



**LHC FOUNDATION TRUST
(REGISTRATION NUMBER IT 767/02)
TRADING AS I CARE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017**

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

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

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INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF LHC FOUNDATION TRUST

Qualified opinion

We have audited the financial statements of LHC Foundation Trust set out on pages 7 to 17, which comprise the statement of financial position as at 28 February 2017, and the statement of 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 effect of the matter described in the basis for qualified opinion section of our report, the financial statements present fairly, in all material respects, the financial position of LHC Foundation Trust as at 28 February 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Act.

Basis for qualified opinion

It is not feasible for the organisation to institute accounting controls over cash collections prior to the initial entry of the collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts actually recorded.

Other information

The trustees are responsible for the other information. The other information comprises the Trustees' Report as required by the Local legislation over trusts, which we obtained prior to the date of this report. 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.

INDEPENDENT AUDITOR'S REPORT

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 Standard for Small and Medium-sized Entities and the requirements of the Local legislation over trusts, 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 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 trust 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 International Standards on Auditing 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 International Standards on Auditing, 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 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 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 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.

Harel Davidson Inc

Harel Davidson Incorporated

M. T. D. Harel

24 May 2017

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017
TRUSTEES' RESPONSIBILITIES AND APPROVAL**

The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the 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 financial statements.

The 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.

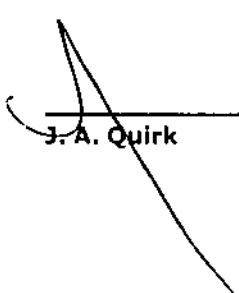
The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board sets standards for internal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

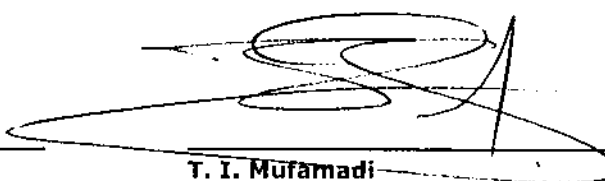
The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control 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 2018 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 external auditor's are responsible for independently auditing and reporting on the trust's financial statements. The financial statements have been examined by the trust's external auditor's and their report is presented on page 2 - 3.

The financial statements set out on pages 5 to 18, which have been prepared on the going concern basis, were approved by the board and were signed on its behalf by:


J. A. Quirk


T. I. Mufamadi

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017
TRUSTEES' REPORT**

The trustees submit their report on the financial statements of LHC Foundation Trust for the year ended 28 February 2017.

1. THE TRUST

The trust was formed in terms of a deed of donations and trust by TSK Investment Trust dated 01 June 2002.

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The financial statements have been prepared in accordance with the 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 financial statements.

The operations of the Trust are intended to provide a meaningful and long term solution to the growing number of children living on the streets, as well as to address the social problems associated with these children.

Since the commencement of its operations, the Trust has received a growing level of support from the public and its trustees are confident that this support will contribute significantly towards helping it achieve its objectives.

The objectives of the Trust are more fully set out in its Deed of Donation and Trust which is included on its website (www.icare.co.za).

During the year the Trust pursued its objectives of contributing to the upliftment of the lives of street and homeless children by providing financial, material and spiritual upliftment to the children on the streets as well as to a number of homes and shelters which support these children.

The operating results and state of affairs of the trust are fully set out in the attached financial statements.

Material support, which is provided through the Trust's "social surpluses" campaign, was received from a number of businesses and private individuals. The value of these 'in-kind' donations received with regard to this aspect of the Trust's operations has not been reflected in the financial statements of the Trust although the expenses associated with the collection and distribution of this material support are included.

Total donations received by the Trust for the year were R 5 393 869 (2016: R 4 959 753). Included in these donations received in the current year are certain amounts which though included in current income have been donated to defray future expenditure of both a capital and and income nature. Therefore the current year accumulated surplus represents this income carried forward to cover this expenditure which will be incurred in the forthcoming financial year. The operating results and state of affairs of the trust are fully set out in the attached financial statements and do not in our opinion require any further comment.

3. GOING CONCERN

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

4. 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.

**LHC FOUNDATION TRUST
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017
TRUSTEES' REPORT**

5. TRUSTEES

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

Name

M. Addison
A. Black
Y. Boden
T. S. Lubede
T. I. Mufamadi
J. A. Quirk
J. Xulu

In terms of the trust's Memorandum of Incorporation Denise Cochrane and Jonathan Moonien retired as trustees by rotation at the AGM.

Mark Addison was appointed on 31 October 2016 to succeed Denise Cochrane. Yvonne Boden and Joyce Xulu was appointed on the 6 February 2017 to succeed Jonathan Moonien.

6. AUDITORS

Harel Davidson Incorporated continued in office as auditors for the trust for 2017.

