

ASBESTOS RELIEF TRUST
(Registration number IT 1734/2003)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016

LUCRO AUDITING PLC
Chartered Accountants (S.A.)
Registered Auditors

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

General Information

Country of incorporation and domicile	South Africa
Type of trust	To provide compensation to claimants that qualify, as defined in the trust deed, in respect of asbestos-related diseases as fully, fairly and effectively as its means allow
Trustees	P. Van Zyl P. Camay J. Doidge J. De Bruyn Dr. I.P. Jood-Molaolwe M. Silinda C. Molusi
Business address	Eton Building Sherborne Square 5 Sherborne Road Parktown 2193
Postal address	P.O. Box 86 Parklands 2121
Bankers	Nedbank Limited
Auditors	LUCRO AUDITING PLC Chartered Accountants (S.A.) Registered Auditors
Trust registration number	IT 1734/2003
Tax reference number	1534/291/14/9
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Trust Deed.
Preparer	The annual financial statements were internally compiled by: Lucro Auditing PLC
Published	16 August 2016

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Index

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

Index	Page
Trustees' Responsibilities and Approval	3
Independent Auditors' Report	4
Trustees' Report	5 - 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 - 14
Notes to the Annual Financial Statements	15 - 20
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	21

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

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 auditors 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 to 28 February 2017 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 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 5 to 21, which have been prepared on the going concern basis, were approved by the board of Trustees on 16 August 2016 and were signed on its behalf by:

P. Camay

P. Van Zyl

Independent Auditors' Report

To the Trustees of Asbestos Relief Trust

We have audited the annual financial statements of Asbestos Relief Trust, as set out on pages 8 to 20, which comprise the statement of financial position as at 29 February 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Annual Financial Statements

The Trust's Trustees are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and requirements of the Trust Deed, and for such internal control as the trustees determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Asbestos Relief Trust as at 29 February 2016, 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, and the requirements of the Trust Deed.

L.J. Wood
LUCRO AUDITING PLC
Chartered Accountants (S.A.)
Registered Auditors

Fourways
16 August 2016

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Trustees' Report

The Trustees have pleasure in submitting their report on the annual financial statements of Asbestos Relief Trust for the year ended 29 February 2016.

1. Nature of business

Asbestos Relief Trust was formed to provide compensation to claimants that qualify, as defined in the Trust Deed, in respect of asbestos-related diseases as fully and effectively as its means allow and operates in South Africa.

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.

3. Beneficiaries

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

Qualifying claimants for the life of the Trust

To the extent that upon the expiry of the life of the Trust, the assets left in the Trust may be donated to any charitable organisation having as one of its principal objectives the promotion of welfare of persons or communities detrimentally affected by asbestos mining.

All Payment made to beneficiaries are limited to the funds available for distribution as per the settlement accounts.

4. Distributions to beneficiaries

During the year under review, claims to the value of R28 747 366 were approved of which R7 387 636 still has to be paid out subsequent to year end.

5. Trustees

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

Trustees

P. Van Zyl

P. Camay

J. Doidge

J. De Bruyn

Dr. I.P. Jood-Molaolwe

M. Silinda

C. Molusi

There have been no changes to the trustees for the period under review.

6. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the Trust or in the policy regarding their use.

At 29 February 2016 the Trust's investment in property, plant and equipment amounted to R4 303 395 (2015:R4 119 719), of which R400 225 (2015: R16 259) was added in the current year through additions.

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Trustees' Report

7. 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.

8. 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 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.

9. Auditors

LUCRO AUDITING PLC continued in office as auditors for the Trust for 2016.

They will continue in office for the 2017 financial year.

10. Duration and dissolution of the Trust

The Trust shall endure for 25 years from date of registration (2003), which can be extended or reduced by 5 years in the discretion of the Trustees.

11. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the Trustees on 18 May 2016. No authority was given to anyone to amend the financial statements after the date of issue.

12. Founders

The founders of the Trust are Gencor Limited, The Griqualand Exploration and Finance Company Limited and Msauli Asbes Beperk. The funds provided by the founders are detailed in note 3 of the financial statements.

