**CDT FOUNDATION NPC**
**(Registration number 1999/014491/08)**
**Financial statements**
**for the year ended 31 December 2011**

## General Information

| | |
|---|---|
| **Country of incorporation and domicile** | South Africa |
| **Nature of business and principal activities** | Ecumenical loan fund providing loans to Christian Churches and Organisations |
| **Directors** | Bishop J T Seoka (Chairman)<br>A E Wentzel (Vice-chairman)<br>I C Aitken<br>The Revd B Arends<br>The Revd J Baker<br>D H L Butcher<br>Pastor P J H de Witt<br>The Revd C Judelsohn<br>S Jwili<br>Dr S D Maluleke<br>S S Manyane<br>A M J Pinnock<br>The Revd J W Roberts<br>Bishop N J Rohwer<br>Captain T P Semeno<br>The Revd W van der Merwe |
| **Registered office and business address** | 4 Gremlin Road<br>Bryanston Ext 8<br>Sandton<br>Gauteng<br>2191 |
| **Postal address** | P O Box 70458<br>Bryanston<br>2021 |
| **Bankers** | Nedbank Ltd |
| **Attorneys** | Tonkin Clacey |
| **Auditors** | B N Jooste & Co |
| **Secretary** | Transfer Administrators (Pty) Ltd |
| **NPO registration number** | 005-939 |
| **Tax registration number** | 9149/587/84/3 |

## Contents

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

B.N. Jooste & Co
Chartered Accountants (S.A.)
Registered Auditors

Practice No. 916900E

Barrie Noel Jooste, C.A. (S.A.)
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# INDEPENDENT AUDITORS REPORT

## TO THE MEMBERS OF CDT FOUNDATION NPC

We have audited the accompanying financial statements of CDT Foundation NPC, which comprise the directors' report, the statement of financial position as at 31 December 2011, the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 5 to 17.

### Directors' Responsibility for the Annual Financial Statements

The company's directors 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, and in the manner required by the Companies Act No 71 of South Africa, 2008. 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 auditor's' 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 auditor 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 the directors, 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 audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as of 31 December 2011, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and in the manner required by the Companies Act No 71 of South Africa, 2008.

### Supplementary Information

We draw your attention to the fact that the supplementary information set out on page 18 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.

***B N Jooste & Co***
***Chartered Accountants (S.A.)***
***Registered Auditors***
***Practice No. 916900 E***

***31 January 2012***
***Randburg***

## DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act No 71of South Africa, 2008, 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 company 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 directors acknowledge that they are ultimately responsible for managing the company's resources, risks and the ethical behaviour of its staff and management by ensuring that the appropriate infrastructure, controls and systems have been implemented, applied and managed.

The directors are of the opinion that appropriate measures have been taken to provide reasonable, though not absolute, assurance that the financial records may be relied on for the preparation of the financial statements.

The directors are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor's is engaged to express an independent opinion on the company's financial statements and their report is presented on page 3.

The financial statements set out on pages 5 to 18, which have been prepared on the going concern basis, were approved by the directors on 31 January 2012 and were signed on their behalf by:

**A E Wentzel (Vice-chairman)**

**L Ballot (CEO)**

## DIRECTORS' REPORT

The directors submit their report for the year ended 31 December 2011.

### 1. INCORPORATION

The company was incorporated in South Africa on 06 July 1999 and obtained its certificate to commence business on the same day.

### 2. REVIEW OF ACTIVITIES

**MAIN BUSINESS AND OPERATIONS**

The company operates as an ecumenical loan fund providing loans at low interest rates to Christian churches and organisations primarily for building purposes.

Net surplus of the company was R 104,087 (2010: surplus R 37,611), after taxation of R 14,485 (2010: R (9,991)).
(See note 12)

### 3. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any matter or circumstance of a material nature 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 company during the year or any changes in the policy relating to their use.

### 5. DIRECTORS

The directors of the company during the year and to the date of this report are as follows:

| Name | Changes |
|---|---|
| Bishop J T Seoka (Chairman) | |
| A E Wentzel (Vice-chairman) | |
| I C Aitken | |
| The Revd B Arends | |
| The Revd J Baker | |
| D H L Butcher | |
| Pastor P J H de Witt | |
| The Revd C Goeiman | Resigned 31 July 2011 |
| The Revd C Judelsohn | Appointed 01 February 2011 |
| S Jwili | Appointed 01 May 2011 |
| Lt Col I L Lengoasa | Resigned 28 February 2011 |
| Dr S D Maluleke | Appointed 01 July 2011 |
| S S Manyane | |
| A M J Pinnock | |
| The Revd J W Roberts | |
| Bishop N J Rohwer | |
| Captain T P Semeno | Appointed 01 February 2011 |
| Prof A Sipamla | Resigned 31 July 2011 |
| The Revd W van der Merwe | |

