


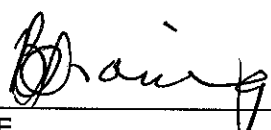
THE SEDIBENG TRUST
REG NO: IT 2133/2004
ANNUAL FINANCIAL STATEMENTS AS AT 31 DECEMBER 2010

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The annual financial statements on pages two to twelve were approved by the trustees on 25 February 2011 and are signed on its behalf by:



TRUSTEE



TRUSTEE

Cassells Accountants Incorporated

Reg. No. 2005/005285/21

Registered Accountants & Auditors/Geregistreerde Rekenmeesters & Ouditeure

Director - NEILL PETER CASSELLS CA (SA)
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INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE SEDIBENG TRUST
REG NO: IT 2133/2004

We have audited the annual financial statements of the Sedibeng Trust which comprise the trustees' report, the balance sheet at 31 December 2010, the income statement, the statement of changes in funds and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes, as set out on pages two to twelve.

Trustees' Responsibility for the Financial Statements

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice for Small and Medium-sized Enterprises. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan to 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 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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material aspects, the financial position of the Trust as at 31 December 2010 and of its financial performance and cash flows for the year ended in accordance with South African Statements of Generally Accepted Accounting Practice for Small and Medium-sized Enterprises.



CASSELLS ACCOUNTANTS INCORPORATED
REGISTERED ACCOUNTANTS & AUDITORS
PRETORIA
25 February 2011

THE SEDIBENG TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

OBJECTIVE

The principal object of the Trust is the promotion of the training and teaching of candidates for the ministry and serving ministers of the Uniting Presbyterian Church in Southern Africa and of the other denominations of the universal church.

STATEMENT OF RESPONSIBILITY

The trustees are responsible for the preparation and fair presentation of the financial statements of the Sedibeng Trust, comprising the balance sheet at 31 December 2010, the income statement, the statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the trustees' report, in accordance with the South African Statements of Generally Accepted Accounting Practice for Small- and Medium-sized Enterprises.

The trustees' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these 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 these circumstances.

The trustees' responsibility also includes maintaining adequate accounting records and an effective system of risk management.

The trustees have made an assessment of the trust's ability to continue as a going concern and have no reason to believe the trust will not be a going concern in the year ahead.

The auditors are responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

TRUSTEES

The following acted as Trustees during the year under review.

Revd ME Ramulondi
 Mrs EG Stopforth
 Mr BA Laing
 Revd Dr EA Germiquet
 Revd GT Mcoiteli
 Revd GW Marchinkowski
 Mr D Semenya
 Ms LM Mosotho
 Mrs KV Baloyi

There were no changes to the trustees during the year under review.

TRUST ADDRESS

The registered address of the Trust is:

21, 9th Street
 Menlo Park
 Pretoria
 0081

THE SEDIBENG TRUST**BALANCE SHEET AT 31 DECEMBER 2010**

	<u>Notes</u>	<u>2010</u>	<u>2009</u>
ASSETS			
Non-current assets			
Property, plant and equipment	2	5,901,801	5,630,026
Investments	3	1,623,183	1,675,004
		4,278,618	3,955,022
Current assets			
Trade and other receivables	4	164,499	82,808
Cash and cash equivalents	5	34,158	31,439
		130,341	51,369
Total assets		R 6,066,300	R 5,712,834
FUNDS AND LIABILITIES			
Capital and reserves			
Trust capital	6	5,876,713	5,876,713
Reserves	7	874,735	680,022
Retained (deficit)		(835,039)	(933,452)
Total capital and reserves		R 5,916,409	R 5,623,283
Current liabilities			
Trade and other payables	8	149,891	89,551
Total liabilities		R 149,891	R 89,551
Total funds and liabilities		R 6,066,300	R 5,712,834

THE SEDIBENG TRUST**INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>Notes</u>	<u>2010</u>	<u>2009</u>
Revenue	R	657,175	R 482,224
Income		657,175	482,224
Accommodation income		198,000	164,800
Food income		114,400	92,950
Investment income		164,590	224,474
Surplus on disposal of investment		178,883	-
Surplus on disposal of fixed assets		1,302	-
Expenses		558,762	559,435
Auditors' remuneration		20,000	18,000
Depreciation		51,864	102,855
Operating expenses		486,898	438,580
Surplus/(Deficit) for the year before extraordinary items		98,413	(77,211)
Extraordinary items	9	-	24,600
Surplus(Deficit) for the year after extraordinary items		R 98,413	R (52,611)

THE SEDIBENG TRUSTSTATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2010

	<u>Trust capital</u>	<u>Reserves</u>	<u>Retained (Deficit)</u>	<u>Total 2010</u>	<u>Total 2009</u>
Balance at beginning of year	5,876,713	680,022	(933,452)	5,623,283	5,194,965
Surplus/(Deficit) for the period	-	-	98,413	98,413	(52,611)
Fair value adjustments	-	194,713	-	194,713	480,929
Balance at end of year	R 5,876,713	R 874,735	R (835,039)	R 5,916,409	5,623,283

THE SEDIBENG TRUST

NOTES TO FINANCIAL STATEMENTS AT 31 DECEMBER 2010

1. ACCOUNTING POLICIES

The Sedibeng Trust is domiciled in South Africa. The financial statements incorporate the following principal accounting policies set out below.

