

**THE SOUTH AFRICAN INSTITUTE FOR
ADVANCEMENT TRUST
(Masters reference IT 2285/2002)
ANNUAL FINANCIAL STATEMENTS
for the year ended 28 February 2009**

Trustees

M Soko
S F Gastrow
L Kaunda
G J Lundy
M I Surve
Z Barends
L Ntsebeza

Registered office

27th Floor
1 Thibault Square
Cape Town
8001

Bankers

Nedbank, a division of Nedcor Bank Limited

Auditors

Mazars Moores Rowland
Cape Town

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
FINANCIAL STATEMENTS
for the year ended 28 February 2009

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


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The following supplementary schedule does not form part of the financial statements, and is unaudited.

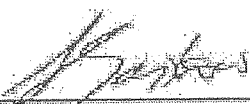
Detailed income statement	14
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Approval of the annual financial statements

The financial statements which appear on pages 4 to 14 were approved by the trustees on 13 May 2009 and signed on their behalf by:



M Soko



S F Gastrow

**REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF THE SOUTH
AFRICAN INSTITUTE FOR ADVANCEMENT
TRUST**

We have audited the annual financial statements of The South African Institute for Advancement Trust, which comprise the trustees' report, the balance sheet as at 28 February 2009, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 13.

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 basis of accounting described in Note 1 and in the manner required by the Trust Deed. 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.

Auditor's 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 judgment, 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 trust'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 trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, 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.

The trust's policy is to prepare the financial statements on the basis of accounting as set out in Note 1 to the financial statements.

REGISTERED AUDITOR – A FIRM OF CHARTERED ACCOUNTANTS(SA)

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MAZARS MOORES ROWLAND – AN APPROVED FINANCIAL SERVICES PROVIDER

PARTNERS: HILTON SAVEN BCOM (SENIOR PARTNER), DENIS CACHO BCOM (MANAGING PARTNER – JOHANNESBURG), CRAIG MACCULLIVRAY BCOM PG DIP TAX LAW (MANAGING PARTNER – CAPE TOWN)
A FULL LIST OF PARTNERS IS AVAILABLE ON REQUEST OR AT [WWW.MAZARS.CO.ZA](http://www.mazars.co.za)

THE CAPE TOWN, JOHANNESBURG AND PAARL PARTNERSHIP, WHICH IS A MEMBER OF PRAXITY, A GLOBAL ALLIANCE OF INDEPENDENT FIRMS, PRACTICES INDEPENDENTLY OF
THE OTHER SOUTH AFRICAN ASSOCIATE MEMBER FIRMS OF PRAXITY LOCATED IN BLOEMFONTEIN, DURBAN, GEORGE, PLETTENBERG BAY, PORT ELIZABETH AND PRETORIA

Opinion

In our opinion, the accompanying financial statements have been prepared, in all material respects, in accordance with the basis of accounting described in Note 1.

Emphasis

Without qualifying our opinion, we emphasise that the basis of accounting and the presentation and disclosures contained in the financial statements are not intended to, and do not, comply with all the requirements of South African Statements of Generally Accepted Accounting Practice.

Supplementary information

The supplementary schedule set out on page 14 does not form part of the annual financial statements and is presented as additional information. We have not audited this schedule and accordingly we do not express an opinion on it.

Mazars Moores Rowland

MAZARS MOORES ROWLAND
Registered Auditor

13 May 2009
Cape Town

Partner: David Resnick
Chartered Accountant (SA)

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
REPORT OF THE TRUSTEES
for the year ended 28 February 2009

The trustees present their report for the year ended 28 February 2009. This report forms part of the audited financial statements.

1. General review

The trust's business and operations and the results thereof are clearly reflected in the attached financial statements.

The trust carries on the business of developing and training other similar organisations to obtain funding.

2. Statements of responsibility

The trustees are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements.

