

OFFICE COPY

THE INDEPENDENT PROJECTS TRUST
(Incorporated under Section 21 of the Companies Act)

(REG. NO: 1994/005317/08)

ANNUAL FINANCIAL STATEMENTS

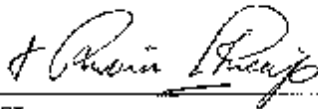
31 March 2005

THE INDEPENDENT PROJECTS TRUST
ANNUAL FINANCIAL STATEMENTS
31 March 2005

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

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The financial statements which appear on pages 3 to 7 have been approved by the Directors and are hereby signed on their behalf.



Director

Director



Morrison Murray
REGISTERED ACCOUNTANTS AND AUDITORS

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE INDEPENDENT PROJECTS TRUST

We have audited the annual financial statements of The Independent Projects Trust set out on pages 3 to 7 for the year ended 31 March 2005. These financial statements are the responsibility of the company's directors. 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.

Audit opinion

In our opinion, the financial statements fairly present, in all material respects, the financial position of the company at 31 March 2005 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 Companies Act in South Africa.

MORRISON MURRAY
Chartered Accountants (S.A.)
Registered Accountants and Auditors
Westville
09 May 2005

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THE INDEPENDENT PROJECTS TRUST
REPORT OF THE DIRECTORS
for the year ended 31 March 2005

The directors present their report for the year ended 31 March 2005.

1. Nature of business

The object of the Company is to provide funds and facilities for the development, management and conduct of training and learning programmes for pupils and adults. The Trust operates from premises situate at 2702 Old Mutual Centre, 303 West Street, Durban, KwaZulu Natal 4001, South Africa.

2. Financial results

The net surplus of the Company for the year ended 31 March 2005 was R53 890 (2004 R28 727) as reflected in the attached income statement.

3. Directors

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

G L Caine
R Phillip (Chairperson)
I N Matthews

4. Departure from South African Statements of Generally Accepted Accounting Practice

South African Statements of Generally Accepted Accounting Practice statement AC 123 requires property, plant and equipment to be measured at cost and depreciated over its useful life. The directors do not consider that AC 123 is appropriate and plant and equipment is written off against income on acquisition.

THE INDEPENDENT PROJECTS TRUST
INCOME STATEMENT
for the year ended 31 March 2005

| | Notes | 2005 R | 2004 R |
|--|-------|-----------|-----------|
| Income | | 5 195 306 | 4 907 443 |
| Donations and contributions | 3 | 4 340 466 | 4 348 905 |
| Interest received | | 332 221 | 228 304 |
| Sundry income | | 522 619 | 330 234 |
| Total income | | 5 195 306 | 4 907 443 |
| Expenditure | | 5 039 060 | 4 787 655 |
| Programme expenses | | 4 047 889 | 3 521 912 |
| Non - programme expenses | 4 | 991 171 | 1 265 743 |
| Operating surplus before taxation | | 156 246 | 119 788 |
| Taxation on interest received | 5 | 102 356 | 91 061 |
| Net surplus for the year | | 53 890 | 28 727 |
| Accumulated funds at beginning of the year | | 236 055 | 207 328 |
| Accumulated funds at end of the year | | 289 945 | 236 055 |

THE INDEPENDENT PROJECTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
31 March 2005

| | 2005 | 2004 |
|---|----------------|------------------|
| | R | R |
| 4. Non programme expenses | | |
| Advertising | 16 564 | - |
| Auditors' remuneration | 18 369 | 17 023 |
| Bank charges | 12 241 | 12 463 |
| Computer expenses | 72 946 | 87 735 |
| Courier | 1 885 | 1 395 |
| Direct consulting expenses | 234 240 | 176 364 |
| Documentation | 12 370 | 7 561 |
| Donations | 5 286 | 2 560 |
| Electricity | - | - |
| Insurance | 15 895 | 15 916 |
| Interest paid | 1 164 | 7 375 |
| Lobbying and advocacy | 26 759 | 74 937 |
| Monitoring and evaluation | 2 500 | - |
| Networking and conferences | 1 336 | 16 261 |
| Office machine rentals | 36 984 | 40 215 |
| Office sundries | (780) | 60 447 |
| Printing, stationery and postage | 2 602 | 7 894 |
| Regional services levies | 5 403 | 4 659 |
| Rent | 214 687 | 195 423 |
| Resource base | 517 | 414 |
| Salaries | 210 127 | 380 925 |
| Skills development and training | 807 | 94 497 |
| Staff refreshments | 17 242 | 11 378 |
| Subscriptions | 2 515 | 6 811 |
| Telephone | 12 803 | 10 439 |
| Travel | 55 848 | 29 138 |
| Web page support | 10 861 | 3 923 |
| | <u>991 171</u> | <u>1 265 743</u> |
| 5. Taxation on interest received | | |
| South African normal company tax | | |
| Current tax | 99 666 | 91 322 |
| Prior year under/(over)provision | 2 690 | (261) |
| Tax for the year | <u>102 356</u> | <u>91 061</u> |