

The Imam Abdullah Haron Education Trust
(Registration number IT3208/2005)
Financial statements
for the year ended 28 February 2011

SAB&T Incorporated
Chartered Accountants (S.A.)
Registered Auditors
Issued 06 June 2011

The logo for SAB&T, featuring the letters 'SAB&T' in a stylized, blue, serif font. The letters are connected, with a decorative flourish underneath the 'T'.

The Imam Abdullah Haron Education Trust

(Registration number IT3208/2005)

Financial Statements for the year ended 28 February 2011

General Information

Country of incorporation and domicile	South Africa
Trustees	Mustaq Ahmed Enus - Brey (Chairman) Fatiema Haron - Masoet (Secretary) Maria Macdiarmid Burton - appointed 30/06/2010 Professor Gert Johannes Gerwei Brian Isaacs Dr Sedick Isaacs Mpho Kathleen Ndebele - appointed 30/06/2010 Goolam Sabier Patel
Registered office	1st Floor Slade House Boundary Terraces 1 Mariendahl Lane Newlands 7700
Postal address	P.O. Box 44506 Claremont 7735
Bankers	First National Bank Limited
Auditors	SAB&T Incorporated Chartered Accountants (S.A.) Registered Auditors
Trust registration number	IT3208/2005

The Imam Abdullah Haron Education Trust

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Financial Statements for the year ended 28 February 2011

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Report of the Independent Auditors

To the trustee of The Imam Abdullah Haron Education Trust

We have audited the accompanying financial statements of The Imam Abdullah Haron Education Trust, which comprise the trustees' report, the balance sheet as at 28 February 2011, the income statement, the statement of changes in equity and , a summary of significant accounting policies and other explanatory notes, as set out on pages 6 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 South African Statements of Generally Accepted Accounting Practice, 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.

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 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 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.

Qualification

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

Opinion

In our opinion, except for the effect on the financial statements of the matters referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of trust as of 28 February 2011, and of its financial performance and its cash flows 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.

Accounting and Secretarial Duties

Without qualifying our opinion, we draw your attention to the fact that with the written consent of all trustees, we have performed certain accounting and secretarial duties.

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Offices: Bloemfontein, Cape Town, Centurion, Durban, Kimberley, Nelspruit, Polokwane, Port Elizabeth, Rustenburg
London (UK)

Directors: *B Adam (CEO) CA(SA), *A Darmalingam CA(SA), T J de Kock CA(SA), S B Gambu CA(SA), Y M Hassen CA(SA)
N Hassim CA(SA), S Ismail CA(SA), *H Kajie CA(SA), S Kleqyoulou CA(SA), S Makamure CA(SA), T M Mayet CA(SA)

*K Rama CA(SA), Z Sonpra CA(SA), M F Sulaman CA(SA), I Theron CA(SA), *H van der Merwe CA(SA), J M Wessels CA(SA)

Associate Director: L A D Hoosen

* Executive Committee

SAB&T Chartered Accountants Incorporated

Co. Reg no.1997/018869/21



Supplementary Information

We draw your attention to the fact that the supplementary information set out on page 14 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.



SAB&T Incorporated
Chartered Accountants (S.A.)
Registered Auditors
Per: H. Kajie
Bellville

06 June 2011

The Imam Abdullah Haron Education Trust

(Registration number IT3208/2005)

Financial Statements for the year ended 28 February 2011

Trustees' Responsibilities and Approval

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 South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice 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 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 29 February 2012 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.

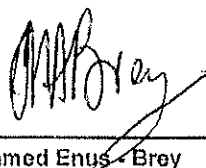
Although the board are primarily responsible for the financial affairs of the trust, they are supported by the trust's external auditors.

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 page 3.

The financial statements set out on pages 6 to 14, which have been prepared on the going concern basis, were approved by the board on 02 June 2011 and were signed on its behalf by:



Goolam Sabier Patel



Mustaq Ahmed Enus Brey

TRUSTEES' REPORT

Period: 1 March 2010 - 28 February 2011

It is with great pleasure that I present what is becoming an increasingly substantial annual report of the Imam Abdullah Haron Education Trust (IAHET). It certainly reflects what has been another very busy and very rewarding year for the Trust.

