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GREATER  
STELLENBOSCH  
DEVELOPMENT  
TRUST

Annual Report  
2011/2012

# Bridging The Divide



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# Overview

The Greater Stellenbosch Development Trust (GSDT) strives to achieve educational excellence with mostly children from a deprived environment.

In this year measurable improvements were achieved in literacy levels and school performance of especially the younger children in pre-school classes and in grade one in school. These results follow the strategy of specialised and intense focus on literacy training, which was introduced two years ago.

When literacy levels improve, skills in numeracy and science improve as well. The literacy programme now extends beyond the 300 participants in the 2-22 programme.

Vision Afrika, our partner in the 2-22 education programme achieved good results with a new programme for grade 9 pupils; this programme could be extended to grade 8 pupils next year.

Of the 102 learners who have completed grade 12 at school while being in the programme, 59 are now busy

with further studies at universities or other tertiary institutions.

SEED, our entrepreneurial programme partner, trained and mentored 198 entrepreneurs, of which 49 already committed to higher level training, while 17 proceeded to executive training at a partner organisation, the unit for executive development, of the Business School at the University of Stellenbosch. Almost 90% of the prospective entrepreneurs who entered the advanced programme are trading actively and successfully.

It is clear from international assessments that urgent and innovative steps must be taken to improve the literacy levels of all learners. With the Literacy Programme at the GSDT, we have made a significant contribution in bringing about change in this area during the past three years.

## Preschool comparison 2010-2012: Letter Identification Assessments

		2010	2011	2012
<b>Class 3</b>				
3+ years in the preschool	Letter Identification (Score out of 54)	5 (Feb) 35 (Nov)	19 (Feb) 41 (Nov)	31 (Feb)
<b>Class 2</b>		<b>2010</b>	<b>2011</b>	<b>2012</b>
1 <sup>st</sup> or 2 <sup>nd</sup> year in the preschool	Letter Identification (Score out of 54)	0 (Feb) 13 (Nov)	6 (Feb) 21 (Nov)	17 (Feb)
<b>Class 1</b>				<b>2012</b>
1 <sup>st</sup> year in the crèche (mostly 3 years old)	Letter Identification (Score out of 54)			0 (Feb)

## SOS

The GSDT and founding sponsor Remgro launched Strengthen Our Society (SOS) in 2012. This initiative, to strengthen non-profit organisations (NPO's) through capacity building with the help of volunteers from corporate businesses aims to:

- Improve the financial management, reporting, strategic planning, monitoring, evaluation, administrative and marketing systems of NPO's;
- Build capacity through courses, seminars and assistance;
- Create a culture of volunteerism in (corporate) businesses by providing a platform where volunteers can participate to strengthen organisations by either assisting with the implementation of new knowledge and skills gained in training or by directly conducting training sessions for the NGO's;
- Develop a social market to quality assure the use of donor funds.

# Supervision and support

The Trust is registered as a trust with the Master (Number: IT23/2002), as a non-profit organisation under the Department of Community Development (019-824-NPO), and with the South African Revenue Service under Section 30, and under Section 18a of the Income Tax Act.

The auditors of the Trust are LDP Inc. (Loubser du Plessis) of Stellenbosch (Reg. no.: 1994/001617/21 – Practice no.: 944270). Their auditing functions are performed on a pro bono basis and to the requirements of Generally Accepted Accounting Principles (GAAP).

The Trust reports to its donors through financial statements and progress reports. Donors also do their own research on Trust activities through questionnaires and interviews with the beneficiaries of the Trust and its projects.

The trustees are: Jan Schliemann (chairperson), Ilzemie Knoetze, Sandile Gxilishe, Charles Ndlebe and Hannes van Zyl. Mhlobo Jadezweni and Johan Bestbier resigned as trustees in the course of the year.

The trustees serve on various sub-committees. Sandile Gxilishe and Charles Ndlebe are the representatives on the Education Project Committee. Ilzemie Knoetze and Hannes van Zyl are the members of the Audit Committee. Jan Schliemann and Ilzemie Knoetze are the members of the Personnel and Volunteer Committee. Ilzemie Knoetze and Hannes van Zyl are the members of the Fundraising Committee.