The trustees are also responsible for the trust's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the trustees to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the trustees have every reason to believe that the trust has adequate resources in place to continue in operation for the foreseeable future.

3. Property, plant and equipment

There have been no major changes in the property, plant and equipment during the period or any changes in the policy relating to their use.

4. Events subsequent to year end

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

5. Trustees

The trustees of the trust during the accounting period and up to the date of this report were as follows:

M Soko
S F Gastrow
L Kaunda
G J Lundy
M I Surve
Z Barends
L Ntsebeza

6. Auditors

Mazars Moores Rowland will continue in office for the next financial period.

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
BALANCE SHEET
as at 28 February 2009

		2009 R	2008 R
Assets			
Non-current asset			
Investments	3	3 874 340	3 208 355
		17 765 299	10 662 065
Current assets			
Trade and other receivables	4	114 605	82 306
Cash and cash equivalents	10.2	17 650 694	10 579 759
		<u>21 639 639</u>	<u>13 870 420</u>
Total assets			
Equity and liabilities			
Capital and reserves			
Trust capital	5	100	100
General reserve		11 959 202	8 910 325
Distributable reserve		9 667 508	4 954 794
Current liability			
Trade and other payables	6	12 829	5 201
		<u>21 639 639</u>	<u>13 870 420</u>
Total equity and liabilities			

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
 INCOME STATEMENT
 for the year ended 28 February 2009

	Note	2009 R	2008 R
Gross revenue		17 856 587	10 971 657
Other income		1 882 560	1 692 591
Operating costs		<u>(13 673 202)</u>	<u>(6 833 312)</u>
Operating profit		6 065 945	5 830 936
Investment income	8	<u>1 695 646</u>	<u>919 137</u>
Surplus for the year		<u><u>7 761 591</u></u>	<u><u>6 750 073</u></u>

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
 STATEMENT OF CHANGES IN EQUITY
 for the year ended 28 February 2009

	Trust capital R	General reserve R	Accumulated profit R	Total R
Balance at 01 March 2007	100	7 115 046	-	7 115 146
Surplus for the year		-	6 750 073	6 750 073
Transfer to General Reserve		1 795 279	(1 795 279)	-
Balance at 01 March 2008	100	8 910 325	4 954 794	13 865 219
Surplus for the year		-	7 761 591	7 761 591
Transfer to General Reserve		3 048 877	(3 048 877)	-
Balance at 28 February 2009	100	11 959 202	9 667 508	21 626 810

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
 CASH FLOW STATEMENT
 for the year ended 28 February 2009

	Notes	2009 R	2008 R
Cash flows from operating activities		9 187 414	7 001 715
Cash generated by operating activities	10.1	7 491 768	6 082 578
Investment income		1 476 580	816 382
Dividends received		219 066	102 755
Cash flows from investing activities		(2 116 479)	(1 968 229)
<i>Expenditure to maintain operating capacity</i>			
Property, plant and equipment acquired		(490 885)	(566 656)
Proceeds of disposals of investments		22 556	-
<i>Expenditure for expansion</i>			
Investments		(1 648 150)	(1 401 573)
Increase in cash and cash equivalents		7 070 935	5 033 486
Cash and cash equivalents at beginning of the year	10.2	10 579 759	5 546 273
Cash and cash equivalents at end of the year	10.2	17 650 694	10 579 759

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 28 February 2009

1. Basis of preparation

The financial statements are prepared in accordance with the basis of accounting described below. The financial statements are prepared under the historical cost method.

Unless otherwise specifically stated, this basis is consistent with that of the previous year.

1.1 Revenue recognition

Revenue is recognised once donations and grants have been received.

1.2 Investments

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

Investments are measured initially and subsequently at fair value, gains and losses arising from changes in fair value are included in profit or loss for the period.

1.3 Property, plant and equipment

All property, plant and equipment are initially recorded at cost. All assets are written off in full in the year of purchase.

1.4 Cash and cash equivalents

Cash and cash equivalents consist of bank balances.