The founders, in terms of a settlement agreement, have agreed to settle fully and finally and without any admission of liability, all disputes arising out of, or in connection with exposure to asbestos dust and the contraction of asbestos-related diseases by any occupational, environmental or dependant claimant, as defined in the Trust deed at any of the founders' operations. In terms of this settlement agreement funds were paid to the Trust for compensation of the qualifying claimants. These funds will be used to settle the obligation to the beneficiaries of the Trust. Accordingly the Trust's assets represent an obligation to the beneficiaries of the Trust. The income generated by the Trust from these assets represents income of the Trust. The Trust will apply this income to meet the expenses of the Trust.

Any income, in excess of the expenses of the Trust will be for the benefit of the beneficiaries. The Gencor settlement account is specifically utilised by the Trustees to make awards to the following beneficiaries:

- All persons who have contracted an asbestos related disease with a lung function impairment who had occupational exposure to asbestos dust at the qualifying operations solely during the period 1965 to 1988 inclusive.
- All persons who have contracted an asbestos related disease with a lung function impairment who had environmental (non-occupational exposure) to asbestos dust in the vicinity of any of the qualifying operations and who have no prior history of any occupational exposure to asbestos dust at any time.
- All persons who have contracted mesothelioma or asbestos related lung cancer who had occupational exposure to asbestos dust at any time of the qualifying operations partly during 1965 to 1988 and partly outside this period.
- The dependants of persons who have died and a cause of death is mesothelioma or asbestos related lung cancer in circumstances where it is satisfied that the deceased had asbestos dust exposure at a qualifying operation or, as the case may be, environmental exposure to asbestos dust in the vicinity of any of the qualifying operations and who had no history of any occupational exposure to asbestos dust at any time.

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Trustees' Report

13. Meeting attendance

The Trustees attendance at quarterly meetings for the 2016 financial year are as follows:

Trustee:	19 May 2015	18 August 2015	17 November 2015	16 February 2016
P. Van Zyl	Present	Present	Present	Present
P. Camay	Present	Present	Present	Present
J. Doidge	Present	Present	Present	Present
J. De Bruyn	Apology	Present	Present	Present
Dr. I.P. Jood-Molaolwe	Present	Present	Present	Present
M. Silinda	Present	Present	Present	Present
C. Molusi	Absent	Present	Apology	Apology

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Statement of Financial Position as at 29 February 2016

	Note(s)	2016 R	2015 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	4 303 395	4 119 719
Other financial assets	4	277 825 768	291 472 848
		282 129 163	295 592 567
Current Assets			
Trade and other receivables	5	163 354	145 211
Cash and cash equivalents	6	13 719 329	13 547 051
		13 882 683	13 692 262
Total Assets		296 011 846	309 284 829
Equity and Liabilities			
Equity			
Trust capital	7	300	300
Liabilities			
Non-Current Liabilities			
Funds available for distribution	3	287 975 398	296 478 132
Current Liabilities			
Trade and other payables	9	7 945 622	12 705 302
Provisions	8	90 526	101 095
		8 036 148	12 806 397
Total Liabilities		296 011 546	309 284 529
Total Equity and Liabilities		296 011 846	309 284 829

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Statement of Comprehensive Income

	Note(s)	2016 R	2015 R
Revenue	10	418 600	325 899
Other income	11	(4 920 159)	705 748
Operating expenses		(7 288 047)	(7 085 233)
Operating deficit	12	(11 789 606)	(6 053 586)
Investment revenue	13	17 138 176	16 247 113
Social project expenses		(482 447)	(656 335)
Surplus for the year		4 866 123	9 537 192

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Statement of Changes in Equity

	Trust capital	Accumulated surplus	Total equity
	R	R	R
Balance at 01 March 2014	300	-	300
Surplus for the year	-	9 537 192	9 537 192
Transfer of surplus to Trust capital	-	(9 537 192)	(9 537 192)
Balance at 01 March 2015	300	-	300
Surplus for the year	-	4 866 123	4 866 123
Transfer of surplus to Trust capital	-	(4 866 123)	(4 866 123)
Balance at 29 February 2016	300	-	300
Note	7		

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Statement of Cash Flows

	Note(s)	2016 R	2015 R
Cash flows from operating activities			
Cash used in operations	17	(11 534 937)	(1 041 372)
Interest income		(1 426 344)	(1 481 651)
Net cash from operating activities		(12 961 281)	(2 523 023)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(400 225)	(16 259)
Sale of property, plant and equipment	2	49 437	-
Net movement in financial assets		8 288 121	2 801 974
Dividends received		3 220 159	2 178 670
Interest Income		15 344 361	15 550 094
Net cash from investing activities		26 501 853	20 514 479
Cash flows from financing activities			
Net movement in funds available for distribution		(8 502 172)	(9 137 798)
Transfer of surplus to funds available for distribution		(4 866 123)	(9 537 192)
Net cash from financing activities		(13 368 295)	(18 674 990)
Total cash movement for the year		172 277	(683 534)
Cash at the beginning of the year		13 547 051	14 230 585
Total cash at end of the year	6	13 719 328	13 547 051