## DIRECTORS' REPORT

### 6. SECRETARY

The secretary of the company is Transfer Administrators (Pty) Ltd of:

| | |
|---|---|
| **Business address** | 4 Gremlin Road<br>Bryanston Ext 8<br>Sandton<br>Gauteng<br>2191 |
| **Postal address** | P O Box 70458<br>Bryanston<br>2021 |

### 7. MANAGEMENT OF THE FOUNDATION

The company is managed by the CEO Mrs L M Ballot assisted by the secretaries, Transfer Administrators (Pty) Ltd.

### 8. AUDITORS

B N Jooste & Co will continue in office in accordance with section 90(6) of the Companies Act.

## Statement of Financial Position

| Figures in Rand | Note(s) | 2011 | 2010 |
|---|---|---|---|
| **Assets** | | | |
| **Non-Current Assets** | | | |
| Property, plant and equipment | 2 | 88,460 | 139,385 |
| Long term loans | 3 | 14,738,519 | 19,983,075 |
| Investments | 4 | 518,045 | 522,148 |
| | | **15,345,024** | **20,644,608** |
| **Current Assets** | | | |
| Long term loans | 3 | 4,869,317 | 962,070 |
| Current tax receivable | | 68,762 | 14,128 |
| Trade and other receivables | | - | 80,000 |
| Bank and fund balances | 5 | 1,610,857 | 2,693,125 |
| | | **6,548,936** | **3,749,323** |
| **Total Assets** | | **21,893,960** | **24,393,931** |
| **Equity and Liabilities** | | | |
| **Equity** | | | |
| Retained surplus | | 21,054,009 | 20,949,922 |
| **Liabilities** | | | |
| **Non-Current Liabilities** | | | |
| Loan from co-funder | 6 | 250,045 | 2,049,099 |
| Deferred tax | 7 | 42,382 | 40,003 |
| | | **292,427** | **2,089,102** |
| **Current Liabilities** | | | |
| Managed funds' creditors | 8 | 432,704 | 1,247,797 |
| Trade and other payables | 9 | 114,820 | 107,110 |
| | | **547,524** | **1,354,907** |
| **Total Liabilities** | | **839,951** | **3,444,009** |
| **Total Equity and Liabilities** | | **21,893,960** | **24,393,931** |

## Statement of Comprehensive Income

| Figures in Rand | Note(s) | 2011 | 2010 |
|---|---|---|---|
| Revenue | 10 | 1,706,727 | 1,844,118 |
| Operating expenses | | (1,663,142) | (1,714,875) |
| **Operating surplus** | 11 | **43,585** | **129,243** |
| Investment revenue | 12 | 148,869 | 76,696 |
| Fair value adjustments | | 16,996 | 40,488 |
| Finance costs | 13 | (90,878) | (218,807) |
| **Surplus before taxation** | | **118,572** | **27,620** |
| Taxation | 14 | (14,485) | 9,991 |
| **Surplus for the period** | | **104,087** | **37,611** |
| Other comprehensive income | | - | - |
| **Total comprehensive income for the year** | | **104,087** | **37,611** |

## STATEMENT OF CHANGES IN EQUITY

| Figures in Rand | Retained surplus |
|---|---|
| **Balance at 01 January 2010** | **20,912,311** |
| Changes in equity | |
| Total comprehensive income for the year | 37,611 |
| Total changes | 37,611 |
| **Balance at 01 January 2011** | **20,949,922** |
| Changes in equity | |
| Total comprehensive income for the year | 104,087 |
| Total changes | 104,087 |
| **Balance at 31 December 2011** | **21,054,009** |

## Statement of Cash Flows

| Figures in Rand | Note(s) | 2011 | 2010 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash generated from operations | 16 | 182,220 | 100,262 |
| Interest income from Investments | | 91,265 | 54,566 |
| Dividends received | | 57,604 | 22,130 |
| Finance costs | | (90,878) | (218,807) |
| Tax paid | 17 | (66,740) | (43,736) |
| **Net cash from operating activities** | | **173,471** | **(85,585)** |
| **Cash flows from investing activities** | | | |
| Long term loans repaid/(advanced) | | 1,337,309 | 586,799 |
| Sale of investment shares | | 21,098 | - |
| **Net cash from investing activities** | | **1,358,407** | **586,799** |
| **Cash flows from financing activities** | | | |
| Net movement of managed funds' creditors | | (815,092) | (1,215,685) |
| Repayment of co-founders loan | | (1,799,054) | (550,901) |
| **Net cash from financing activities** | | **(2,614,146)** | **(1,766,586)** |
| **Total cash movement for the year** | | **(1,082,268)** | **(1,265,372)** |
| Cash at the beginning of the year | | 2,693,125 | 3,958,497 |
| **Total cash at end of the year** | 5 | **1,610,857** | **2,693,125** |

