

DURBANVILLE SCHOOLS TRUST
(Registration number IT1287/98)
Annual financial statements
for the year ended 28 February 2009



Theron du Plessis

Ons verstaan besigheid
We understand business

Durbanville Schools Trust

Annual Financial Statements for the year ended 28 February 2009

Index

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

Index	Page
Report of the independent auditors	2
Trustees' Responsibilities and Approval	3
Executive Trustees' Report	4 - 6
Balance Sheet	7
Income Statement	8
Statement of Changes in Equity	9
Cash Flow Statement	10
Accounting Policies	11
Notes to the Annual Financial Statements	12 - 14
Tax computation	15

Theron du Plessis

GEOKTROOIEERDE REKENMEESTERS (SA) CHARTERED ACCOUNTANTS (SA)

Verteenwoordig te/Represented at:
Aliwal-Noord/North Durbanville
Burgersdorp Cradock
Villiersdorp De Aar
Middelburg K.P./C.P.

Bueno Vista Kantoor Park, h/v Durban- en Kendalweg, Durbanville 7550 • Posbus 3737 / 3904, Tygervallei 7536
Bueno Vista Office Park, cnr Durban & Kendal Roads, Durbanville 7550 • P.O. Box 3737 / 3904, Tyger Valley 7536
Tel: (021) 975-3737 / 976-0062 • Faks/Fax: (021) 975-3766 / 976-0106 • Sel/Cell: 083 453 3737 / 083 452 4099
E-pos/E-mail: info@theronduplessis.co.za

Report of the independent auditors

To Durbanville Schools Trust

We have audited the annual financial statements of Durbanville Schools Trust set out on pages for the year ended 28 February 2009. These financial statements are the responsibility of the trust's trustees. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

Qualification

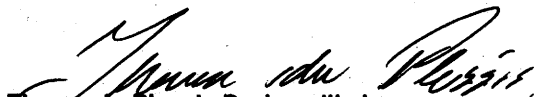
In accordance with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections from donations prior to initial entry of the collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts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

Qualified audit opinion

In our opinion, except for the effect on the financial statements of the matter referred to in the preceding paragraph, the financial statements fairly present, in all material respects, the financial position of the trust at 28 February 2009 and the results of its operations for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Trust Deed in South Africa.

Accounting and secretarial duties

With the written consent of all trustees, we have performed certain accounting and secretarial duties.


Theron du Plessis Durbanville Inc.
Chartered Accountants (S.A.)
Registered Auditor

P Herholdt
Durbanville
31 May 2010



Durbanville Schools Trust

Annual Financial Statements for the year ended 28 February 2009

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 South African Statement of Generally Accepted Accounting Practice 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 South African Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the trust and all employees are required to maintain the highest ethical standards in ensuring the trust's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the trust is on identifying, assessing, managing and monitoring all known forms of risk across the trust. While operating risk cannot be fully eliminated, the trust endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the 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 2010 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 compiler is responsible for independently reviewing and reporting on the trust's annual financial statements. The annual financial statements have been examined by the trust's external compiler and their report is presented on page 2.

The annual financial statements set out on pages 7 to 15, which have been prepared on the going concern basis, were approved by the board on 31 May 2010 and were signed on its behalf by:

A Berkovitz

JF van Wyk

DURBANVILLE SCHOOLS FOUNDATION EXECUTIVE TRUSTEE'S REPORT FOR 2008

AGM - MONDAY 18 MAY 2009

INTRODUCTION

It gives me great pleasure to be able to report on events and projects that took place during 2008. If my summary sounds a bit pessimistic, it is because most of us were facing challenges right through the year which drained us of much of our energy and willpower – some even had to change into survival gear - just to keep moving forward. Well done to those who escaped the storm without a scar. For those who were not so lucky, please keep on believing in your call, and dreams for your school.

One of the noticeable memories of 2008 was to witness, and to acknowledge the gradual degrading of the morale of most of our teachers. I must therefore congratulate all principals of the Foundation's schools who still perform to the best of their ability and produced excellent results under very difficult circumstances. Thanks to every one of you. By supporting the DSF, and maintaining your firm belief in our vision, we have all helped to achieve the vision, namely to provide quality education to all our children. I am honoured to be a part of an organisation that is in touch with your day to day challenges so that I am able to assist wherever possible, and to motivate and try to boost the morale of you all.