1.5 Trade and other receivables

Trade receivables are recognised and carried at the original invoice amount.

1.6 Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
 NOTES TO THE FINANCIAL STATEMENTS
 at 28 February 2009

2. Property, plant and equipment

	2009			2008		
	Cost R	Accumulated depreciation R	Carrying value R	Cost R	Accumulated depreciation R	Carrying value R
<i>Owned assets</i>						
Audiovisual equipment	164 226	164 226	-	96 178	96 178	-
Furniture and fittings	1 026 853	1 026 853	-	766 756	766 756	-
Telephone equipment	59 414	59 414	-	59 414	59 414	-
Office equipment	69 967	69 967	-	69 967	69 967	-
Computer equipment	539 449	539 449	-	376 709	376 709	-
Computer software	38 264	38 264	-	38 264	38 264	-
	<u>1 898 173</u>	<u>1 898 173</u>	<u>-</u>	<u>1 407 288</u>	<u>1 407 288</u>	<u>-</u>

The carrying amounts of property, plant and equipment can be reconciled as follows:

2009	Carrying value at beginning of year R	Additions R	Depreciation R	Carrying value at end of year R
<i>Owned assets</i>				
Audiovisual equipment	-	68 048	(68 048)	-
Furniture and fittings	-	260 097	(260 097)	-
Computer equipment	-	162 740	(162 740)	-
	-	<u>490 885</u>	<u>(490 885)</u>	-

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 28 February 2009

			2009 R	2008 R
3. Investments				
Listed shares at market value			<u>3 874 340</u>	<u>3 208 355</u>
The trust held investments in the following companies:				
	<i>Number of shares</i>			
	2009	2008		
<i>Listed</i>				
Anglo Platinum Ltd	400	100	154 348	124 000
Anglos PLC	1 300	373	183 664	185 970
Aveng Ltd	1 754	1 754	45 165	108 748
Billiton PLC	1 500	900	234 600	229 320
Firststrand Ltd	5 000	4 000	60 250	74 800
Goldfields Ltd	1 500	1 000	156 750	109 500
Liberty International PLC	1 200	800	57 600	118 000
Massmart Holdings Ltd	1 000	1 000	72 400	72 000
Pick 'n Pay Holdings Ltd	3 000	3 000	39 300	38 700
Richemont Securities AG	-	2 000	-	90 600
Remgro Ltd	300	300	19 890	60 900
SABMiller PLC	700	500	100 800	81 500
Sasol Ltd	300	300	75 600	120 750
Standard Bank Ltd	1 022	622	66 430	61 267
PPC Cement	3 243	1 000	96 317	42 800
Tiger Brands	300	200	37 950	28 002
City Lodge	1 000	500	62 690	37 775
Discovery Holdings Ltd	-	168	-	4 604
ABSA Bank Ltd Pref's	300	300	261 870	264 000
FirstRand B Pref's	3 000	3 000	252 000	262 200
Nedbank Pref's	30 000	30 000	301 500	316 500
Standard Bank Pref's	3 000	3 000	297 000	295 500
Kumba Iron Ore Ltd	600	-	96 600	-
WBH-Ovcon	200	-	17 000	-
Compagnie Financiere				
Richemont	2 000	-	26 800	-
British American Tobacco	234	-	59 728	-
Adcock Ingram Holdings				
Ltd	300	-	11 478	-
Truworths Ltd	1 000	-	31 140	-
RMBH	1 000	-	19 250	-
Reinet Investments SCA	825	-	7 590	-
Venfin Limited	3 000	-	49 500	-
First Rand Perpetual	200 000	-	200 119	-
Growth Point	8 500	-	114 325	-
Hyprop	3 000	-	117 900	-
Redefine	20 000	-	135 400	-
Fountainhead Property Trust	10 000	-	54 900	-
			<u>3 517 854</u>	<u>2 727 436</u>

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
 NOTES TO THE FINANCIAL STATEMENTS
 at 28 February 2009

3. Investments continued

			2009 R	2008 R
<i>Collective investment scheme</i>				
USD High Growth International Multifund	3 989	3 989	356 486	480 919
			<u>356 486</u>	<u>480 919</u>

The above shares are classified as held for trading and is shown at market value with the profit or loss taken to the income statement.