I am particularly pleased to observe the steady growth of the Trust, which is now in its sixth year of operation. What is heart-warming is the fact that we have, in a small and humble way, managed to make a difference to the lives of at least some people who live on the margins of society.

Bursaries

The bursary fund, which remains our flagship activity, continues to grow in terms of the number of applications we receive although we have decided to peg our funding at R175 000 for 35 bursaries in order for the trust to reach our eventual goal of an 80-20 funding split in favour of early childhood development as outlined in our mission statement.

This year we received a record number of 254 bursary applications, highlighting the need for funding among students in marginalized communities. We are also pleased to note the high quality of applicants which at the same time is cause for regret since we are only able to help less than 20% of those worthy students who applied.

Some applicants are still bemused and surprised that the bursaries come with no strings attached and are issued on the basis of financial need and academic merit irrespective of race, religion or gender. Students and their parents often ask about any hidden clauses – we assure you there are none! It is the way Imam Haron operated and we are committed to continuing with his magnificent legacy.

During the 2010 academic year we allocated R175 000 to 35 students and this year we have replicated the funding to the same number of students. Since our inception in September 2005, we would by the end of July 2011 have allocated R711 500 to 138 students, several of whom are repeat recipients. It's worth recalling that when we launched the bursary programme in 2006 we issued 10 bursaries worth a modest R50 000.

It is very encouraging to note that some of the recipients have indicated their willingness to become involved in the IAHET's programs. One of them, Shalena Naidoo, who is completing her MSc in Medical Science at Stellenbosch University, has joined our Board of Governors while there are indications that a few more students will come on board shortly. We strongly encourage young people to become involved in the activities of the Trust as we need all the person power necessary to make a difference to the lives of those who live on the margins of society.

The bursary programme would not be in existence if it weren't for the companies and individuals who have become regular participants at our annual Corporate Golf Day in March. It is through their kind donations, although they do have lots of fun while trying to tame the golf course, that we have been able to raise the necessary funds for the 35 bursaries.

It is a sign of the confidence that these entities have in the IAHET that they have become regulars at the Golf Day to the extent that some have been moved to make individual commitments to the bursary fund. Our sincere thanks and gratitude go to them.

Our thanks also go to the hard-working education sub-committee, headed by Mr Junaid Daries, who have been involved in screening the applications as well as in the interviewing process with the help of the Hospital Welfare and Muslim Educational Movement (HWMEM), an organization with more than 40 years of experience in this field.

The arrangement with HWMEM, who administer the bursaries free of charge, continues to work very efficiently. I would like to thank HWMEM for their selfless and efficient work in this regard.

This year we moved the Golf Day, which was held on 7 March back to the Steenberg Golf Course since it is a much more appropriate venue for an event of this stature.

The event, which was once again ably organized by a team led by Nazeema Jogee, and assisted Fatima Haron-Masoet, Zubeida Brey, Junaid Daries, Shams Pather and Sabier Patel, was a tremendous success and was thoroughly enjoyed by everyone who participated. This year we raised an amount of R169 079 which is slightly lower than last year's figure – this was due to a number of factors including the tough economic climate and the higher costs of hosting the event at Steenberg Golf Club.

Still, we managed to raise enough money to meet our obligations to this year's bursaries and on behalf of all the successful bursary candidates I would like sincerely to thank all those companies who participated and raised the funds to assist the students with paying for their studies.

Maths and Science Tuition Programme

The Maths and Science tuition programme for matric students has now been firmly established at three schools in different parts of the Cape Peninsula – at Steenberg, Joe Slovo and Spine Road High Schools.

After starting out at Steenberg High School three years ago, the programme was extended last year to include Spine Rd High in Mitchell's Plain and Joe Slovo High in Khayelitsha thanks to sponsorship by Santos FC and Brimstone Investment Corporation. These sponsorships supplement the funds raised for the programme at the annual IA HET Golf Day held in November at the Rondebosch Golf Club.

