

**The CEO Sleepout Trust
(Registration number IT000819/2015(T))
Annual financial statements
for the year ended February 28, 2017**

The CEO Sleepout Trust

(Registration number IT000819/2015(T))

Annual Financial Statements for the year ended February 28, 2017

General Information

Country of incorporation and domicile	South Africa
Type of trust	Charitable Trust To receive assets (whether in cash or otherwise) from third parties for the purpose of donation to beneficiaries
Trustees	Alison Deonne Gregg Darren Trent Olivier Richard Ian Sher
Registered office	Tricon House No.1 8th Avenue Rivonia Johannesburg 2191
Auditors	BDO South Africa Incorporated Registered Auditors
Trust registration number	IT000819/2015(T)

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Annual Financial Statements for the year ended February 28, 2017

Index

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

Index	Page
Trustees' Responsibilities and Approval	3
Trustees' Report	4 - 5
Independent Auditors Report	6 - 7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12
Notes to the Annual Financial Statements	13 - 14

The CEO Sleepout Trust

(Registration number IT000819/2015(T))

Annual Financial Statements for the year ended February 28, 2017

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 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 external auditor's are engaged to express an independent opinion on the annual financial statements.

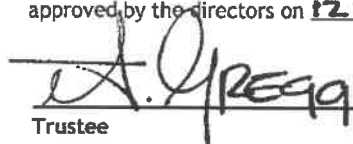
The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

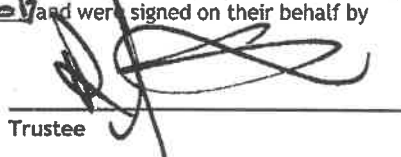
The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board of trustees sets standards 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 from date of approval of this report 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.

The annual financial statements set out on pages 4 to 14, which have been prepared on the going concern basis, were approved by the directors on ~~12 DECEMBER 2017~~ and were signed on their behalf by


Trustee


Trustee

The CEO Sleepout Trust

(Registration number IT000819/2015(T))

Annual Financial Statements for the year ended February 28, 2017

Trustees' Report

The trustees have pleasure in submitting their report on the annual financial statements of The CEO Sleepout Trust for the year ended February 28, 2017.

1. Nature of business

The CEO Sleepout Trust was formed in South Africa on 19 March 2015 with interests in the Non-profit industry. The trust operates in South Africa.

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 trust recorded a surplus for the year ended February 28, 2017 of R13,274,227.

Trust revenue is R25,658,480 for the year ended February 28, 2017

Trust cash flows from operating activities is R18,100,150 for the year ended February 28, 2017.

3. Beneficiaries

The beneficiaries of the trust during the accounting year and up to the date of this report are as follows:

Name

4. Distributions to beneficiaries

The following distributions were made to the beneficiaries from the the surplus of R16,274,228:

Steve Biko Foundation	R3,010,000
ASHA Trust	R3,000,000
Columba Leadership	R3,000,000
Accrued for	R1,360,000

5. Trustees

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

Trustees	Date of appointment
Alison Deonne Gregg	19 March 2015
Darren Trent Olivier	9 March 2016
	Resignation - Awaiting formal confirmation for resignation
Richard Ian Sher	22 December 2016

6. Events after the reporting period

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

7. Going concern

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and 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 borrowing facilities 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.

8. Auditors

BDO South Africa Incorporated was appointed as auditors for the trust for 2017.

The CEO Sleepout Trust

(Registration number IT000819/2015(T))

Annual Financial Statements for the year ended February 28, 2017

Trustees' Report

9. Taxation

The trust is exempt from income tax as it meets the requirements of a Public Benefit Organisation in terms of Section 30(3) of the Income Tax Act No 58 of 1962. Annual receipts and accruals will therefore be subject to the provisions of section 10(1)(cN) of the Act.



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Independent Auditors' Report

To the Members of The CEO Sleepout Trust

Report on the Audit of the financial statements

Opinion

We have audited the financial statements of The CEO Sleepout Trust, as set out on pages 8 to 14 which comprise the statement of financial position as at 28 February 2017, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The CEO Sleepout Trust as at 28 February 2017 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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 trust in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The trust's Board of Trustees are responsible for the other information. The other information comprises 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 Board of Trustees for the Financial Statements

The trust's Board of Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as the Board of Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

BDO South Africa Incorporated
Registration number: 1995/002310/21
Practice number: 905526
VAT number: 4910148685

National Executive: S Dansie • H Bhaga-Muljee • BJ de Wet • HCS Lopes • B Lovell • FD Schneider • I Skosana (Non-Executive Chairman) • ME Stewart (Chief Executive) • S Fisher
Office Managing Director: HCS Lopes

BDO South Africa Incorporated, a South African personal liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



In preparing the financial statements, the Board of Trustees are responsible for assessing the trust'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 foundation 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, can 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 trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- Conclude on the appropriateness of the Board of 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 trust'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 trust 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 Board of 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.