## 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, and the Companies Act No 71 of South Africa, 2008. 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 company 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 company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

**TAXATION**

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

### 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, 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.

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 |
|---|---|
| Motor vehicles | 5 years |
| Computer equipment | 3 years |
| Computer software | 2 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.

Equipment, furniture and vehicles less than R3 000 are written off in the year that they are purchased.

## ACCOUNTING POLICIES

### 1.3 Financial instruments

**FINANCIAL INSTRUMENTS AT AMORTISED COST**

Financial instruments may be designated to be measured at amortised cost less any impairment using the effective interest method. These include trade and other receivables, loans and trade and other payables. At the end of each reporting period 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.

**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 Tax

**CURRENT TAX ASSETS AND LIABILITIES**

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

**DEFERRED TAX ASSETS AND LIABILITIES**

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting period date.

**TAX EXPENSES**

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

### 1.5 Revenue

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 profit or loss, using the effective interest rate method.

### 2. Property, plant and equipment

| | 2011 | | | 2010 | | |
|---|---|---|---|---|---|---|
| | Cost / Valuation | Accumulated depreciation | Carrying value | Cost / Valuation | Accumulated depreciation | Carrying value |
| Motor vehicle | 148,915 | (74,458) | 74,457 | 148,915 | (44,675) | 104,240 |
| IT equipment | 54,800 | (40,797) | 14,003 | 54,800 | (22,530) | 32,270 |
| Computer software | 6,000 | (6,000) | - | 6,000 | (3,125) | 2,875 |
| **Total** | **209,715** | **(121,255)** | **88,460** | **209,715** | **(70,330)** | **139,385** |

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

| | Opening Balance | Depreciation | Total |
|---|---|---|---|
| Motor vehicle | 104,240 | (29,783) | 74,457 |
| IT equipment | 32,270 | (18,267) | 14,003 |
| Computer software | 2,875 | (2,875) | - |
| | **139,385** | **(50,925)** | **88,460** |

**Reconciliation of property, plant and equipment - 2010**

| | Opening Balance | Depreciation | Total |
|---|---|---|---|
| Motor vehicle | 134,023 | (29,783) | 104,240 |
| IT equipment | 50,537 | (18,267) | 32,270 |
| Computer software | 5,875 | (3,000) | 2,875 |
| | **190,435** | **(51,050)** | **139,385** |

A register containing the information required by paragraph 22(3) of Schedule 4 of the Companies Act is available for inspection at the registered office of the company.

### 3. Long term loans

| | 2011 | 2010 |
|---|---|---|
| Secured loans | 15,587,612 | 18,748,440 |
| The loans are secured by mortgage bonds over fixed property bearing interest between 8.5% and 12% (2010 : 8 5% and 12%) p.a. | | |
| Unsecured loans | 4,020,224 | 2,196,705 |
| The loans are supported by instruments of debt and, in many instances, guarantees of the denomination of the debtor. The loans bear interest between 8.5% and 12% (2010 : 8.5% and 12%) p.a. | | |
| | **19,607,836** | **20,945,145** |
| Non-current assets | 14,738,519 | 19,983,075 |
| Current assets | 4,869,317 | 962,070 |
| | **19,607,836** | **20,945,145** |

## Notes to the Financial Statements

| Figures in Rand | 2011 | 2010 |
|---|---|---|

### 4. Investments

| | 2011 | 2010 |
|---|---|---|
| **At fair value** | | |
| Listed shares | 347,851 | 330,856 |
| **Equity Instruments at cost** | | |
| Unlisted shares | 170,194 | 191,292 |
| **Total other financial assets** | **518,045** | **522,148** |
| **Non-current assets** | | |
| At fair value | 347,851 | 330,856 |
| Equity Instruments at cost | 170,194 | 191,292 |
| | **518,045** | **522,148** |

The fair values of listed or quoted investments are based on the quoted market price at reporting period date.