1.1 STATEMENT OF COMPLIANCE

The financial statements are prepared in compliance with South African Statements of Generally Accepted Accounting Practice for Small- and Medium-sized Enterprises.

1.2 BASIS OF PREPARATION

The annual financial statements are presented in South African Rand, which is the trust's functional currency. The statements have been prepared on the historical cost basis except for the following:

- financial instruments are measured at fair value.
- available-for-sale financial assets are measured at fair value.

1.3 FINANCIAL INSTRUMENTS

Trade and other receivables

Trade receivables are initially recognised at fair value, and are subsequently classified as loans and receivables and measured at amortised cost using the effective interest rate method. The impairment of trade receivables is established when there is objective evidence that the trust will not be able to collect all amounts due in accordance with the original terms of the credit given and includes an assessment of recoverability based on the historical trend analysis and events that exist at balance sheet date. The impairment adjustment is the difference between the carrying value and the present value.

Trade and other payables

Trade and other payables are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier. Trade payables are initially recognised at fair value, and are subsequently classified as non-trading financial liabilities and carried at amortised cost using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the trust's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Available-for-sale financial assets

The entity's investments in equity securities and certain debt securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment and foreign exchange gains and losses on available-for-sale monetary items, are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit or loss.

1.4 PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item of property, plant and equipment. The cost of self-constructed items of property, plant and equipment includes the cost of materials and direct labour, any other costs directly attributable to bringing the item of property, plant and equipment to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site in which they are allocated. Land is not depreciated as it is deemed to have an indefinite life.

Depreciation

Depreciation is the systematic allocation of the depreciable amount, to the income statement, on a straight line basis over the estimated useful lives of the items of property, plant and equipment. The depreciable amount is the difference between the cost of an item of property, plant and equipment and its residual value.

THE SEDIBENG TRUST**NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2010 - CONTINUED****1. ACCOUNTING POLICIES - CONTINUED****1.4 PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

Where components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Residual value is the estimated amount that the trust would currently obtain from the disposal of the items of property, plant and equipment, after deducting the estimated costs of disposal, if the item of property, plant and equipment were already of an age and in the condition expected at the end of its useful life, which are currently estimated to be:

Buildings	- 2%
Computers and office equipment	- 33.33%
Furniture and fittings	- 20%
Security equipment	- 20%

Subsequent costs

Routine maintenance costs are charged to the income statement as they are incurred. The costs of major maintenance or overhaul of an item of property, plant and equipment are recognised as an expense except if the cost had been recognised as a separate part of the cost of the item of property, plant and equipment and that the amount has already been depreciated to reflect the benefits that had been replaced or restored.

Subsequent expenditure relating to an item of property, plant and equipment is capitalised when it is probable that future economic benefits from the item or property, plant and equipment will be increased and cost can be measured reliably. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

1.5 REVENUE

Revenue represents income that arises in the course of the ordinary trading activities of the trust. Revenue is recognised when it is probable that economic benefits from the transactions will flow to the trust.

1.6 INVESTMENT INCOME

Interest income is recognised when it has accrued to the trust. Dividend income is recognised when the trust's right to receive payment is established.

1.7 TAXATION

The trust has tax exemption status as a Public Benefit Organisation.

THE SEDIBENG TRUST

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2010 - CONTINUED

2.1 PROPERTY, PLANT & EQUIPMENT

	LAND	BUILDINGS	COMPUTERS AND OFFICE EQUIPMENT	FURNITURE FITTINGS AND EQUIPMENT	SECURITY EQUIPMENT	TOTAL
2009						
Carrying amount at beginning of the year	200,000	1,486,756	5,978	73,522	-	1,766,256
Cost	200,000	1,601,422	43,908	308,654	-	2,153,984
Accumulated depreciation	-	(114,666)	(37,930)	(235,132)	-	(387,728)
Additions	-	-	11,780	3,437	14,130	29,347
Disposals	-	(17,744)	-	-	-	(17,744)
Depreciation for the year	-	(32,028)	(7,609)	(62,050)	(1,168)	(102,855)
Cost	200,000	1,580,548	55,688	312,091	14,130	2,148,327
Accumulated depreciation	-	(143,564)	(45,539)	(297,182)	(1,168)	(486,285)
CARRYING AMOUNT AT END OF THE YEAR	R 200,000	R 1,436,984	R 10,149	R 14,909	R 12,962	R 1,675,004

