

**UBUNTU FOOTBALL TRUST**  
**(Registration number IT299/2011)**  
**Trading as Ubuntu Football Trust**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 29 FEBRUARY 2020**

**UBUNTU FOOTBALL TRUST**  
**Trading as Ubuntu Football Trust**  
**Annual Financial Statements for the year ended 29 February 2020**  
**General Information**

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<b>Country of incorporation and domicile</b>	South Africa
<b>Trustees</b>	M C Jenkins O P Cunningham R C Prince
<b>Registered office</b>	45 Lekkerwater Road Capri Cape town 7475
<b>Bankers</b>	Nedbank Limited First National Bank Limited
<b>Auditors</b>	Mazars Registered Auditor
<b>Trust registration number</b>	IT299/2011
<b>Level of assurance</b>	These annual financial statements have been audited in compliance with the applicable requirements of the Trust Property Control Act 57 of 1988.
<b>Preparer</b>	The annual financial statements were independently compiled by: David Resnick Chartered Accountant (SA)
<b>Issued</b>	27 August 2021

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

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**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 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 period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

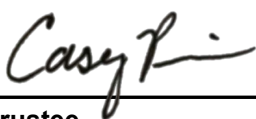
The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board of trustees sets standards 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 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 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 trustees have reviewed the trust's cash flow forecast for the year to 28 February 2021 and, in the light of this review and the current financial position, they are satisfied that the trust has access to adequate resources in order to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the trust's annual financial statements. The annual financial statements have been examined by the trust's external auditors and their report is presented on page 4.

The annual financial statements set out on pages 7 to 19, which have been prepared on the going concern basis, were approved by the board of trustees on 27 August 2021 and were signed by them:



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Trustee



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Trustee

## Independent Auditor's Report

29 February 2020

To the Trustees of Ubuntu Football Trust

### Report on the Audit of the Annual Financial Statements

#### Opinion

We have audited the financial statements of Ubuntu Football Trusts set out on pages 8 to 19, which comprise the statement of financial position as at 29 February 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* paragraph, the annual financial statements present fairly, in all material respects, the financial position of Ubuntu Football Trust as at 29 February 2020, 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.

#### Basis for Qualified Opinion

Comparatives presented in these financial statements are those figures reported in the previous year's financial statements. We issued a disclaimer of opinion on the statement of financial performance and statement of cash flows for the previous financial year based on our inability to obtain the required assurance over the opening balances that factored into the statement of financial performance and statement of cash flows for the 2019 financial year.

We were unable to obtain sufficient appropriate audit evidence through alternative means to satisfy ourselves as to the reliability of the earliest reported accumulated surplus balance as at 1 March 2018 included in the statement of changes in equity. Furthermore, our opinion on the statement of financial performance and statement of cash flows is modified because of the possible effect of this matter on the comparability of the current and prior period statement of financial performance and statement of cash flows. This matter does not impact our opinion on the statement of financial position.

### *Revenue*

Furthermore, to the qualification in regards of comparability, cash donations are a source of fundraising revenue for Ubuntu Football Trust. The trustees have determined that it is impracticable to establish internal controls over the collection of cash donations prior to the initial entry into its financial records and we are therefore unable to confirm whether all cash donations were recorded.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Other Information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "Ubuntu Football Trust Annual Financial Statements for the year ended 29 February 2020", which includes the Trustees' Report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Trustees for the Financial Statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities, and the requirements of the Companies Act of South Africa, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

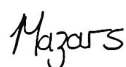
## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Mazars**

**Partner: Nico Jansen**

**Registered Auditor**

**27 August 2021**

**Cape Town**

**UBUNTU FOOTBALL TRUST**  
**Trading as Ubuntu Football Trust**  
**Annual Financial Statements for the year ended 29 February 2020**  
**Trustees' Report**

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The trustees have pleasure in submitting their report on the annual financial statements of Ubuntu Football Trust and its associates for the year ended 29 February 2020.