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

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.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

1.2 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Costs 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 the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item	Average useful life
Buildings	20 Years
Furniture and fixtures	10 Years
Office equipment	5 Years
IT equipment	3 Years
Computer software	2 Years

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present 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.

1.3 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

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Accounting Policies

1.3 Financial instruments (continued)

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. This includes equity instruments held in unlisted investments.

Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.

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. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term except in cases where another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or where the payments are structured to increase in line with expected general inflation.

1.5 Impairment of assets

The Trust assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

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 profit or loss.

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 paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.7 Provisions and contingencies

Provisions are recognised when:

- the Trust has an obligation at the reporting date as a result of a past event;
- it is probable that the Trust will be required to transfer economic benefits in settlement; and
- the amount of the obligation can be estimated reliably.

Contingent assets and contingent liabilities are not recognised.

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Accounting Policies

1.8 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Trust;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

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

1.9 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Notes to the Annual Financial Statements

	2016			2015		
	R			R		
2. Property, plant and equipment						
	2016			2015		
	Cost / Valuation	Accumulated depreciation and impairments	Carrying value	Cost / Valuation	Accumulated depreciation and impairments	Carrying value
Land	1 331 536	-	1 331 536	1 331 536	-	1 331 536
Buildings	4 882 464	(2 355 475)	2 526 989	4 882 464	(2 200 113)	2 682 351
Furniture and fixtures	344 891	(293 108)	51 783	344 891	(263 210)	81 681
Motor vehicles	374 164	(12 472)	361 692	151 285	(151 285)	-
Office equipment	97 816	(97 816)	-	102 050	(102 613)	(563)
IT equipment	170 293	(138 898)	31 395	270 600	(245 886)	24 714
Computer software	538 527	(538 527)	-	538 527	(538 527)	-
Total	7 739 691	(3 436 296)	4 303 395	7 621 353	(3 501 634)	4 119 719

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Disposals	Depreciation	Total
Land	1 331 536	-	-	-	1 331 536
Buildings	2 682 351	-	-	(155 362)	2 526 989
Furniture and fixtures	81 681	-	-	(29 898)	51 783
Motor vehicles	-	374 164	-	(12 472)	361 692
Office equipment	(563)	-	563	-	-
IT equipment	24 714	26 061	-	(19 380)	31 395
	4 119 719	400 225	563	(217 112)	4 303 395

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Depreciation	Total
Land	1 331 536	-	-	1 331 536
Buildings	3 015 235	-	(332 884)	2 682 351
Furniture and fixtures	110 958	5 006	(34 283)	81 681
Office equipment	321	-	(884)	(563)
IT equipment	45 716	11 253	(32 255)	24 714
	4 503 766	16 259	(400 306)	4 119 719

Details of properties

Unit 1, Sherborne Square, Parktown

- Purchase price: 30 June 2008	6 214 000	6 214 000
--------------------------------	-----------	-----------

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Notes to the Annual Financial Statements

	2016 R	2015 R
3. Funds available for distribution		
Gencor settlement fund	(281 616 587)	(293 045 697)
Gefco settlement fund	(5 342 950)	(2 479 104)
Msauli settlement fund	(1 015 861)	(953 331)
	(287 975 398)	(296 478 132)
Gencor settlement fund		
Opening balance	293 045 697	301 657 299
Net surplus/(deficit) for the period	4 678 776	9 170 009
Claims paid	(20 828 968)	(12 558 886)
Transfer to claims payable	(6 479 482)	(11 200 565)
Reversal of prior year claims payable	11 200 565	6 506 338
Prior year correction of allocation	-	(528 498)
	281 616 588	293 045 697
Gefco settlement fund		
Opening balance	2 479 104	3 005 680
Net surplus/(deficit) for the period	124 817	244 631
Claims Paid	(530 762)	(681 143)
Transfer to claims payable	(817 240)	(1 087 031)
Reversal of prior year claims payable	1 087 031	418 147
Contribution by founder	3 000 000	-
Prior year correction of allocation	-	578 820
	5 342 950	2 479 104
Msauli settlement fund		
Opening Balance	953 331	952 951
Net surplus/(deficit) for the period	62 530	122 553
Claims paid	-	(106 426)
Transfer to claims payable	(90 913)	(90 913)
Reversal of prior year claims payable	90 913	125 488
Prior year correction of allocation	-	(50 322)
	1 015 861	953 331