2010

Carrying amount at beginning of the year	200,000	1,436,984	10,149	14,909	-	1,662,042
Cost	200,000	1,580,548	55,688	312,091	14,130	2,148,327
Accumulated depreciation	-	(143,564)	(45,539)	(297,182)	(1,168)	(486,285)
Additions	-	-	-	9,650	-	9,650
Disposals	-	-	(9,607)	-	-	(9,607)
Depreciation for the year	-	(38,705)	(538)	(9,795)	(2,826)	(51,864)
Cost	200,000	1,580,548	43,909	321,741	14,130	2,160,328
Accumulated depreciation	-	(182,269)	(43,905)	(306,977)	(3,994)	(537,145)
CARRYING AMOUNT AT END OF THE YEAR	R 200,000	R 1,398,279	R 4	R 14,764	R 10,136	R 1,623,183

2.2 LAND AND BUILDINGS

Erf 334 Menlo Park, Reg Div JR, Gauteng with improvements consisting of a residential unit situated at 21 9th street, Menlo Park, Pretoria. Acquired in 2004. Unencumbered. Measured according to the cost model. Depreciated over a period of 50 years on the straight line method.

THE SEDIBENG TRUST**NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2010 - CONTINUED**

	2010	2009
3. INVESTMENTS		
Available-for-sale instrument		
Coronation Equity Fund (at fair value)	2,053,618	2,280,022
Money market account	2,225,000	1,675,000
	R 4,278,618	R 3,955,022
4. TRADE AND OTHER RECEIVABLES		
Debtors	17,270	18,350
Provision for doubtful debts	(16,004)	(11,000)
	1,266	7,350
Deposits	4,950	4,950
Prepayments	8,730	8,760
Sundry receivables	19,212	10,379
	R 34,158	R 31,439
5. CASH AND CASH EQUIVALENTS		
Current cheque account	41,960	40,569
Market link account	88,369	5,800
Cash on hand	12	5,000
	R 130,341	R 51,369
6. TRUST CAPITAL		
Resulting from a donation from the executor of the estate of the late I M Lusk and the trustees of the Isabel Lusk Charitable Trust.		
7. RESERVES		
Fair value adjustments arising from revaluation of available-for-sale instruments. Recognised directly into equity.		
8. TRADE AND OTHER PAYABLES		
The Uniting Presbyterian Church in Southern Africa	89,056	33,951
Deposits held	7,520	3,920
Accruals	49,464	38,380
Sundry payables	3,201	-
Prepaid debtors	650	13,300
	R 149,891	R 89,551

THE SEDIBENG TRUST**NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2010 - CONTINUED**

	<u>2010</u>	<u>2009</u>
9. EXTRAORDINARY ITEMS		
Overprovision of audit fee for the prior year	-	7,900
Prior year prepaid insurance	-	8,760
Overprovision for leave pay of prior year	-	7,940
	<u>R -</u>	<u>R 24,600</u>

10. TAXATION

There is no provision for taxation as the Trust is a registered Public Benefit Organisation and enjoys tax exempt status in terms of Section 10(1) of the Income Tax Act.

THE SEDIBENG TRUST**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES	(13,099)	(173,334)
Cash receipts from tenants	488,564	246,502
Cash paid to suppliers and employees	(501,663)	(419,836)
Cash shortfall from operations	(13,099)	(173,334)
CASH FLOWS FROM INVESTMENT ACTIVITIES	36,966	220,127
Acquisition of property, plant and equipment	(9,650)	(29,347)
Proceeds on disposal of property, plant and equipment	10,909	-
(Increase)/decrease in investments	(128,883)	25,000
Investment income	164,590	224,474
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(Decrease) of financing from UPCSA	55,105	(89,543)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	78,972	(42,750)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	51,369	94,119
CASH AND CASH EQUIVALENTS AT END OF PERIOD	R 130,341	R 51,369

THE SEDIBENG TRUST**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010**

	<u>Notes</u>	<u>2010</u>	<u>2009</u>
Revenue	R	657,175	R 482,224
Income		657,175	482,224
Accommodation income		198,000	164,800
Food income		114,400	92,950
Investment income		164,590	224,474
Surplus on disposal of investment		178,883	-
Surplus on disposal of fixed assets		1,302	-
Expenses		558,762	559,435
Auditor's remuneration		20,000	18,000
Accounting fees		29,298	20,406
Bank Charges		3,986	4,284
Bad debts provision		5,004	11,000
Computer costs		-	1,550
Depreciation		51,864	102,855
Food cost		88,508	68,488
Insurance		13,277	14,240
Lights, water and municipal charges		53,912	56,957
Management fees		23,109	18,583
Printing and stationery		1,516	1,258
Property costs		25,425	49,795
Refreshments and cleaning		4,898	2,404
Security costs		5,781	6,030
Repairs and maintenance		73,457	16,812
Salaries, wages and employment		143,492	133,069
Sundry expenses		1,933	145
Scrapping of fixed assets		-	17,744
Travel and conference costs		3,840	5,150
Telephone		9,462	10,665
Surplus/(Deficit) for the year before extraordinary items		98,413	(77,211)
Extraordinary items	9	-	24,600
Surplus/(Deficit) for the year after extraordinary items		R 98,413	R (52,611)