Attendance at the classes, which take place after school hours twice a week, was excellent and the principals at the three schools have been effusive in their praise for the enthusiasm shown by the learners and their respective tutors.

All three schools had pass rates of over 70% in Science and two had over 70% in Maths (see table below) with Joe Slovo producing the top achievers in both subjects in the Khayelitsha region.

It is worth highlighting the following comments from the three principals:

"The learners have thoroughly enjoyed themselves with the Maths and Science tuition programme. There are a few learners who did very well in the final exams, and we have also managed to increase our overall pass rate to 75.7% from a meagre 27% two years ago."

"Without the help of the IA HET the school would never have been able to afford to run these classes. As you know many of these learners come from very deprived homes that are domestically unstable and the socio-economic environment is not conducive to learning and studying. Financially, the parents of our learners could not afford extra tuition for both Grade 12 Mathematics and Physical Science as many of them are unemployed." – **Mr Majiet Parker, principal of Joe Slovo High School.**

"Thanks to the intervention and support with our Maths and Science program, our learners were more focused on these two subjects. The program also helped to eliminate the fear for these subjects. The learners enjoyed the contact sessions very much and it certainly helped to improve their results. We hope that this program can continue to enable the new groups to also enjoy the same benefits." - **Mr Riyadh Najaar, principal of Spine Rd High School.**

"It gives me great pleasure to inform you that our matric candidates of 2010 performed very well in the subjects that are supported by your programme. Physical Science was identified as one of the most improved subjects at our school in terms of the matric results."

I therefore wish to express my appreciation to the IA HET and all the sponsors who made it possible for our young people who often deem the above learning areas as insurmountable, to pass. It is our prayer that the Trust will continue to impact on our youth in this fashion." - **Mr Andre Kraak, principal of Steenberg High School.**

From the IA HET's point of view I must say it really is gratifying to see how the programme has managed to make a positive impact on the learners who will hopefully be role models for those who follow them at their particular schools.

In addition to thanking the principals and the tutors at the respective schools, I would also like to thank all those who participated in the annual IA HET Golf Day at Rondebosch Golf Club, where the funds for the programme are raised, and also to the sponsors Brimstone Investment Corporation and Santos FC.

MATH & PHYSICS MATRIC RESULTS: 2010

SCHOOL	MATHS	PHYSICS
Joe Slovo High	60,0%	74,0%
Spine Road High	79,2%	72,0%
Steenberg High	75,0%	73,7%

Early Childhood Development

As I indicated earlier, we are committed to increasing our activities and committing more funds to the area of Early Childhood development in accordance with our mission statement which seeks to devote 80% of our funding to pre-primary-related projects.

Over the past year we provided educational equipment worth R13 131 to Al Azhar Pre- Primary School in Paarl while at Edendale Primary in Manenberg we were able to provide the funding for the installation of a new Jungle Gym, repair the existing one and also to buy some much-needed equipment like a camera and portable music system at a total cost of R34 000.

We are also in the process of establishing a partnership with the Centre for Early Childhood Development, who are national leaders in the field of Early Childhood Development, to give expression to our commitment to improve the conditions of pre-primary learners in marginalised communities. We also hope to work with other NGOs in the field to ensure we cover as wide a spectrum as possible.

Brimstone Equity Share Trust

In September 2008, the Trust was invited to submit its credentials to the Brimstone Equity Share Trust (BEST) to become a beneficiary of that Trust. The IAHET was accepted as beneficiary of BEST and have to date received 2 tranches of Brimstone 'N' Ordinary shares at no cost.

40 000 shares was allocated to the IAHET on 27 January 2009 and a further 10 000 shares was allocated to IAHET on 20 January 2010. In terms of the terms and conditions of BEST, the shares are embargoed and will only vest for trading after 5 years. This means that although the IAHET is the registered owner of the shares and is entitled to receive dividends on the shares, it cannot dispose of the shares until the expiration of a five-year period from the date of allocation of the shares. The Trusts' Financial Statements will reflect ownership of the shares as an asset and will also reflect a corresponding non-distributable reserve equivalent to the market value of the shares. In terms of normal accounting treatment, the write up or down of the shares to market value will be done via the income statement at year-end.