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Notes to the Annual Financial Statements

	2016 R	2015 R		
4. Other financial assets				
At fair value				
Investment portfolio - Taquanta Asset Managers	142 055 024	149 251 896		
Investment portfolio - Prescient Investment Management	135 770 744	142 220 952		
	277 825 768	291 472 848		
Non-current assets				
At fair value	277 825 768	291 472 848		
The fair values of listed or quoted investments are based on the quoted market price at reporting period date.				
Taquanta Asset Managers	2016	2015	2016	2015
	Book Value	Book Value	Market Value	Market Value
Domestic equity investments	17 453 080	21 202 954	19 388 640	23 030 906
Fixed interest investments	16 103 440	26 377 222	16 261 131	26 769 730
Cash investments	107 623 592	100 857 725	106 405 252	99 451 260
Accrued income	825 444	911 371	-	-
	142 005 556	149 349 272	142 055 023	149 251 896
Prescient Investment Management	2016	2015	2016	2015
	Book Value	Book Value	Market Value	Market Value
Domestic equity investments	1 262 125	30 976 093	2 415 816	59 433 124
Fixed interest investments	91 171 452	79 112 462	91 897 924	80 312 248
Cash investments	41 423 762	2 465 836	41 457 004	2 475 580
Accrued income	24 896	9 745	-	-
	133 882 235	112 564 136	135 770 744	142 220 952
5. Trade and other receivables				
Trade receivables			5 951	11 345
Deposits			48 450	45 950
VAT			40 099	40 539
Accrued Interest			68 854	47 377
			163 354	145 211
6. Cash and cash equivalents				
Cash and cash equivalents consist of:				
Cash on hand			2 500	2 382
Bank balances			414 926	302 091
Other cash and cash equivalents			13 301 903	13 242 578
			13 719 329	13 547 051
7. Trust capital				
Capital account / Trust capital				
Balance at beginning of year			300	300

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Notes to the Annual Financial Statements

	2016 R	2015 R	
8. Provisions			
Reconciliation of provisions - 2016			
	Opening balance	Reversed during the year	Total
Provisions for employee benefits	101 095	(10 569)	90 526
Reconciliation of provisions - 2015			
	Opening balance	Reversed during the year	Total
Provisions for employee benefits	129 019	(27 924)	101 095
9. Trade and other payables			
Trade payables	27 848	70 496	
Claims payable	7 387 636	12 378 509	
Trustee's fees payable	370 152	217 752	
Deposits received	46 665	38 545	
Other payables	113 321	-	
	7 945 622	12 705 302	
10. Revenue			
Rental Income	418 600	325 899	
11. Other income			
Fair value adjustment	(5 308 959)	282 516	
Administration fee income	388 800	360 000	
Other income	-	63 232	
	(4 920 159)	705 748	
12. Operating deficit			
Operating deficit for the year is stated after accounting for the following:			
Property, plant and equipment	50 000	-	
Other financial assets	(5 358 959)	282 516	
Depreciation on property, plant and equipment	216 549	400 304	
Employee costs	2 150 656	2 066 929	

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Notes to the Annual Financial Statements