**1. Nature of trust**

Ubuntu Football Trust was formed in South Africa with the main objective to facilitate the education and development of South African sporting youth of school-going age from mainly disadvantaged, poor or needy backgrounds so that they can achieve a fully rounded education at schools (as defined in the South African Schools Act), and be assisted to achieve excellence in football.

There have been no material changes to the nature of the trust's business from the prior year.

**2. Review of financial results and activities**

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the trust are set out in these annual financial statements and do not, in our opinion require further explanation.

**3. Trustees**

The trustees in office at the date of this report are as follows:

**Trustees**

M C Jenkins  
O P Cunningham  
R C Prince

**4. Events after the reporting period**

Subsequent to 29 February 2020, the trust has assessed the impact of COVID-19 on the annual financial statements and considered the potential impact on the trust. As at the date of approving these annual financial statements, the trustees have assessed that there is no material impact on the annual financial statements for the year ended 29 February 2020. The trustees will continue to assess the financial impact of COVID-19 while placing the health and safety of employees.

The trustees are not aware of any material event which occurred after the reporting date and up to the date of this report.

**5. Going concern**

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future, including specific consideration of the risk associated with COVID-19. Accordingly the annual financial statements have been prepared on a going concern basis.

The trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient income from donors to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the trust.

**6. Auditors**

Mazars continued in office as auditors for the trust for 2020.



**UBUNTU FOOTBALL TRUST**  
**Trading as Ubuntu Football Trust**  
**Annual Financial Statements for the year ended 29 February 2020**  
**Statement of Financial Position**

<b>Figures in Rand</b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	2,574,095	2,616,469
<b>Current Assets</b>			
Trade and other receivables	4	15,076	11,076
Cash and cash equivalents	5	1,364,273	-
		<b>1,379,349</b>	<b>11,076</b>
<b>Total Assets</b>		<b>3,953,444</b>	<b>2,627,545</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Trust capital	6	100	100
Accumulated surplus		3,456,750	1,991,101
		<b>3,456,850</b>	<b>1,991,201</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Other financial liabilities	7	200,000	-
Finance lease liabilities	8	95,748	176,194
		<b>295,748</b>	<b>176,194</b>
<b>Current Liabilities</b>			
Loan from group company	9	66,067	51,067
Trade and other payables	10	134,779	376,871
Bank overdraft	5	-	32,212
		<b>200,846</b>	<b>460,150</b>
<b>Total Liabilities</b>		<b>496,594</b>	<b>636,344</b>
<b>Total Equity and Liabilities</b>		<b>3,953,444</b>	<b>2,627,545</b>

**UBUNTU FOOTBALL TRUST**  
**Trading as Ubuntu Football Trust**  
**Annual Financial Statements for the year ended 29 February 2020**  
**Statement of Comprehensive Income**

<b>Figures in Rand</b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>
Revenue	11	6,046,048	4,140,671
Operating expenses		(4,512,346)	(4,545,753)
<b>Operating surplus (deficit)</b>	12	<b>1,533,702</b>	<b>(405,082)</b>
Finance costs	14	(68,053)	(44,088)
<b>Surplus (deficit) for the year</b>		<b>1,465,649</b>	<b>(449,170)</b>

**UBUNTU FOOTBALL TRUST**  
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**Statement of Changes in Equity**

	Trust capital	Foreign currency translation reserve	Accumulated surplus	Total equity
<b>Figures in Rand</b>				
Balance at 01 March 2018	100	-	2,440,271	2,440,371
Deficit for the year	-	-	(449,170)	(449,170)
Balance at 01 March 2019	100	-	1,991,101	1,991,201
Surplus for the year	-	-	1,465,649	1,465,649
Balance at 29 February 2020	100	-	3,456,750	3,456,850
Note	6			

**UBUNTU FOOTBALL TRUST**  
**Trading as Ubuntu Football Trust**  
**Annual Financial Statements for the year ended 29 February 2020**  
**Statement of Cash Flows**