The Education Project Committee of the Trust oversees educational standards and quality of teaching at the Trust. The committee consists of educational experts and representatives of trustees, donors and beneficiaries. The members of the committee are Nomaweza Mangqwengqwe (chairperson), Thobeka Msi, Charles Ndlebe, Sandile Gxilishe, Mpumi Mrubata, Adele Botha, Nomahlubi Gxuluwe, Rudi Neuland, Dr. Wolf Siegmund, Juel Stark and Marieken Swart.

The Trust employs ten full-time staff members and another ten part-time members as supervisors and support staff. Their work is complemented by the contributions of numerous volunteers: some volunteers work at the Trust for extended periods; some serve on various committees; others assist in a variety of ways, such as regular reading sessions for children.

The Trust's donors generally show extensive interest in the projects that they fund. Drs. Wolf and Iris Siegmund, Rudi Neuland and Anna Will and H.D. and Doris Menzel are all involved in the various trust activities. Claudia Breibart of the Macias Restis Trust visits often and offers astute guidance.

# Financial Statements

The financial results of 2011/2012 reflect stability. Please refer to the complete audited statement that is attached as part of this report.



## On a personal note...

As chairperson of the trustees during the period of the review, I wish to thank everyone who in some way contributed to the successful functioning and growth of the Trust. I would especially like to thank the previous chairperson Mhlobo Jadezweni for his contribution and wish him well in his extended research as a fellow at Rhodes University.

The work of the Trust requires conscious effort, dedication and hard work by staff, beneficiaries, donors and ambassadors. The Trust will be celebrating its tenth year in 2012. This is a good indication of the stability and sustainability of the Greater Stellenbosch Development Trust.

Jan Schliemann  
Chairperson

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# Annual Report 2011/2012



sedert  
since 1992

JEB-geakkrediteerd om genoteerde maatskappye te audit  
JSE accredited to audit listed companies

A vertical decorative image on the left side of the page, showing a close-up of a document with numbers and text, possibly a financial statement or ledger.A small version of the LDP logo, consisting of the stylized square icon and the letters 'LDP'.

**GREATER STELLENBOSCH DEVELOPMENT TRUST  
(Registration number IT23/2002)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 FEBRUARY 2012**

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

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

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## Independent Auditors' Report

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### *To the members of Greater Stellenbosch Development Trust*

We have audited the financial statements of Greater Stellenbosch Development Trust, which comprise the statement of financial position as at 29 February 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the trustees' report, as set out on pages 5 to 15.

### *Trustees' Responsibility for the Financial Statements*

The trust's trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors considers internal control relevant to the entity's preparation and fair presentation of the 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 financial statements.

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

### *Basis for Qualified Opinion*

In common with similar organisations, it is not feasible for the trust to institute accounting control over cash collection from donations prior to initial entry of the collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts actually recorded.

### *Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Greater Stellenbosch Development Trust as at 29 February 2012, 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.



*Supplementary Information*

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on page 16 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

LDP Lee

LDP Inc.  
Registered Auditors

Stellenbosch  
Date: 10/12/12

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## 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 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 auditors 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 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 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 2013 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 reviewing and reporting on the trust's financial statements. The financial statements have been examined by the trust's external auditors and their report is presented on pages 2 to 3.

The financial statements set out on pages 5 to 16, which have been prepared on the going concern basis, were approved by the trustees duly authorised to do so on 11/12/2012.....

  
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H van der ...

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Trustees' Report

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The trustees submit their report for the year ended 29 February 2012.

### 1. Review of activities

#### Main business and operations

The trust is engaged in educational and community development and social upliftment in Stellenbosch, South Africa.

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.

### 2. 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.

### 3. Events after the reporting period

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

### 4. Non-current assets

There were no major changes in the nature of the non-current assets of the trust during the year as well as the policy relating to its use.

Additions and disposals during the current period is set out in note 2 to the financial statements.

### 5. Trustees

The trustees of the trust during the year and to the date of this report are as follows:

#### Name

ND Hani

F Mkontwana

ML Ntshanga

MW Jadezweni

H van Zyl

J Bestbier

L du Plessis

### 6. Auditors

LDP Inc. will continue in office for the next accounting period.