	2016 R	2015 R
13. Investment revenue		
Dividend revenue		
Investment portfolio - Taquanta Asset Managers	722 337	724 094
Investment portfolio - Prescient Investment Management	2 497 822	1 454 576
	3 220 159	2 178 670
Interest revenue		
Investment portfolio - Taquanta Asset Managers	9 251 110	8 499 606
Investment portfolio - Prescient Investment Management	5 282 519	6 025 423
Investment portfolio - Investec Asset Management	-	378 207
Interest earned - Corporate Saver Account	676 298	519 621
Portfolio Expenses	(1 426 344)	(1 481 651)
S24J Interest - Taquanta Asset Managers	134 434	127 237
	13 918 017	14 068 443
	17 138 176	16 247 113
14. Social Project Expenses		
Project expenses/(refunds)		
Asbestos Interest Group (AIG)	129 600	120 000
Asbestos Research (DR FIG)	-	7 500
Cancer Charity Workers (CCW)	33 950	30 000
Kuruman Palliative Care Nurse Project (KPCNP)	265 897	242 735
Mesothelioma Incidence Near Kuruman Study (MINKS)	28 000	131 100
Neil White Bursary (NWB)	25 000	25 000
SA Meso Interest Group (SAMIG)	-	100 000
	482 447	656 335
15. Taxation		
<i>No provision has been made for 2016 tax as the Trust has no taxable income. In terms of section s25B of the Income Tax Act, the income in excess of expenditure for the year will be taxed in the hands of the beneficiaries.</i>		
16. Auditors' remuneration		
Fees	142 500	142 500
17. Cash used in operations		
Surplus before taxation	4 866 123	9 537 192
Adjustments for:		
Depreciation and amortisation	216 549	400 304
Profit/Loss on Investments	5 308 959	(282 516)
Dividends received - investment	(3 220 159)	(2 178 670)
Interest received - investment	(13 918 017)	(14 068 443)
Movements in provisions	(10 569)	(27 924)
Changes in working capital:		
Trade and other receivables	(18 143)	97 592
Trade and other payables	(4 759 680)	5 481 093
	(11 534 937)	(1 041 372)

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Notes to the Annual Financial Statements

	2016 R	2015 R
18. Fair value adjustment		
Realised (profit)/loss on investment portfolio		
Investment portfolio - Taquanta Asset Managers	2 085 647	626 088
Investment portfolio - Prescient Investment Management	(24 348 151)	814 834
	(22 262 504)	1 440 922
Unrealised (profit)/loss and reversals on investments portfolio		
Investment portfolio - Taquanta Asset Managers	(146 843)	4 056 322
Investment portfolio - Prescient Investment Management	27 768 307	(5 779 760)
	27 621 464	(1 723 438)
Realised (profit)/loss and reversals on investment portfolio	(22 262 504)	1 440 922
Unrealised (profit)/loss and reversals on investments portfolio	27 621 464	(1 723 438)
	5 358 960	(282 516)

Asbestos Relief Trust

(Registration number IT 1734/2003)

Annual Financial Statements for the year ended 29 February 2016

Detailed Income Statement

	Note(s)	2016 R	2015 R
Revenue			
Rental Income		418 600	325 899
Other income			
Administration fee income		388 800	360 000
Other income		-	63 232
Dividends received	13	3 220 159	2 178 670
Interest received	13	13 918 017	14 068 443
Realised and Unrealised profit and loss on investments		(5 308 959)	282 516
		12 218 017	16 952 861
Operating expenses			
Administration and management fees (medical)		(1 812 300)	(1 645 436)
Auditors remuneration	16	(142 500)	(142 500)
Bank charges		(1 549)	(6 199)
Claim processing and related expenses		(312 953)	(135 352)
Communication fees		(79 262)	(177 369)
Computer expenses		(289 424)	(259 634)
Courier and postage fees		(37 124)	(25 973)
Depreciation, amortisation and impairments		(216 549)	(400 304)
Employee costs		(2 150 656)	(2 066 929)
Equipment rental and related expenses		(41 319)	(37 803)
Health and safety		(12 365)	-
Legal expenses		86 046	(183 346)
Insurance		(49 435)	(48 933)
Medical evaluation expenses		(198 990)	(120 917)
Meeting expenses		(49 443)	(52 760)
Printing and stationery		(8 846)	(16 738)
Professional fees - Actuarial fees		(93 480)	(39 900)
Professional fees - Administration fees		(21 809)	(24 998)
Professional fees - Labour relations		(1 567)	(1 511)
Professional fees - Other		(97 806)	(103 392)
Rental and related expenses		(326 668)	(287 533)
Repairs and maintenance		(49 334)	(19 182)
Subscriptions		(3 156)	(1 593)
Sundry expenses		(4 522)	(1 160)
Telephone and fax		(62 504)	(72 153)
Travel and accomodation		(147 982)	(159 418)
Trustee consulting fees		(57 350)	(27 000)
Trustee fees		(1 105 200)	(1 027 200)
		(7 288 047)	(7 085 233)
Operating surplus	12	5 348 570	10 193 527
Social project expenses		(482 447)	(656 335)
Surplus for the year		4 866 123	9 537 192