**Details of investments**

| | 2011 | 2010 |
|---|---|---|
| Avusa Limited (274 shares) | 4,959 | 6,247 |
| MTN Group Holdings (2 262 shares) | 323,466 | 303,108 |
| Naspers Limited (55 shares) | 19,426 | 21,501 |
| **Unlisted - at cost** | | |
| Ditikeni Investment Company Limited (48 345 shares) | 160,194 | 160,194 |
| Christian Network Media (Pty) Ltd (21 098 shares) | - | 21,098 |
| Tembeka Social Investment Company Limited (10 000 shares) | 10,000 | 10,000 |
| | **518,045** | **522,148** |

### 5. Bank and fund balances

Bank and fund balances consist of:

| | 2011 | 2010 |
|---|---|---|
| Bank balances | 59,733 | 109,345 |
| Call account | 1,551,124 | 2,214,858 |
| Money market account - CWM Regional Empowerment Fund | - | 368,922 |
| | **1,610,857** | **2,693,125** |

### 6. Loan from co-funder

| | 2011 | 2010 |
|---|---|---|
| The Natalie Woods Trust | 250,045 | 2,049,099 |

The loan is secured by an instrument of debt, bears interest at 8.5% p.a. repayable on or before 31 December 2008, and the provider has agreed to the extension of the date.

## Notes to the Financial Statements

| Figures in Rand | 2011 | 2010 |
|---|---|---|

### 7. Deferred tax

**Deferred tax liability**

| | | |
|---|---|---|
| Fair value adjustment on investment shares | (42,382) | (40,003) |

**Use and sales rate**

The deferred tax rate applied to the fair value adjustments of financial assets is determined by the expected manner of recovery. Where the expected recovery of the financial assets is through sale, the capital gains tax rate of 14% (2010 : 14%) is used. If the expected manner of recovery is through indefinite use, the normal tax rate of 28% (2010 : 28%) is applied.

If the manner of recovery is partly through use and partly through sale, a combination of capital gains rate and normal tax rate is used.

### 8. Managed funds' creditors

| | | |
|---|---|---|
| **At amortised cost** | | |
| Council for World Mission | 108,809 | 477,356 |
| Council for World Mission - Regional Empowerment Fund | - | 368,922 |
| God's Golden Acre | 113,048 | 113,640 |
| Sakisizwe Trust | 30,721 | 30,721 |
| WACC - AR (Membership and admin) | 180,126 | 257,158 |
| | **432,704** | **1,247,797** |

| | | |
|---|---|---|
| **Current liabilities** | | |
| At amortised cost | 432,704 | 1,247,797 |

### 9. Trade and other payables

| | | |
|---|---|---|
| Trade payables | 59,820 | 52,110 |
| Accrued audit fees | 55,000 | 55,000 |
| | **114,820** | **107,110** |

### 10. Revenue

| | | |
|---|---|---|
| Rendering of services | 96,716 | 72,000 |
| Interest received (trading) | 1,610,011 | 1,772,118 |
| | **1,706,727** | **1,844,118** |

### 11. Operating surplus/deficit

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

| | | |
|---|---|---|
| Depreciation on property, plant and equipment | 50,925 | 51,050 |
| Administration and secretarial services | 394,693 | 368,462 |

## Notes to the Financial Statements

| Figures in Rand | 2011 | 2010 |
|---|---|---|

### 12. Investment revenue

| | | |
|---|---|---|
| **Dividend revenue** | | |
| Listed financial assets - Local | 14,303 | 8,546 |
| Unlisted financial assets - Local | 43,301 | 13,584 |
| | **57,604** | **22,130** |
| **Interest revenue** | | |
| Bank | 91,265 | 54,566 |
| | **148,869** | **76,696** |

### 13. Finance costs

| | | |
|---|---|---|
| Co-funder | 90,878 | 210,916 |
| South African Revenue Services | - | 7,891 |
| | **90,878** | **218,807** |

### 14. Taxation

**Major components of the tax expense/(income)**

| | | |
|---|---|---|
| **Current** | | |
| Local income tax - current period | 12,106 | 5,668 |
| Local income tax - recognised in current tax for prior periods | - | (15,659) |
| | **12,106** | **(9,991)** |
| **Deferred** | | |
| Originating and reversing temporary differences | 2,379 | - |
| | **14,485** | **(9,991)** |

**Reconciliation of the tax expense**

Reconciliation between accounting profit and tax expense.

