

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration number IT 1146/1946/PMB)

Annual Financial Statements

for the year ended 31 December 2021

Audited Financial Statements

in compliance with Companies Act 71 of 2008

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Annual Financial Statements for the year ended 31 December 2021

Index

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

General Information	1
Trustees' Responsibilities and Approval	2
Report of the Trustees	3 - 4
Independent Auditor's Report	5 - 6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Trust Funds	9
Statement of Cash Flows	10
Accounting Policies	11 - 13
Notes to the Financial Statements	14 - 20
The supplementary information presented does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	21 - 22

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Annual Financial Statements for the year ended 31 December 2021

General Information

Country of Incorporation and Domicile	South Africa
Trustees	Adrian Rayner Charles Hansen Arthur Athabile Jojo Barry Robert Wilson Damian James Robert Judge David John Vlcek Don Basildon Allaway (Resigned 22 January 2021) Faisal Ismail Suliman Gregory Stuart Hamilton Jonathan Alexander Hotz Linda Zondi Malcolm John David Wallis Michael Robert Speirs Sizwe Melusi Ali Nxedlana (Chairman)
Beneficiaries	Durban High School Durban Preparatory High School
Registered Office	The DHS Foundation Trust Protector Brian Jennings Garlicke and Bousfield Inc. 7 Torsvale Crescent La Lucia Ridge Office Estate, Durban
Business Address	255 St. Thomas Road Berea Durban 4001
Independent Auditors	BDO South Africa Incorporated
Annual Financial Statement Preparers	Brandfin CC.
Trust Registration Number	IT 1146/1946/PMB
PBO Number	930022185

The Durban High School Foundation Trust

(Registration Number IT 1146/1946/PMB)

Annual Financial Statements for the year ended 31 December 2021

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 satisfy the financial reporting standards as to form and content and present fairly the statement of financial position, results of operations of the trust, and explain the transactions and financial position of the business of the trust at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the trust and supported by reasonable and prudent judgements 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 trustees 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 trustees 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 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 going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the trustees have no reason to believe that the trust will not be a going concern in the foreseeable future. The financial statements support the viability of the trust.

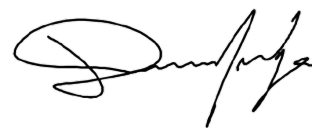
The financial statements have been audited by the independent auditing firm, BDO South Africa Incorporated, who have been given unrestricted access to all financial records and related data. The trustees believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditors' unqualified audit report is presented on page 5 to 6.

The trust's system of control is dependent upon the close involvement of the trustees. Where independent confirmation of the completeness of the accounting records was not available we have given our assurance as trustees that all the trust's transactions have been reflected in the records.

The annual financial statements have been prepared on the going concern basis and are not subject to any material changes to the present financial status. The annual financial statements as set out on pages 7 to 20 were approved by the trustees on 24 June 2022 and were signed on their behalf by:



Sizwe Melusi Ali Nxedlana (Chairman)



Damian James Robert Judge

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Annual Financial Statements for the year ended 31 December 2021

Report of the Trustees

The Trustees present their annual report for the year ended 31 December 2021.

1. Objective of the Durban High School Foundation Trust ("The Foundation")

The objectives of the Trust as fully set out in the Trust Deed is to :

- Initiate and participate in fundraising ventures to raise funds for the beneficiaries of the Trust;
- Promote the goals and objectives of the beneficiaries, to provide funds or assets to the beneficiaries;
- Build and strengthen partnerships between the Durban High School, its Old Boys, Durban Preparatory High School and any other educational institution and the public;
- Establish and govern a credible, professional and high calibre entity;
- Generally promote any objects which in the view of the Trustees may be advantageous to the development and extension of the Durban High School.

2. Financial results

The financial statements reflect the financial position of the trust at 31 December 2021 and the result of its activities for the year then ended.

3. Business and operations

The Trust's business and operations and the results thereof are clearly reflected in the attached financial statements. There was no major change in the nature of the business.

4. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Trustees have satisfied themselves that the trust is in a sound financial position and that it has adequate cash reserves to meet its foreseeable cash requirements.

The Trustees are not aware of any new material changes that may adversely impact the Trust other than the effect of the economic downturn on the benefactor base. The Trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the trust.

5. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework require adjustment or disclosure have been adjusted or disclosed.