I must admit that it is not easy or possible to provide service to all, or to successfully fund every single project. At the DSF we also felt the pinch of the economic downturn, noting that it became more difficult to get new sponsors, while some existing sponsors withdrew or cut back on their donations. At this point I must commend our expert financial advisor and trustee, Anton for keeping a tight reign on our financial express and hunting for new sponsors. We are in the process of getting our own website and embarking on a concerted marketing strategy.

EVENTS AND PROJECTS - 2008

1. *The Number Skills Project:* no funds were available to continue this much needed educational aid to teachers and pupils formally. Schools are free to contact us to obtain master copies of Workbooks for learners from Gr. R to Gr. 3, but will have to make their own copies for all their pupils and the programme themselves.
2. *Governing Body posts:* Where possible, and where the need was demonstrated to be the greatest, financial assistance was granted to help fund secretarial assistants and cleaners where school budgets do not provide for them. The DSF was approached by Kersboslaagte and Blue Mountains Primary for help in this regard. Seeing that this is a major problem for all the smaller schools, we are establishing a fund to help pay salaries for additional teachers and other vital staff members. We were in a position to help both these schools, but we are aware of other schools that also need help and we will attend to them as soon as funds become available.
3. *DSF Scholarships:* The DSF arranged sponsorship for pupils from its Primary Schools to attend Durbanville High. In 2008 the number grew to 15, and we are proud to report that all but one successfully finished the school year.

This project is managed and mentored by myself, with the help of Anton, and Bernice of Metropolitan Asset Managers, who sponsored six of the pupils. The breakdown was:

1 in Grade 12
3 in Grade 11
1 in Grade 10
6 in Grade 9
4 in Grade 8

The DSF also supports a pupil at Schoonspruit Malmesbury, and one at Scottsville.

4. *Art and Culture Project:* This useful project stopped in 2007 as funds dried up. I want to congratulate the schools that participated in the DSF-Talent Project. I could only attend of the efforts at Meulenhof and was wonderfully surprised at the quality of the performance and the talents that were displayed to a packed "hall".

The diploma and floating trophies awarded were more appreciated by teachers than learners! Congratulations to Alpha for their effort, I sincerely hope that this will become an annual DSF event attended by all schools.

5. **Character Building Project:** This project is run as part of the Life Skills curriculum. It was originated and sponsored by the Durbanville DR Church, who employed George Bell and me to run it. George had a kidney operation in June so I had to run the project at all 8 schools by myself. The sponsor withdrew at the end of 2008 and if the present circumstances persist, I will have to choose but to end this worthy project for lack of sponsorship. Experience gained through this project forced me to change from trying to help one grade at a school to an effort involving the whole school with every teacher, as well as the governing body and community involved.
6. **Library Facilities:** The new facilities were opened at Durbanville and Pheasantkraal during 2008. We appreciate the benefits to the whole community. These facilities still remain a basic need to most of our schools. One can only hope that WCED will finally admit that this is the reason why schools just cannot improve in their numeric and literacy results. The Foundation is looking at providing large Wendy Houses to schools and trying to equip these as libraries. Again, everything will depend on the ability to obtain sponsorship
7. **Wendy House Project;** - Three schools requested assistance in this area. Happily I can report that we could help in the case of two of them. Alpha and Kersboslaagte were the beneficiaries. Blue Mountains will only finish theirs in 2009. We must congratulate individual school in succeeding in getting prefab classrooms from WCED. Our sympathy goes to Joostenberg who received two classrooms but were denied to put it up.
8. **New School Project;** - We bravely admit that although we pursue all even uses of communication available we have had no success. Meetings were set up with role players like Eksom and other but no progress was made. I invite any principal that might help with information to assist us in negotiating with the right people and to motivate these effected principals.
9. **Sport Development;** - Rugby, Soccer, Netball, Cross Country Wrestling. These sports codes still exist in most of DSF schools. The lack of funds to pay for coaching and mainly traveling, hampers the development at all of these schools. A few schools received help from institutions with facilities while others are still looking forward to host matches on their own.
Wrestling - schools enjoyed free coaching and the transport of kids to practices and tournaments were shocked when Genesis was forced to stop this fast growing cost (400 wrestlers). Only a few advanced learners still benefit from it.
Chess - We received 45 chess-sets from D/ville Rotary Club to introduce this sport code to interesting schools. We have been in conversation with trainers like Mr. E. November, national coach and teacher at Visserhok and E. le Fleur from the same school. In the meantime I handed over these sets to the four schools which showed willingness to participate in the project. A proper scheme and business plan will be negotiated during 2009 that will include more schools.