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Statement of Financial Position

Figures in Rand	Notes	2012	2011
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	6 602 647	6 826 214
Other financial assets	3	500	500
		<b>6 603 147</b>	<b>6 826 714</b>
<b>Current Assets</b>			
Trade and other receivables	4	407 321	337 384
Cash and cash equivalents	5	133 755	321 810
		<b>541 076</b>	<b>659 194</b>
<b>Total Assets</b>		<b>7 144 223</b>	<b>7 485 908</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated surplus		6 454 807	6 997 492
		<b>6 454 907</b>	<b>6 997 592</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Other financial liabilities	7	689 316	488 316
<b>Total Equity and Liabilities</b>		<b>7 144 223</b>	<b>7 485 908</b>

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Statement of Comprehensive Income

Figures in Rand	Notes	2012	2011
Other income		2 507 084	4 912 967
Operating expenses		(2 917 453)	(3 402 729)
<b>Operating (deficit) surplus</b>		<b>(410 369)</b>	<b>1 510 238</b>
Investment revenue	8	1 593	30 240
Finance costs	9	-	(19 729)
<b>(Deficit) surplus for the year</b>		<b>(408 776)</b>	<b>1 520 749</b>
Other comprehensive income		-	-
<b>Total comprehensive (loss) income for the year</b>		<b>(408 776)</b>	<b>1 520 749</b>

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Statement of Changes in Equity

Figures in Rand	Trust capital	Accumulated surplus	Total equity
<b>Balance at 01 March 2010</b>	<b>100</b>	<b>5 476 743</b>	<b>5 476 843</b>
Changes in equity			
Total comprehensive income for the year	-	1 520 749	1 520 749
<b>Total changes</b>	<b>-</b>	<b>1 520 749</b>	<b>1 520 749</b>
<b>Balance at 01 March 2011</b>	<b>100</b>	<b>6 997 492</b>	<b>6 997 592</b>
Changes in equity			
Total comprehensive deficit for the year	-	(408 776)	(408 776)
Allocation to SEED	-	(133 909)	(133 909)
<b>Total changes</b>	<b>-</b>	<b>(542 685)</b>	<b>(542 685)</b>
<b>Balance at 29 February 2012</b>	<b>100</b>	<b>6 454 807</b>	<b>6 454 907</b>
Note	6		

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Statement of Cash Flows

Figures in Rand	Notes	2012	2011
<b>Cash flows from operating activities</b>			
Cash receipts from donors		2 422 180	4 837 814
Cash paid to suppliers and employees		(2 520 478)	(3 372 636)
Cash (used in) generated from operations	11	(98 298)	1 465 178
Interest income		1 593	30 240
Finance costs		-	(19 729)
<b>Net cash from operating activities</b>		<b>(96 705)</b>	<b>1 475 689</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(158 444)	(5 608 510)
Net movement in financial assets		-	1 677 876
<b>Net cash from investing activities</b>		<b>(158 444)</b>	<b>(3 930 634)</b>
<b>Cash flows from financing activities</b>			
Proceeds from other financial liabilities		13 000	-
Movement of other financial liabilities		188 000	(6 412)
Movement in income received in advance		-	(300 000)
<b>Net cash from financing activities</b>		<b>67 091</b>	<b>(306 412)</b>
<b>Total cash movement for the year</b>		<b>(188 058)</b>	<b>(2 761 357)</b>
Cash at the beginning of the year		321 810	3 083 168
<b>Total cash at end of the year</b>	5	<b>133 752</b>	<b>321 811</b>

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Accounting Policies

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### 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. The 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 financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements include:

##### Financial assets measured at cost and amortised cost

The trust assesses its financial assets measured at cost and amortised cost for impairment at each reporting period date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the trust makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

#### 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.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to or replace part of 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.

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

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
Land	Indefinite
Buildings	20 years
Office equipment	5 years
IT equipment	3 years

The residual value, depreciation method and the useful life of each asset are reviewed at each annual reporting period if there are indicators present that there is a change from the previous estimate.

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 separately over its useful life.

#### 1.3 Financial instruments

##### Classification

The company classifies financial assets and financial liabilities into the following categories:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through profit and loss;
- Financial assets that are equity instruments measured at cost less impairment; and
- Financial liabilities measured at amortised cost.

A financial instrument is classified on the date of recognition. Classification depends on the nature of the instrument and purpose for which the instrument was obtained or incurred.



# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Accounting Policies

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### 1.3 Financial instruments (continued)

#### Recognition

The company shall recognise a financial asset or a financial liability when the company becomes a party to the contractual provisions of the instrument.

#### Initial and subsequent measurement per category

- Financial assets measured at amortised cost

Debt instruments issued by the company as well as cash and cash equivalents are classified as financial assets measured at amortised cost. These include loans to directors, cash and cash equivalents, trade debtors, certain other receivables and other loans receivable. These instruments are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost, using the effective interest method.

- Financial liabilities measured at amortised cost.

Debt instruments held by the company are classified as financial liabilities measured at amortised cost. These include loans from shareholders, loans payable, bank overdraft, trade creditors and certain other payables. These instruments are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost, using the effective interest method.

#### Impairment of financial instruments measured at cost less impairment or amortised cost

At the end of each reporting period, the company shall assess whether there is objective evidence of impairment of any financial assets that are measured at cost less impairment or amortised cost. If there is objective evidence of impairment, the company shall recognise an impairment loss in profit or loss immediately.

If, in a subsequent period, the amount of accumulated impairment losses previously recognised decrease, and the decrease can be related objectively to an event occurring after the impairment was recognised, the company shall reverse the previously recognised impairment losses.

#### Amortised cost and effective interest rate method

The amortised cost of a financial asset or financial liability is calculated as follows:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- minus any repayments of the principal;
- plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and maturity amount; and
- minus, in the case of a financial asset, any reduction for impairment or uncollectibility.

A financial instrument that has no stated repayment terms and/ or interest rate is classified as current and is measured at its undiscounted amount.

The effective interest rate method is a method calculating the amortised cost of a financial instrument and of allocating interest income and interest expense over the relevant period.

Interest expense is recognised on the basis of the effective interest rate method and is included in finance cost. Interest income is recognised on the basis of the effective interest rate method and is included in investment income.

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Accounting Policies

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### 1.3 Financial instruments (continued)

#### Derecognition

- Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

- Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

### 1.4 Tax

#### Tax expenses

The trust is exempt from taxation in terms of Section 10(1)(cN) of the Income Tax Act.

### 1.5 Revenue and donation income

Revenue and donation income 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.

### 1.6 Borrowing costs

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

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Notes to the Financial Statements

Figures in Rand

2012

2011

### 2. Property, plant and equipment

	2012			2011		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	1 500	(1 499)	1	1 500	(1 499)	1
Office equipment	18 700	(18 699)	1	18 700	(18 699)	1
IT equipment	5 849	(5 849)	-	5 849	(5 849)	-
Land and buildings	7 732 630	(1 129 985)	6 602 645	7 574 186	(747 974)	6 826 212
<b>Total</b>	<b>7 758 679</b>	<b>(1 156 032)</b>	<b>6 602 647</b>	<b>7 600 235</b>	<b>(774 021)</b>	<b>6 826 214</b>

#### Reconciliation of property, plant and equipment - 2012

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	1	-	-	1
Land and buildings	6 826 212	158 444	(382 011)	6 602 645
Office equipment	1	-	-	1
	<b>6 826 214</b>	<b>158 444</b>	<b>(382 011)</b>	<b>6 602 647</b>

#### Reconciliation of property, plant and equipment - 2011

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	1	-	-	1
IT equipment	3 249	-	(3 249)	-
Land and buildings	1 502 937	5 608 510	(285 235)	6 826 212
Office equipment	1	-	-	1
	<b>1 506 188</b>	<b>5 608 510</b>	<b>(288 484)</b>	<b>6 826 214</b>

#### Pledged as security

Erf 27, Khayamandi, is registered as a first mortgage bond over the loan disclosed in note 7.

#### Details of properties

##### Erf 27, Khayamandi, T 60519/2002

- Purchase price:	150 000	150 000
- Additions since purchase or valuation	7 582 629	7 424 186
	<b>7 732 629</b>	<b>7 574 186</b>

Land and buildings consists of Erf 27, Khayamandi.

No assets have been acquired during the year under review.

Additions made during the year resulted in a higher depreciation expense at yearend.