| | | |
|---|---|---|
| Accounting profit | 118,572 | 27,620 |
| Tax at the applicable tax rate of 28% (2010: 28%) | 33,200 | 7,734 |
| **Tax effect of adjustments on taxable income** | | |
| Exempt income | (18,509) | (11,865) |
| Disallowable charges | 7,384 | 2,209 |
| Assessed loss | (7,590) | 7,590 |
| Prior year adjustments | - | (15,659) |
| | **14,485** | **(9,991)** |

### 15. Auditors remuneration

| | | |
|---|---|---|
| Fees | 55,000 | 52,528 |
| Adjustment for previous year | (6,482) | - |
| | **48,518** | **52,528** |

## Notes to the Financial Statements

| Figures in Rand | 2011 | 2010 |
|---|---|---|

### 16. Cash generated from operations

| | 2011 | 2010 |
|---|---|---|
| Surplus before taxation | 118,572 | 27,620 |
| **Adjustments for:** | | |
| Depreciation and amortisation | 50,925 | 51,050 |
| Dividends received | (57,604) | (22,130) |
| Interest received | (91,265) | (54,566) |
| Finance costs | 90,878 | 218,807 |
| Fair value adjustments | (16,996) | (40,488) |
| **Changes in working capital:** | | |
| Trade and other receivables | 80,000 | (80,000) |
| Trade and other payables | 7,710 | (31) |
| | **182,220** | **100,262** |

### 17. Tax (paid)/refunded

| | 2011 | 2010 |
|---|---|---|
| Balance at beginning of the year | 14,128 | (45,267) |
| Current tax for the year recognised in profit or loss | (12,106) | 9,991 |
| CGT adjustment on fair value of listed investments | - | 5,668 |
| Balance at end of the year | (68,762) | (14,128) |
| | **(66,740)** | **(43,736)** |

### 18. Commitments

| **Approved but not advanced** | 2011 | 2010 |
|---|---|---|
| • Loans | 3,212,000 | 2,360,000 |

### 19. Related parties

**Relationships**

| | |
|---|---|
| Entities related to directors | Christian Development Trust<br>Transfer Administrators (Pty) Ltd<br>The Natalie Woods Trust<br>The Mvume Dandala Family Trust |

**Related party transactions**

| **Management fees paid to/(received from) related parties** | 2011 | 2010 |
|---|---|---|
| Transfer Administrators (Pty) Ltd | 832,693 | 790,464 |

| **Interest paid to/(received from) related parties** | 2011 | 2010 |
|---|---|---|
| The Natalie Woods Trust | 90,877 | 210,916 |

## STATEMENT OF FINANCIAL PERFORMANCE

| Figures in Rand | Note(s) | 2011 | 2010 |
|---|---|---|---|
| **Revenue** | | | |
| Rendering of services | | 96,716 | 72,000 |
| Interest received (trading) | | 1,610,011 | 1,772,118 |
| | 10 | **1,706,727** | **1,844,118** |
| **Other income** | | | |
| Dividend and recoveries | 12 | 57,604 | 22,130 |
| Interest received | 12 | 91,265 | 54,566 |
| Fair value adjustments | | 16,996 | 40,488 |
| | | **165,865** | **117,184** |
| **Operating expenses** | | | |
| Administration and secretarial services | | 394,693 | 368,462 |
| Auditors remuneration | 15 | 48,518 | 52,528 |
| Bank charges | | 1,261 | 2,261 |
| Computer expenses | | 95,774 | 76,770 |
| Depreciation, amortisation and impairments | | 50,925 | 51,050 |
| Grants paid | | 26,371 | 29,408 |
| Insurance | | 13,471 | 48,029 |
| Legal expenses | | 5,005 | 11,270 |
| Management fees - retainer | | 438,000 | 420,000 |
| Management fees - special assignment | | 285,538 | 370,464 |
| Meetings | | 6,358 | 3,234 |
| Motor vehicle expenses | | 26,079 | 30,495 |
| National credit regulator | | 7,845 | 10,823 |
| Payroll maintenance | | 6,555 | - |
| Printing and stationery | | 62,945 | 50,943 |
| Repairs and maintenance | | 21,820 | - |
| Subscriptions | | 29,008 | 45,554 |
| Travel - local | | 64,972 | 67,073 |
| Travel - overseas | | 78,004 | 76,511 |
| | | **1,663,142** | **1,714,875** |
| **Operating surplus** | 11 | **209,450** | **246,427** |
| Finance costs | 13 | (90,878) | (218,807) |
| **Surplus before taxation** | | **118,572** | **27,620** |
| Taxation | 14 | 14,485 | (9,991) |
| **Surplus for the period** | | **104,087** | **37,611** |


**The supplementary information presented does not form part of the financial statements and is unaudited**