In December 2010, Brimstone Investment Corporation Ltd unbundled its shares in Life Healthcare and as a consequence the Trust received 20 000 Life Healthcare shares. These shares are also embargoed on the same basis of the Brimstone shares.

The IAHET would like to record its thanks to Brimstone and its management for this magnanimous gesture.

MTN ZAKHELE

The Trust received specific donations to apply for the MTN Zakhele empowerment share offer. The Trust was allocated 1400 shares in MTN Zakhele.

The Imam Haron Memorial Lecture

We were indeed privileged to have Minister Ebrahim Patel, the minister of Economic Development as our guest speaker at the annual Imam Abdullah Haron Memorial Lecture, which was held at the University of Cape Town on 27 September 2010.

In his lecture Mr Patel, who himself was a student activist of note, paid tribute to Imam Haron whom he described as an exceptional man whose impact and legacy has helped to shape the consciousness of a generation of activists.

Addressing an audience of 200 Mr Patel hailed the role played by Imam Abdullah Haron in the liberation struggle at a time when many of his peers chose the expedient route of silence.

"Imam Haron was one of the finest examples of the generation of our parents. An Annual Memorial Lecture and an Education Trust Education Trust is a fitting tribute to someone who lived his ideals in his practice," Mr Patel said.

We intend inviting another high profile speaker to deliver the annual Imam Haron Memorial Lecture which will this year be held on the 26th of September at UCT. Details will be confirmed at a later stage.

The IAHET has been able to generate a considerable amount of media coverage thanks to the involvement of organisations like Muslim Views, Radio 786 and the Voice of the Cape together with the community papers like Athlone News, Southern Suburbs Tatler and the People's Post. All this coverage is provided at no cost to the IAHET and for this I would like to thank the aforementioned media outlets for their coverage of our activities.

Congratulations to Mary Burton

On behalf of my fellow Trustees and the Board of Governors, and everyone associated with the IAHET, I would like to congratulate Mrs Mary Burton who will be receiving an honorary doctorate in Social Science from the University of Cape Town at their December graduation ceremony.

Mary's honorary doctorate is richly deserved given her tireless efforts to ensure social justice in South Africa. We in the IAHET are extremely honoured to have someone of Mary's calibre and stature on our board of Trustees. It

says a great deal about the esteem in which she is held that a world class institution like UCT has deemed it fit to recognise her contribution to the democratic society in which we are now living.

In conclusion, I would like to thank my Board of Trustees as well as the Board of Governors for their hard work during the past year. We are probably one of the few NGOs that have minimal overheads since all the work done by the members of the Trust is completely voluntary.

No-one receives a single cent for their efforts in providing assistance for needy students and institutions so whatever money is donated by the public goes directly to the intended beneficiaries.

Mustaq Brey
Chairman

The Imam Abdullah Haron Education Trust

(Registration number IT3208/2005)

Financial Statements for the year ended 28 February 2011

Balance Sheet

Figures in Rand	Note(s)	2011	2010
Assets			
Non-Current Assets			
Investments	1	618,000	530,000
Current Assets			
Cash and cash equivalents	2	192,472	109,941
Total Assets		810,472	639,941
Equity and Liabilities			
Equity			
Trust capital	3	100	100
Reserves	4	764,274	609,862
Accumulated surplus		46,098	29,979
		810,472	639,941
Total Equity and Liabilities		810,472	639,941

The Imam Abdullah Haron Education Trust

(Registration number IT3208/2005)

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Income Statement

Figures in Rand	Note(s)	2011	2010
Revenue		471,627	102,359
Other income		21,800	9,600
Administrative expenses		(82,375)	(74,506)
Projects - Disbursements to Beneficiaries		(300,521)	(168,142)
Surplus (deficit) for the year		110,531	(130,689)

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Statement of Changes in Equity