SUMMARY OF COMPLETED OR NEAR COMPLETED PROJECT 2008

> Alpha Primary	=	Wendy house Sound System Wall of Fame
> Attie van Wyk	=	Upgrading of container as School Computer/Library
> Blue Mountains	=	Help in erecting Staff toilet Salary support of ass, secr. and cleaners Wendy house support
> Vissershok	=	Upgrading of admin building
> Kersboslaagte	=	Salary support of ass, ser. and cleaner Building of Wendy house as Library
> Philadelphia	=	Sponsoring a new Lawnmower
> Meulenhof	=	Donating floating trophies Donating files and chairs
> Joostenberg	=	Donating to upgrade learners toilets
> Trevor Manuel	=	Donating chairs - furniture

CONCLUSION

We really appreciate the attendance of principals of our quarterly meetings and do understand the pressure of the WCED work shops. Thank you for the friendly way you receive me and for sharing your successes, frustrations and problems with me. I still feel part of all DSF schools and sincerely hope that our relationship will last and that we can tackle future as real partners.

May we all prosper and enjoy good health and be able to stay focus and motivated for our tasks. Again I want to extend my gratitude and appreciation to our trustees, sponsors and Anton with whose genuine interest and unselfish support DSF would not be able to finish a challenging 2008.

GOOD LUCK TO EVERYONE.

Yours faithfully

.....
(Loekie van Wyk)

Durbanville Schools Trust

Annual Financial Statements for the year ended 28 February 2009

Balance Sheet

	Note(s)	2009 R	2008 R
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	25,042	25,042
Investments	3	545,441	423,535
		570,483	448,577
Current Assets			
Bank balance	4	134,375	81,603
Total Assets		704,858	530,180
TRUST FUND AND LIABILITIES			
TRUST FUNDS			
Trust capital	5	100	100
Reserves		545,441	423,535
Accumulated surplus		77,617	66,046
		623,158	489,681
LIABILITIES			
Current Liabilities			
Creditors	10	81,700	40,499
Total Equity and Liabilities		704,858	530,180

Durbanville Schools Trust

Annual Financial Statements for the year ended 28 February 2009

Income Statement

	Note(s)	2009 R	2008 R
Donations received			
Donations - Income		304,503	227,214
Donations - Capital		32,000	88,000
		336,503	315,214
Other income			
Interest received		35,352	36,349
Operating expenses			
Grants		227,686	202,644
- Bursaries		171,531	111,270
- Creative games project		-	44,406
- Character building project		15,150	-
- School building projects		33,005	46,468
- Staff support		8,000	500
Running expenditure		10,692	11,498
- Accounting fees		5,700	7,410
- Bank charges		942	788
- Telephone and fax		4,050	3,300
Total Expenditure		238,378	214,142
Income before transfers		133,477	137,421
Transfer to Patron's project fund		32,000	88,000
Transfer to Bursary fund		54,610	-
Transfer to Teachers fund		27,019	-
Transfer to General fund		8,277	22,535
Retained income for year		11,571	26,886
Retained at beginning of year		66,046	39,160
Retained income at end of year		77,617	66,046

Durbanville Schools Trust

Annual Financial Statements for the year ended 28 February 2009

Statement of Changes in Equity

	Trust capital		General Reserve Fund		Teachers Fund		Bursary Fund		Patrons' Project Fund		Total reserves		Accumulated surplus		Total equity	
	R		R		R		R		R		R		R		R	
Balance at 01 March 2007	100		5,000		-		-		308,000		313,000		39,160		352,260	
Changes in equity																
Surplus for the year	-		22,535		-		-		-		-		137,421		137,421	
Transfer to Funds	-		-		-		-		88,000		110,535		(110,535)		-	
Total changes	-		22,535		-		-		88,000		110,535		26,886		137,421	
Balance at 01 March 2008	100		27,535		-		-		396,000		423,535		66,046		489,681	
Changes in equity																
Surplus for the year	-		(20,000)		25,000		54,000		32,000		91,000		133,477		133,477	
Transfer of capital to (from) Fund	-		28,277		2,019		610		-		30,906		(30,906)		-	
Transfer of interest to Fund	-		-		-		-		-		-		-		-	
Total changes	-		8,277		27,019		54,610		32,000		121,906		11,571		133,477	
Balance at 28 February 2009	100		35,812		27,019		54,610		428,000		545,441		77,617		623,158	
Note(s)	5		6		7		8		9							

