30 April 2009

Afristar Foundation

(Registration number 2003/007366/08)

Annual Financial Statements for the year ended 30 April 2009

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Section 18A Company - Public Benefit Organisation Number 930017023
Directors	David Rosmarin Nicholas Heinamann John Nzira Nicolette Brouwer
Postal address	PO Box 68562 Bryanston 2021
Bankers	Nedbank Limited
Auditors	ETA Auditing Incorporated Chartered Accountants (S.A.) Registered Auditor
Company registration number	2003/007366/08

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

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The following supplementary information does not form part of the annual financial statements and is unaudited:

Report of the Independent Auditors

To the directors of Afristar Foundation

We have audited the accompanying annual financial statements of Afristar Foundation, which comprise the directors' report, the balance sheet as at 30 April 2009, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 5 to 12.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa, 1973. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the company as of 30 April 2009, and of its financial performance and its 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 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
Registered Auditor
J.P Theron (CA) SA

14 October 2009

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Directors' Responsibilities and Approval

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 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 2010 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.

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 on 14 October 2009 and were signed on its behalf by:

Nicholas Heinemann

David Rosmarin

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Directors' Report

The directors submit their report for the year ended 30 April 2009.

1. Review of activities

Main business and operations

The company is engaged in section 18a company - public benefit organisation number 930017023 and operates principally in South Africa.

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.

Net profit of the company was R 234,712 (2008: loss R 23,470), after taxation of R - (2008: R -).

2. Post balance sheet events

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

3. Directors

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

Name
David Rosmarin
Nicholas Heinamann
John Nzira
Nicolette Brouwer

4. Auditors

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

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Balance Sheet

Figures in Rand	Note(s)	2009	2008
Assets			
Non-Current Assets			
Property, plant and equipment	2	10,420	-
Current Assets			
Cash and cash equivalents	4	255,742	31,030
Total Assets		266,162	31,030
Equity and Liabilities			
Equity			
Retained income		252,659	17,947
Liabilities			
Non-Current Liabilities			
Other financial liabilities	5	9,503	9,083
Current Liabilities			
Trade and other payables	6	4,000	4,000
Total Liabilities		13,503	13,083
Total Equity and Liabilities		266,162	31,030

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Income Statement

Figures in Rand	Note(s)	2009	2008
Revenue			
Grants Received		895,118	624,169
Interest received (trading)		1,871	-
	7	896,989	624,169
Other income			
Interest received		15,658	-
Operating expenses			
Accounting fees		792	7,230
Administration and management fees		71,715	10,450
Project Expenditure		252,991	105,824
Auditors remuneration	8	4,000	4,000
Bank charges		1,976	1,116
Computer expenses		3,000	-
Consulting and professional fees		40,977	201,000
Consumables		1,535	21,381
Depreciation, amortisation and impairments		1,680	-
General Expenses		9,090	3,004
Licences		-	2,920
Fines and penalties		-	300
Gifts		-	523
Hire of Equipment		-	1,965
Postage		-	307
Printing and stationery		1,047	5,101
Repairs and maintenance		-	11,246
Training		275,557	204,745
Travel - local		13,575	66,527
		677,935	647,639
Profit (loss) for the year		234,712	(23,470)

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Statement of Changes in Equity

Figures in Rand	Share capital	Retained income	Total equity
Balance at 01 May 2007	-	41,417	41,417
Changes in equity			
Loss for the year	-	(23,470)	(23,470)
Total changes	-	(23,470)	(23,470)
Balance at 01 May 2008	-	17,947	17,947
Changes in equity			
Profit for the year	-	234,712	234,712
Total changes	-	234,712	234,712
Balance at 30 April 2009	-	252,659	252,659

Note(s)

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Cash Flow Statement

Figures in Rand	Note(s)	2009	2008
Cash flows from operating activities			
Cash generated from (used in) operations	9	220,734	(38,446)
Interest income		15,658	-
Net cash from operating activities		236,392	(38,446)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(12,100)	-
Sale of financial assets		-	30,000
Net cash from investing activities		(12,100)	30,000
Cash flows from financing activities			
Repayment of other financial liabilities		420	-
Net cash from financing activities		420	-
Total cash movement for the year		224,712	(8,446)
Cash at the beginning of the year		31,030	39,476
Total cash at end of the year	4	255,742	31,030

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Accounting Policies

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.

1.1 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

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Notes to the Annual Financial Statements

Figures in Rand 2009 2008

2. Property, plant and equipment

	2009			2008		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
IT equipment	12,100	(1,680)	10,420	-	-	-

Reconciliation of property, plant and equipment - 2009

	Opening Balance	Additions	Depreciation	Total
IT equipment	-	12,100	(1,680)	10,420

3. Other financial assets

For debt securities classified as at fair value through profit or loss, the maximum exposure to credit risk at the reporting date is the carrying amount.

There were no gains or losses realised on the disposal of held to maturity financial assets in 2009 and 2008, as all the financial assets were disposed of at their redemption date.

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Investment Account	220,658	-
Current Account	907	31,030
Money Market Account	34,177	-
	255,742	31,030

5. Other financial liabilities

Held at amortised cost

Members Loan	9,503	9,083
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This loan bears no interest, is unsecured and has no fixed terms of repayment.

Non-current liabilities

At amortised cost	9,503	9,083
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6. Trade and other payables

Accrued audit fees	4,000	4,000
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7. Revenue

Grants Received	895,118	624,169
Interest received (trading)	1,871	-
	896,989	624,169

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Figures in Rand	2009	2008
7. Revenue (continued)		
The amounts included in revenue arising from exchanges of goods or services included in revenue are as follows:		
National Lottery Development Trust Fund	407,985	-
SEED	58,417	-
LCDT	341,060	-
Paul Heinaman	10,000	-
John Rosmarin	6,000	-
Tecovas	35,711	-
Misc	100	-
JNF	7,944	-
Rescope	27,900	-
	895,117	-
8. Auditors' remuneration		
Fees	4,000	4,000
9. Cash generated from (used in) operations		
Profit (loss) before taxation	234,712	(23,470)
Adjustments for:		
Depreciation and amortisation	1,680	-
Interest received	(15,658)	-
Changes in working capital:		
Trade and other payables	-	(14,976)
	220,734	(38,446)