Figures in Rand	Trust capital	Committed funds	Non distributable reserve	Total reserves	Accumulated surplus	Total equity
Balance at 01 March 2009	100	-	-	-	160,668	160,768
Changes in equity						
Deficit for the year	-	-	-	-	(130,689)	(130,689)
Committed funds	-	79,862	-	79,862	-	79,862
Increase in reserve	-	-	530,000	530,000	-	530,000
Total changes	-	79,862	530,000	609,862	(130,689)	479,173
Balance at 01 March 2010	100	79,862	530,000	609,862	29,979	639,941
Changes in equity						
Surplus for the year	-	-	-	-	110,531	110,531
Increase in reserve	-	-	60,000	60,000	-	60,000
Transfer to reserves	-	-	27,665	27,665	(27,665)	-
Transfer to committed funds	-	66,747	-	66,747	(66,747)	-
Total changes	-	66,747	87,665	154,412	16,119	170,531
Balance at 28 February 2011	100	146,609	617,665	764,274	46,098	810,472

The Imam Abdullah Haron Education Trust

(Registration number IT3208/2005)

Financial Statements for the year ended 28 February 2011

Notes to the Financial Statements

Figures in Rand	2011	2010
1. Investments		
Listed shares - market value	590,000	530,000
Unlisted shares	28,000	-
	<u>618,000</u>	<u>530,000</u>
Listed shares - market value		
Brimstone Investment Corporation Limited	290,000	530,000
2011: 50,000 N Ordinary shares (2010: 50,000 N Ordinary shares)		
Health Strategic Investments Limited	300,000	-
2011: 20,000 Ordinary shares (2010: nil)		
Unlisted shares - at cost		
MTN Zakhele Limited	28,000	-
2011: 1,400 Shares (2010: nil)		
	<u>618,000</u>	<u>530,000</u>
<p>During the year the trust received 20,000 Health Strategic shares as part of an unbundling of Brimstone. In terms of the unbundling process the trust was allocated 40 Health shares for every 100 Brimstone share held by the trust. At year end the market value of these shares amounted to R300,000. At year end the market value of the Brimstone shares amounted to R290,000. The R60,000 adjustment in the value of these shares were taken to the non distributable reserve.</p>		
2. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	<u>192,472</u>	<u>109,941</u>
3. Trust capital		
Donation - i.t.o clause 4.1 of the Trust Deed	<u>100</u>	<u>100</u>
4. Reserves		
Non distributable reserve		
Included in non distributable reserve is an amount of R60,000 relating to the adjustment in value of the Brimstone and Health shares as well as an amount of R27,665 which was transferred from accumulated surplus.		
Committed funds		
At year end an amount of R66,747 was transferred from accumulated surplus to the committed funds.		
Non-distributable reserve	617,665	530,000
Committed funds	146,609	79,862
	<u>764,274</u>	<u>609,862</u>

The Imam Abdullah Haron Education Trust

(Registration number IT3208/2005)

Financial Statements for the year ended 28 February 2011

Detailed Income statement

Figures in Rand	Note(s)	2011	2010
Revenue			
Income - Donations		106,943	33,767
Income - Golf Day		364,684	68,592
		<u>471,627</u>	<u>102,359</u>
Other income			
Dividends received		<u>21,800</u>	<u>9,600</u>
Administrative expenses			
Bank charges		(1,137)	(766)
Banners		(6,187)	(1,140)
Golf Day expenditure		(70,144)	(59,726)
Memorial lecture		(4,629)	(12,319)
P.O Box rental		(278)	-
Postage		-	(555)
		<u>(82,375)</u>	<u>(74,506)</u>
Projects - Disbursements to Beneficiaries			
Al - Azhar School Project		(13,131)	-
Bursaries		(167,000)	(150,002)
Edendale School Project		(28,520)	(8,240)
Tuition fees		(91,870)	(9,900)
		<u>(300,521)</u>	<u>(168,142)</u>
Surplus (deficit) for the year		<u>110,531</u>	<u>(130,689)</u>