Durbanville Schools Trust

Annual Financial Statements for the year ended 28 February 2009

Cash Flow Statement

	Note(s)	2009 R	2008 R
Cash flows from activities			
Cash from activities	12	139,326	100,072
Interest income		35,352	36,349
Net cash from activities		174,678	136,421
Cash flows from investing activities			
Increase in investments		(121,906)	(110,535)
Net cash from investing activities		(121,906)	(110,535)
Total cash movement for the year		52,772	25,886
Cash at the beginning of the year		81,603	55,718
Total cash at end of the year	4	134,375	81,604

Durbanville Schools Trust

Annual Financial Statements for the year ended 28 February 2009

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the South African Statement of Generally Accepted Accounting Practice 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 Property, plant and equipment

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

1.2 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, 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 fair value

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

1.3 Revenue

Interest is recognised, in profit or loss, using the effective interest rate method.

Donation income is recognised when received.

Durbanville Schools Trust

Annual Financial Statements for the year ended 28 February 2009

Notes to the Annual Financial Statements

	2009 R	2008 R
--	-----------	-----------

2. Property, plant and equipment

	2009			2008		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Land	25,042	-	25,042	25,042	-	25,042

Reconciliation of property, plant and equipment - 2009

	Opening Balance	Total
Land	25,042	25,042

Details of properties

ERF 25 , Klipheuwel

- Purchase price: 11/08/1999	20,000	20,000
- Additions since purchase or valuation	5,042	5,042
	25,042	25,042

3. Investments

Metropolitan Money Market	509,629	396,000
Unit Trust Investment Account	35,812	27,535
	545,441	423,535

Non-current assets At market value

	545,441	423,535
--	----------------	----------------

4. Bank balance

Bank balances	134,375	81,603
---------------	---------	--------

5. Trust capital

Trust capital Balance at beginning of year	100	100
---	-----	-----

Durbanville Schools Trust

Annual Financial Statements for the year ended 28 February 2009

Notes to the Annual Financial Statements

	2009 R	2008 R
6. General Reserve Fund		
Balance at beginning of year	27,535	5,000
Capital transferred	9,400	8,675
Interest capitalised (including fairvalue adjustments)	28,277	34,510
Transfers to bank	(29,400)	(20,650)
	<u>35,812</u>	<u>27,535</u>

The above balance represent the market value of the unit trust.

7. Teacher's Fund

Capital transferred	25,000	-
Interest capitalised	2,019	-
	<u>27,019</u>	<u>-</u>

The above balance represent the market value of the money market fund.

8. Bursary Fund

Capital transferred	54,000	-
Interest capitalised	610	-
	<u>54,610</u>	<u>-</u>

The above balance represent the market value of the money market fund.

9. Patrons' Project Fund

Balance at beginning of year	396,000	308,000
Capital transferred	32,000	88,000
	<u>428,000</u>	<u>396,000</u>

The above balance represent the market value of the money market fund.

Durbanville Schools Trust

Annual Financial Statements for the year ended 28 February 2009

Notes to the Annual Financial Statements

	2009 R	2008 R
10. Creditors		
Rounding difference	-	(1)
Donations received in advance	76,000	40,500
Theron Du Plessis Durbanville Inc	5,700	-
	<u>81,700</u>	<u>40,499</u>

11. Taxation

No provision has been made as the trust is a non-profitable organisation which is exempt from income tax in terms of Section 10(1) of the Income Tax Act of 1962.

12. Cash generated from activities

Income before transfers	133,477	137,421
Adjustments for:		
Interest received	(35,352)	(36,349)
Changes in working capital:		
Creditors	41,201	(1,000)
	<u>139,326</u>	<u>100,072</u>