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Notes to the Financial Statements

Figures in Rand	2012	2011
<b>3. Other financial assets</b>		
<b>At amortised cost</b>		
Staff Loans	500	500
<p>The unsecured loan bears interest as agreed by parties from time to time and has no fixed terms of repayment. No capital payments are required in the next 12 months.</p>		
<b>Non-current assets</b>		
At amortised cost	500	500
<b>4. Trade and other receivables</b>		
Trade receivables	2 000	20 600
VAT	318 155	316 784
Accrued income	87 166	-
	<b>407 321</b>	<b>337 384</b>
<b>5. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	16 229	18 341
Bank balances	117 526	303 469
	<b>133 755</b>	<b>321 810</b>
<b>6. Trust capital</b>		
Balance at beginning of the year	100	100
<b>7. Other financial liabilities</b>		
<b>At amortised cost</b>		
RF Neuland and WL Siegmund mortgage bond	180 000	180 000
The loan is secured by first mortgage bond over Erf 27, Khayamandi as disclosed in note 2.		
Hannes van Zyl	321 316	308 316
The unsecured loans bear interest as agreed by parties from time to time and have no fixed terms of repayment. No capital payments are required in the next 12 months.		
Rikitina Family Trust	188 000	-
The loan is repayable at a rate of 50% of all gross rentals as and when received by the trust. No payment will be due at any stage while the premises are not occupied. Should the loan not be repaid in full by 30 September 2016, the trust will settle the outstanding portion of the loan on that date. The loan bears no interest.		
	<b>689 316</b>	<b>488 316</b>
<b>Non-current liabilities</b>		
At amortised cost	689 316	488 316
<b>8. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	1 593	30 240

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Notes to the Financial Statements

Figures in Rand	2012	2011
<b>9. Finance costs</b>		
Current borrowings	-	19 729
<b>10. Taxation</b>		
No provision has been made for 2012 income tax as the trust is registered as a nonprofit organization and therefore exempt from tax in terms of Section 10(1)(cN) of the Income Tax Act.		
<b>11. Cash (used in) generated from operations</b>		
(Deficit) surplus before taxation	(408 776)	1 520 749
<b>Adjustments for:</b>		
Depreciation	382 010	288 484
Interest received	(1 593)	(30 240)
Finance costs	-	19 729
<b>Changes in working capital:</b>		
Trade and other receivables	(69 937)	(333 544)
	<b>(98 296)</b>	<b>1 465 178</b>

## 12. Comparative figures

Certain comparative figures have been reclassified for presentation purposes.

# Greater Stellenbosch Development Trust

(Registration number IT23/2002)

Financial Statements for the year ended 29 February 2012

## Statement of Financial Performance

Figures in Rand	Notes	2012	2011
<b>Other income</b>			
Building project donations		237 531	1 092 536
Interest received	8	1 593	30 240
Macias Restis		750 000	750 000
Other donations and miscellaneous income		195 541	1 263 102
German sponsors		611 487	-
Received from NLDTF		468 500	1 695 000
Rental income		90 377	112 329
The Department of Social Development		153 648	-
		<b>2 508 677</b>	<b>4 943 207</b>
<b>Operating expenses</b>			
Administration and management fees		12 093	48 005
Assets less than R7,000		17 081	-
Auditors' remuneration		11 011	33 487
Bank charges		14 172	14 498
Building project expenses		267 184	311 426
Computer expenses		41 628	19 093
Consulting fees		21 800	34 560
Depreciation		382 010	288 484
Education project expenses		741 468	973 444
Employee costs		1 211 811	1 219 124
Entrepreneur's project expenses		-	259 901
Equipment expenses		16 627	55 630
Gifts		3 261	-
Insurance		528	-
Lease rentals on operating lease		26 632	-
Marketing		8 944	53 090
Other expenses		16 475	-
Repairs and maintenance		16 128	-
Telephone and fax		40 718	38 490
Trust centre project expenses		2 683	53 497
Utilities		52 392	-
Write-off of inter-project loans		12 807	-
		<b>2 917 453</b>	<b>3 402 729</b>
<b>Operating (deficit) surplus</b>		<b>(408 776)</b>	<b>1 540 478</b>
Finance costs	9	-	(19 729)
<b>(Deficit) surplus for the year</b>		<b>(408 776)</b>	<b>1 520 749</b>