<b>Figures in Rand</b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>
<b>Cash flows from operating activities</b>			
Cash generated from (used in) operations	16	<u>1,353,759</u>	<u>(81,010)</u>
<b>Cash flows from investing activities</b>			
Loans advanced to group companies		15,000	-
Repayment of loan from group company		<u>-</u>	<u>(212,843)</u>
<b>Net cash from investing activities</b>		<b><u>15,000</u></b>	<b><u>(212,843)</u></b>
<b>Cash flows from financing activities</b>			
Finance lease payments		(104,221)	(103,600)
Interest paid		<u>(68,053)</u>	<u>(44,088)</u>
<b>Net cash from financing activities</b>		<b><u>27,726</u></b>	<b><u>(147,688)</u></b>
<b>Total cash movement for the year</b>		<b>1,396,485</b>	<b>(441,541)</b>
Cash at the beginning of the year		<u>(32,212)</u>	<u>409,329</u>
<b>Total cash at end of the year</b>	5	<b><u>1,364,273</u></b>	<b><u>(32,212)</u></b>

**UBUNTU FOOTBALL TRUST**  
**Trading as Ubuntu Football Trust**  
**Annual Financial Statements for the year ended 29 February 2020**  
**Accounting Policies**

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**1. Basis of preparation and summary of significant accounting policies**

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

**1.1 Property, plant and equipment**

Property, plant and equipment are tangible assets which the trust holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes 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.

Expenditure incurred subsequently for major services, additions to, or replacements of, parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the trust and the cost can be measured reliably. Day to day servicing costs are included in surplus or deficit in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the trust.

The useful lives of items of property, plant and equipment have been assessed as follows:

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<b>Item</b>	<b>Depreciation method</b>	<b>Average useful life</b>
Buildings	Straight line	50 years

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When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

**UBUNTU FOOTBALL TRUST**  
**Trading as Ubuntu Football Trust**  
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**Accounting Policies**

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## **1.2 Financial instruments**

### **Initial measurement**

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

### **Financial instruments at amortised cost**

These include loans, trade receivables, trade payables and cash and cash equivalents. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

## **1.3 Tax**

### **Current tax assets and liabilities**

The organisation is a registered Public Benefit Organisation and as a result is exempt from paying income tax in terms of section 30(3) of the Income Tax Act No. 58 of 1962.

## **1.4 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

### **Operating leases – lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

## **1.5 Impairment of assets**

The trust assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

**UBUNTU FOOTBALL TRUST**  
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**Accounting Policies**

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**1.6 Employee benefits**

**Short-term employee benefits**

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the related service is rendered and are not discounted.

**1.7 Revenue**

Revenue is recognised once donations are received.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

**UBUNTU FOOTBALL TRUST**  
**Trading as Ubuntu Football Trust**  
**Annual Financial Statements for the year ended 29 February 2020**  
**Notes to the Annual Financial Statements**

Figures in Rand	2020	2019
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**2. Property, plant and equipment**

	2020			2019		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	1,893,164	-	1,893,164	1,893,164	-	1,893,164
Buildings	518,400	(68,469)	449,931	518,400	(59,095)	459,305
Motor vehicles	330,000	(99,000)	231,000	330,000	(66,000)	264,000
<b>Total</b>	<b>2,741,564</b>	<b>(167,469)</b>	<b>2,574,095</b>	<b>2,741,564</b>	<b>(125,095)</b>	<b>2,616,469</b>

**Reconciliation of property, plant and equipment - 2020**

	Opening balance	Depreciation	Closing balance
Land	1,893,164	-	1,893,164
Buildings	459,305	(9,374)	449,931
Motor vehicles	264,000	(33,000)	231,000
	<b>2,616,469</b>	<b>(42,374)</b>	<b>2,574,095</b>

**Reconciliation of property, plant and equipment - 2019**

	Opening balance	Depreciation	Closing balance
Land	1,893,164	-	1,893,164
Buildings	468,679	(9,374)	459,305
Motor vehicles	297,000	(33,000)	264,000
	<b>2,658,843</b>	<b>(42,374)</b>	<b>2,616,469</b>

**Property, plant and equipment encumbered as security**

Refer to note 8 for details of property, plant and equipment encumbered as security for borrowings.