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

STATEMENT OF FINANCIAL POSITION

Figures in Rand	2017	2016
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,260,327	1,396,703
CURRENT ASSETS		
Trade and other receivables	79,618	70,455
Cash and cash equivalents	2,754,920	2,218,735
	2,834,538	2,289,190
Total Assets	4,094,865	3,685,893
EQUITY AND LIABILITIES		
EQUITY		
Trust capital	1,150,000	1,150,000
Accumulated surplus	2,787,575	2,444,955
	3,937,575	3,594,955
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	86,707	66,529
Provisions	70,583	24,409
	157,290	90,938
Total Equity and Liabilities	4,094,865	3,685,893

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand		2017	2016
Donations received	7	5,393,869	4,959,755
Direct project and marketing costs			
Direct project and marketing costs (refer page 18)		(4,504,551)	(4,025,953)
Gross surplus		889,318	933,802
Other income			
Interest received	8	138,982	115,158
Administration and operating expenses			
Administration and management fees		6,159	4,221
Auditors remuneration	9	31,500	33,363
Bank charges		23,617	32,757
Depreciation		136,376	150,210
Employee costs		228,279	457,804
IT expenses		15,599	42,637
Insurance		6,745	10,422
Motor vehicle expenses		471	12,012
Municipal expenses		109,666	91,174
Office supplies		7,394	5,235
Printing and stationery		7,314	7,895
Repairs and maintenance		21,135	20,656
Staff welfare		47,777	6,778
Subscriptions		15,049	13,051
Telephone and fax		21,251	27,647
Training		400	-
Travel - local		6,948	16,467
		685,680	932,329
Surplus for the year		342,620	116,631

**LHC FOUNDATION TRUST
 TRADING AS I CARE
 FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Trust capital	Accumulated surplus	Total equity
Balance at 01 March 2015	1,150,000	2,328,324	3,478,324
Changes in equity			
Surplus for the year	-	116,631	116,631
Total changes	-	116,631	116,631
Balance at 01 March 2016	1,150,000	2,444,955	3,594,955
Changes in equity			
Surplus for the year	-	342,620	342,620
Total changes	-	342,620	342,620
Balance at 28 February 2017	1,150,000	2,787,575	3,937,575

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

STATEMENT OF CASH FLOWS

Figures in Rand	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	397,203	189,685
Interest income	138,982	115,158
Net cash from operating activities	536,185	304,843
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(100,526)
Total cash movement for the year	536,185	204,317
Cash at the beginning of the year	2,218,735	2,014,418
Total cash at end of the year	2,754,920	2,218,735

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

ACCOUNTING POLICIES

1. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. 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 is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include 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.

Depreciation is provided using a systematic basis that matches the consumption of the economic future benefits reflected in the carrying amount of the property, plant and equipment as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	2 years
Furniture and fixtures	Straight line	6 years
IT equipment	Straight line	3 years
Leasehold property	Straight line	3 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 years

Land and buildings are not depreciated

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item and have significantly different patterns of consumption of economical benefits is depreciated seperately over its useful life.

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017
ACCOUNTING POLICIES**

1.2 FINANCIAL INSTRUMENTS

Initial measurement

These include loans, trade receivables and trade payables. 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.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, are measured at fair value through surplus and deficit.

1.3 IMPAIRMENT OF ASSETS

The trust assesses at each reporting date whether there is any indication that asset 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.

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017
ACCOUNTING POLICIES**

1.4 REVENUE

Income from donations and grants, including capital grants, is included in incoming resources when these are received as follows :

- When donors specify that donations and grants given to the Trust be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the Trust becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.
- Donations received in kind are not recognised as income as they cannot be measured reliably.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when received.

Other revenue earned by the trust is recognised on the following basis :

- Interest income - as it accrues.

**LHC FOUNDATION TRUST
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand

2017

2016

2. PROPERTY, PLANT AND EQUIPMENT

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land and buildings	1,071,955	-	1,071,955	1,071,955	-	1,071,955
Furniture and fixtures	68,158	(58,286)	9,872	68,158	(54,453)	13,705
Motor vehicles	1,264,991	(1,137,190)	127,801	1,264,991	(1,036,438)	228,553
Office equipment	27,979	(24,548)	3,431	27,979	(19,520)	8,459
IT equipment	32,747	(30,667)	2,080	32,747	(27,499)	5,248
Computer software	40,723	(40,722)	1	40,723	(40,722)	1
Leasehold improvements	235,948	(190,761)	45,187	235,948	(167,166)	68,782
Total	2,742,501	(1,482,174)	1,260,327	2,742,501	(1,345,798)	1,396,703

Reconciliation of property, plant and equipment - 2017

	Opening balance	Depreciation	Total
Land and buildings	1,071,955	-	1,071,955
Furniture and fixtures	13,705	(3,833)	9,872
Motor vehicles	228,553	(100,752)	127,801
Office equipment	8,459	(5,028)	3,431
IT equipment	5,248	(3,168)	2,080
Computer software	1	-	1
Leasehold improvements	68,782	(23,595)	45,187
	1,396,703	(136,376)	1,260,327