4. Trade receivables

VAT			76 105	43 806
Deposit			38 500	38 500
			<u>114 605</u>	<u>82 306</u>

5. Trust capital

<i>Capital account</i>				
Initial donation			<u>100</u>	<u>100</u>

6. Trade payables

Sundry creditors			<u>12 829</u>	<u>5 201</u>
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7. Grants received

Current projects			7 432 120	5 929 443
Future projects			9 667 508	4 954 794
			<u>17 099 628</u>	<u>10 884 237</u>

8. Investment income

Interest income				
- Interest received			1 476 580	816 382
Dividend income				
- Dividends received from listed companies			219 066	102 755
			<u>1 695 646</u>	<u>919 137</u>

9. Commitments

Operating lease commitments

The future minimum lease payments under non-cancellable operating leases are as follows:

Not later than 1 year			259 344	237 930
Later than 1 year and not later than 5 years			808 194	1 067 538
			<u>1 067 538</u>	<u>1 305 468</u>

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
 NOTES TO THE FINANCIAL STATEMENTS
 at 28 February 2009

	2009	2008
	R	R

10. Notes to the cash flow statement

10.1 Cash generated by operating activities

Net surplus	7 761 591	6 750 073
Adjustments for:		
Depreciation	490 885	566 656
Investment income	(1 695 646)	(919 137)
Profit on fair value adjustment of investments	(8 156)	(245 177)
Fair value adjustment to investments	967 765	-
	7 516 439	6 152 415
Movements in working capital		
Increase in trade and other receivables	(32 299)	(54 410)
Increase/(decrease) in trade and other payables	7 628	(15 427)
	7 491 768	6 082 578

10.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

Cash and cash equivalents	17 650 694	10 579 759
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11. Comparative figures

Certain comparative figures have been reclassified.

THE SOUTH AFRICAN INSTITUTE FOR ADVANCEMENT TRUST
DETAILED INCOME STATEMENT
for the year ended 28 February 2009

	2009 R	2008 R
Gross revenue	17 856 587	10 971 657
Donations	756 959	87 420
Grants	17 099 628	10 884 237
Income	3 578 206	2 611 728
Cost recovery fees	1 874 404	1 447 414
Dividends received	219 066	102 755
Interest received	1 476 580	816 382
Profit on disposal of investments	8 156	-
Profit on fair value adjustment on investments	-	245 177
Total income	21 434 793	13 583 385
Expenditure	(13 673 202)	(6 833 312)
Advertising, promotions, marketing and publications	569 407	271 137
Audit and accounting fees	109 576	67 570
Bank and brokerage charges	78 616	66 655
Cleaning	32 358	14 553
Depreciation	490 885	566 656
Dissemination and exchange of learning	465 149	171 535
General expenses	4 195	3 443
Hire of equipment	57 762	63 050
Insurance	34 284	26 973
Lease rentals	398 800	264 605
Legal expenses	7 800	6 470
Loss on fair value adjustment of investments	967 765	-
Printing, stationery, postage and office supplies	128 051	91 180
Programmes and projects	2 466 501	1 269 979
Repairs and maintenance	117 048	74 565
Resource material	23 225	32 527
Salaries	4 622 673	2 497 918
Service providers and consultants	2 015 617	772 030
Staff and organisational development	178 787	22 948
Telecommunication	64 569	51 747
Travel - local	560 053	172 668
Travel - overseas	207 574	231 931
Utilities	5 347	18 110
Website development and Internet	67 160	75 062
Surplus for the year	<u>7 761 591</u>	<u>6 750 073</u>

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