**3. Investments in subs**

Name of subsidiary	% holding 2020	% holding 2019	Carrying amount 2020	Carrying amount 2019
Ubuntu Football Club	50.00 %	50.00 %	-	-

The entity is incorporated in South Africa and share the year end of the trust.

The carrying amounts of the subsidiary is shown net of any impairment losses.

**4. Trade and other receivables**

Trade receivables	4,000	-
Deposits	11,076	11,076
	<b>15,076</b>	<b>11,076</b>



**UBUNTU FOOTBALL TRUST**  
**Trading as Ubuntu Football Trust**  
**Annual Financial Statements for the year ended 29 February 2020**  
**Notes to the Annual Financial Statements**

Figures in Rand	2020	2019
<b>5. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Bank balances	1,364,273	-
Bank overdraft	-	(32,212)
	<u>1,364,273</u>	<u>(32,212)</u>
Current assets	1,364,273	-
Current liabilities	-	(32,212)
	<u>1,364,273</u>	<u>(32,212)</u>
<b>6. Trust capital</b>		
<b>Trust capital</b>		
Balance at beginning of year	<u>100</u>	<u>100</u>
<b>7. Other financial liabilities</b>		
<b>At amortised cost</b>		
M Edwards	200,000	-
The loan is unsecured, interest free and has no specified repayment terms.		
<b>Non-current liabilities</b>		
At amortised cost	<u>200,000</u>	<u>-</u>
<b>8. Finance lease liabilities</b>		
<b>Minimum lease payments which fall due</b>		
- within one year	102,657	104,221
- in second to fifth year inclusive	-	102,657
	<u>102,657</u>	<u>206,878</u>
Less: future finance charges	(6,909)	(30,684)
<b>Present value of minimum lease payments</b>	<u><b>95,748</b></u>	<u><b>176,194</b></u>

The average lease term is 4 years (2019:4 years) and the average effective borrowing rate is 7% (2019: 7%).

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for renewal clauses, purchase options, escalation clauses, contingent rent or subleases. There are no restrictions imposed by the leases.

The trust's obligations under finance leases are secured by the leased assets. Refer note 2.

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Figures in Rand	2020	2019
<b>9. Loan from group company</b>		
<b>Subsidiary</b>		
Ubuntu Football Club	66,067	51,067
The loan is unsecured, interest free and has no specified repayment terms.		
<b>Net Loan from group company</b>		
Current liabilities	66,067	51,067
	<b>66,067</b>	<b>51,067</b>
<b>10. Trade and other payables</b>		
Trade payables	100,453	292,908
Other accrued expenses	34,326	83,963
	<b>134,779</b>	<b>376,871</b>
<b>11. Revenue</b>		
Donations received	6,046,048	4,140,671
<b>12. Operating surplus (deficit)</b>		
Operating surplus (deficit) for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Premises		
• Contractual amounts	344,996	373,036
Depreciation on property, plant and equipment	42,374	42,374
Employee costs	2,505,675	1,695,748
Entertainment	398,307	461,495
Insurance	66,483	96,607
Medical expenses	55,862	45,202
Motor vehicle expenses	101,857	80,540
Repairs and maintenance	29,194	32,000
Student Education	443,530	1,022,898
Telephone and fax	55,712	50,270
Training	35,018	65,608
Travel - local	105,923	221,386
Uniforms	57,922	156,754
Utilities	76,635	71,859
<b>13. Employee cost</b>		
<b>Employee costs</b>		
<b>Short term</b>		
Basic	2,505,675	1,695,748

**UBUNTU FOOTBALL TRUST**  
**Trading as Ubuntu Football Trust**  
**Annual Financial Statements for the year ended 29 February 2020**  
**Notes to the Annual Financial Statements**