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Land and buildings	1,071,955	-	-	1,071,955
Furniture and fixtures	17,539	-	(3,834)	13,705
Motor vehicles	242,145	100,526	(114,118)	228,553
Office equipment	13,547	-	(5,088)	8,459
IT equipment	8,824	-	(3,576)	5,248
Computer software	1	-	-	1
Leasehold improvements	92,376	-	(23,594)	68,782
	1,446,387	100,526	(150,210)	1,396,703

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand	2017	2016
2. PROPERTY, PLANT AND EQUIPMENT (continued)		
Details of properties		
Property 1		
Title deed T038190/07 comprising :		
Portions 241, 246 and 248 of the farm Lower Illovo No 17126		
Registration Division ET, Province of KwaZulu-Natal in extent 309, 361 and 509 square metres respectively.		
- Purchase price: 7 August 2007	180,000	180,000
- Additions - 2008	11,742	11,742
- Additions - 2009	151,441	151,441
	343,183	343,183
Property 2		
Erf 376 Brixton situated at 91 Caroline Street, Brixton in the province of Gauteng		
- Purchase price: 4 July 2012	650,000	650,000
- Additions since purchase or valuation	19,700	19,700
	669,700	669,700
3. TRADE AND OTHER RECEIVABLES		
Deposits	64,626	56,056
Other receivables	718	4,070
VAT	14,274	10,329
	79,618	70,455
4. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consist of:		
Cash on hand	12,451	11,530
Call accounts	2,742,469	2,207,205
	2,754,920	2,218,735
5. TRADE AND OTHER PAYABLES		
Accruals	47,275	35,106
Audit fees	28,500	26,000
Other payables	10,932	5,423
	86,707	66,529

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand 2017 2016

6. PROVISIONS

Reconciliation of provisions - 2017

	Opening balance	Additions	Utilised during the year	Total
Provisions for employee benefits	24,409	70,583	(24,409)	70,583

Reconciliation of provisions - 2016

	Opening balance	Additions	Total
Provisions for employee benefits	-	24,409	24,409

7. REVENUE

Donations received - other	3,553,383		3,455,424
Donations received - Government Social Development	767,476		767,871
Donations received - Government Sports and Recreation	150,000		233,000
Donations received - Government Ethekwini Municipality	923,010		503,460
	5,393,869		4,959,755

8. INVESTMENT REVENUE

Interest revenue

Bank	138,982		115,158
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9. AUDITOR'S REMUNERATION

Fees	28,500		26,000
Prior year under provision	-		7,363
Accounting fees	3,000		-
	31,500		33,363

10. OPERATING SURPLUS

Operating surplus for the year is stated after accounting for the following:

Operating lease charges

Premises			
• Contractual amounts	197,240		156,179
Motor vehicles			
• Contractual amounts	350,520		301,451
	547,760		457,630
Depreciation on property, plant and equipment	136,376		150,210
Employee costs	3,142,649		2,979,442

**LHC FOUNDATION TRUST
TRADING AS I CARE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

NOTES TO THE FINANCIAL STATEMENTS

Figures in Rand	2017	2016
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11. TAXATION

No provision has been made for tax as the trust has no taxable income. The estimated tax loss available for set off against future taxable income is R - (2016: R -).

12. CASH GENERATED FROM OPERATIONS

Surplus before taxation	342,620	116,631
Adjustments for:		
Depreciation and amortisation	136,376	150,210
Interest received	(138,982)	(115,158)
Movements in provisions	46,174	24,409
Changes in working capital:		
Trade and other receivables	(9,163)	9,787
Trade and other payables	20,178	3,806
	397,203	189,685

13. STAFF COSTS

Salaries and wages

Salaries and wages included in direct project costs	2,455,952	2,215,196
Salaries and wages included in marketing costs	484,477	332,135
Salaries and wages included in administration costs	202,220	432,111
	3,142,649	2,979,442

14. GOING CONCERN

The 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.

15. EVENTS AFTER THE REPORTING PERIOD

The trustees are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the financial statements.

**LHC FOUNDATION TRUST
 TRADING AS I CARE
 FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

SCHEDULE OF DIRECT PROJECTS AND MARKETING COSTS

Figures in Rand	2017	2016
DIRECT PROJECT AND MARKETING COSTS		
ACE school	82,565	72,277
Collection and distribution of physical donations and support	14,844	15,644
General distribution	91,405	81,629
Gospel ministry	101,994	96,455
Hope Centre costs	1,399,061	1,293,699
Houses - iCare running costs	493,924	474,696
Johannesburg - iCare costs	741,832	720,198
Khutaza Rehabilitation Project	547,760	457,630
Marketing costs	498,697	376,762
Pre rehab expenses	280	-
Shelters - Sakithemba YMCA	70	-
Skills development project	99,771	87,594
Staff training	14,696	29,466
Street outreach project	381,747	319,903
Sustainability Project	7,131	-
Volunteer program	28,774	-
DIRECT PROJECT AND MARKETING COSTS FOR THE YEAR	4,504,551	4,025,953