BDO South Africa Inc.

BDO South Africa Incorporated
JG Marais
Director
Registered Auditor
12 December 2017

The CEO Sleepout Trust

(Registration number IT000819/2015(T))

Annual Financial Statements for the year ended February 28, 2017

Statement of Financial Position as at February 28, 2017

Figures in Rand	Note(s)	2017	2016
Assets			
Current Assets			
Trade and other receivables	2	409,121	-
Cash and cash equivalents	3	7,720,150	-
		8,129,271	-
Total Assets		8,129,271	-
Equity and Liabilities			
Equity			
Accumulated surplus		2,894,227	-
Liabilities			
Current Liabilities			
Trade and other payables	4	5,235,044	-
Total Equity and Liabilities		8,129,271	-

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(Registration number IT000819/2015(T))

Annual Financial Statements for the year ended February 28, 2017

Statement of Comprehensive Income

Figures in Rand	Note(s)	2017	2016
Revenue	5	25,658,480	-
Bad debts		(4,397,110)	-
Gross surplus		21,261,370	-
Operating expenses		(8,198,373)	-
Operating surplus		13,062,997	-
Investment revenue	6	211,230	-
Surplus for the year		13,274,227	-
Other comprehensive income		-	-
Total comprehensive income for the year		13,274,227	-

The CEO Sleepout Trust

(Registration number IT000819/2015(T))

Annual Financial Statements for the year ended February 28, 2017

Statement of Changes in Equity

Figures in Rand	Accumulated surplus	Total equity
Surplus for the year	13,274,227	13,274,227
Other comprehensive income	-	-
Total comprehensive income for the year	13,274,227	13,274,227
Allocation to beneficiaries	(10,380,000)	(10,380,000)
Total contributions by and distributions to owners of company recognised directly in equity	(10,380,000)	(10,380,000)
Balance at February 28, 2017	2,894,227	2,894,227

The CEO Sleepout Trust

(Registration number IT000819/2015(T))

Annual Financial Statements for the year ended February 28, 2017

Statement of Cash Flows

Figures in Rand	Note(s)	2017	2016
Cash flows from operating activities			
Cash generated from operations	7	17,888,920	-
Interest income		211,230	-
Net cash from operating activities		18,100,150	-
Total cash movement for the year			
Total cash at end of the year	3	7,720,150	-

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(Registration number IT000819/2015(T))

Annual Financial Statements for the year ended February 28, 2017

Accounting Policies

1. Presentation of annual financial statements

The annual financial statements have been prepared 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.

1.1 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price. This includes transaction costs, except for financial instruments which are measured at fair value through surplus or deficit.

Financial instruments at amortised cost

Debt instruments, as defined in 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 the end of 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 so, an impairment loss is recognised

1.2 Revenue

Revenue from sponsorships and donations is recognised when received.

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

The CEO Sleepout Trust

(Registration number IT000819/2015(T))

Annual Financial Statements for the year ended February 28, 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
2. Trade and other receivables		
Trade receivables	409,121	-
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	7,720,150	-
4. Trade and other payables		
Accrual for event costs	3,000,000	-
Accrued distributions	1,370,000	-
Accrued expenses	394,976	-
Provisions	470,068	-
	5,235,044	-
5. Revenue		
Donations received (Including bad debts off 4 397 110)	25,538,480	-
Sponsorships received	120,000	-
	25,658,480	-
6. Investment revenue		
Interest revenue		
Bank	211,230	-
7. Cash generated from operations		
Surplus	13,274,227	-
Adjustments for:		
Interest received - investment	(211,230)	-
Changes in working capital:		
Trade and other receivables	(409,121)	-
Trade and other payables	5,235,044	-
	17,888,920	-

The CEO Sleepout Trust

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Annual Financial Statements for the year ended February 28, 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
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8. Related parties

Relationships

Director of the company is also a trustee of the Trust

Majority shareholder of the company is also a trustee of the Trust

Majority shareholder of the company is also a trustee of the Trust

Trustee

Trustee

Trustee

Adams and Adams Incorporated

The Philanthropic Collection Proprietary Limited

Dick Sher and Associates CC

Darren Trent Olivier

Alison Deonne Gregg

Richard Ian Sher

Related party balances

Amounts included in Trade receivable (Trade Payable) regarding related parties

Dick Sher and Associates CC

(59,736)

-

The Philanthropic Collection Proprietary Limited (Event Costs)

(3,250,000)

-

Adams and Adams Incorporated

(430,703)

-

Related party transactions

Professional fees paid to (received from) related parties

Dick Sher and Associates

299,736

-

The Philanthropic Collection

2,992,846

-

Adams and Adams Incorporated

740,287

-