Figures in Rand	2020	2019
<b>14. Finance costs</b>		
Bank	68,053	44,088
<b>15. Taxation</b>		
No provision has been made for 2020 tax as the trust is tax exempt.		
<b>16. Cash generated from (used in) operations</b>		
Surplus (deficit) before taxation	1,465,649	(449,170)
<b>Adjustments for:</b>		
Depreciation and amortisation	42,374	42,374
Finance costs	91,828	44,088
<b>Changes in working capital:</b>		
Trade and other receivables	(4,000)	-
Trade and other payables	(242,092)	281,698
	<b>1,353,759</b>	<b>(81,010)</b>
<b>17. Related parties</b>		
Relationships		
Subsidiary	Ubuntu Football Club	
<b>Related party balances and transactions with entities over which the trust has control, joint control or significant influence</b>		
<b>Related party balances</b>		
<b>Loan accounts - Owing to related party</b>		
Ubuntu FC	66,067	51,067
<b>Amounts included in Other financial liabilities</b>		
Mark	200,000	-
<b>18. Categories of financial instruments</b>		
<b>Debt instruments at amortised cost</b>		
Trade and other receivables	15,076	11,076
Cash and cash equivalents	1,364,273	-
	<b>1,379,349</b>	<b>11,076</b>
<b>Financial liabilities at amortised cost</b>		
Loan from group company	66,067	51,067
Loans	200,000	-
Trade and other payables	100,454	292,908
Bank overdraft	-	32,212
	<b>366,521</b>	<b>376,187</b>

**UBUNTU FOOTBALL TRUST**  
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**Annual Financial Statements for the year ended 29 February 2020**  
**Notes to the Annual Financial Statements**

<b>Figures in Rand</b>	<b>2020</b>	<b>2019</b>
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**19. Going concern**

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future, including specific consideration of the risk associated with COVID-19. Accordingly the annual financial statements have been prepared on a going concern basis.

The trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient income from donors to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the trust.

**20. Events after the reporting period**

Subsequent to 29 February 2020, the trust has assessed the impact of COVID-19 on the annual financial statements and considered the potential impact on the trust. As at the date of approving these annual financial statements, the trustees have assessed that there is no material impact on the annual financial statements for the year ended 29 February 2020. The trustees will continue to assess the financial impact of COVID-19 while placing the health and safety of employees.

The trustees are not aware of any material event which occurred after the reporting date and up to the date of this report.

**UBUNTU FOOTBALL TRUST**  
**Trading as Ubuntu Football Trust**  
**Annual Financial Statements for the year ended 29 February 2020**  
**Detailed Income Statement**

<b>Figures in Rand</b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>
<b>Revenue</b>			
Donations received		6,046,048	4,140,671
<b>Operating expenses</b>			
Advertising		8,000	5,836
Bank charges		34,238	21,069
Cleaning		6,439	21,828
Computer expenses		-	198
Consulting fees		85,519	217,995
Depreciation, amortisation and impairments		42,374	42,374
Employee costs		2,505,675	1,695,748
Entertainment		398,307	461,495
General expenses		-	184
Insurance		66,483	60,021
Lease rentals on operating lease		344,996	373,036
Medical expenses		55,862	45,202
Motor vehicle expenses		101,857	80,540
Municipal expenses		76,635	71,859
Office expenses		52,898	4,655
Repairs and maintenance		29,194	32,000
Security		5,764	2,386
Student education		443,530	984,954
Telephone and fax		55,712	50,270
Training		35,018	65,608
Travel - local		105,923	148,241
Travel - overseas		-	3,500
Uniforms		57,922	156,754
		<b>4,512,346</b>	<b>4,545,753</b>
<b>Operating surplus (deficit)</b>	12	<b>1,533,702</b>	<b>(405,082)</b>
Finance costs	14	(68,053)	(44,088)
<b>Surplus (deficit) for the year</b>		<b>1,465,649</b>	<b>(449,170)</b>