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Annual Financial Statements for the year ended 31 December 2021

Report of the Trustees

6. The Trustees during the year to the date of this report were the following:

Trustees	Appointed	Re-Appointed	Resigned
Adrian Rayner Charles Hansen	06 August 2021		
Arthur Athabile Jojo	06 August 2021		
Barry Robert Wilson	06 August 2021		
Damian James Robert Judge	26 October 2018	18 August 2021	
David John Vlcek	06 August 2021		
Don Basildon Allaway	15 February 2019		22 January 2021
Faisal Ismail Suliman	15 October 2015	05 December 2019	
Gregory Stuart Hamilton	06 August 2021		
Jonathan Alexander Hotz	06 August 2021		
Linda Zondi	05 February 2019	05 February 2022	
Malcolm John David Wallis	06 August 2021		
Michael Robert Speirs	06 August 2021		
Sizwe Melusi Ali Nxedlana (Chairman)	15 October 2015	05 December 2019	

7. Beneficiaries

Durban High School ("the school") is the primary beneficiary of the income and capital of the Trust. Secondary and optional beneficiaries include any association, club, activity or cause supporting the school or comprising or supporting the Schools' Old Boys, and including Durban Preparatory High School and any trust or association established for the benefit of Durban Preparatory High School, and which is in furtherance of the aims and heritage of the school, but only if and to the extent selected by unanimous resolution of the Trustees at the time of making a distribution and only if such association, club, activity or cause is an approved public benefit organisation approved in terms of section 30 of the Income Tax Act, as amended, or an institution, board or body contemplated in section 10(1)(cA)(i) of the Income Tax Act, 1962, as amended, carrying on any public benefit activity approved for purposes of section 18A of the Income Tax Act, 1962, as amended.

8. Distributions to beneficiaries

The Durban High School is a beneficiary of the funds raised by the Trust through bursaries and capital projects such as building improvements.

9. Auditors

BDO South Africa Incorporated continued as auditors for the 2021 year.

Independent Auditor's Report

To the Trustees of The Durban High School Foundation Trust

Opinion

We have audited the financial statements of The Durban High School Foundation Trust (the trust) set out on pages 7 to 20 which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of The Durban High School Foundation Trust, for the 31 December 2021 are prepared, in all material respects, in accordance with the basis of accounting described in note 1 to the financial statements and the requirements of the The Durban High School Foundation Trust.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the Trust's own accounting policies to satisfy the financial information needs of the trustees and beneficiaries. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "The Durban High School Foundation Trust Annual Financial Statements for the year ended 31 December 2021", which includes the Trustees' Report as required by the Trust Deed. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustees for the Financial Statements

The trustees responsible for the preparation and fair presentation of the financial statements in accordance with the basis of accounting and the requirements of the Trust Deed, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



BDO South Africa Incorporated
Registered Auditors

Sally Jukes
Director
Registered Auditor

24 June 2022

5A Rydall Vale Office Park
38 Douglas Saunders Drive
La Lucia, 4051

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Statement of Financial Position

Figures in R	Notes	2021	2020
Assets			
Non-Current Assets			
Property, plant and equipment	3	50 001 708	50 026 285
Investments	4	5 027 555	4 010 900
		55 029 263	54 037 185
Current Assets			
Trade and other receivables	6	2 706 619	1 123 357
Cash and cash equivalents	7	47 028 487	26 126 968
		49 735 106	27 250 325
Total Assets		104 764 369	81 287 510
Trust Funds and Liabilities			
Trust Fund			
Reserves	8	45 437 105	45 437 105
Retained earnings / (accumulated loss)		1 377 620	(5 417 288)
Trust Capital	9	23 955 719	23 955 719
		70 770 444	63 975 536
Current Liabilities			
Provisions	10	75 000	105 960
Trade and other payables	11	418 925	706 014
Deposit held for property sale		33 500 000	16 500 000
		33 993 925	17 311 974
Total Funds and Liabilities		104 764 369	81 287 510

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Statement of Comprehensive Income

Figures in R	Notes	2021	2020
Income	12	13 190 970	9 944 534
Other income		5 000	6 244
Operating costs		(3 824 584)	(2 461 327)
Other gains and losses		961 822	(154 150)
Operating profit		10 333 208	7 335 301
Finance income	13	1 283 059	1 097 854
Finance costs	14	(2 793)	-
Impairment reversal	5	-	4 700 000
Profit before distribution		11 613 474	13 133 155
Distributions paid			
Durban High School - Bursaries		(3 980 520)	(8 130 859)
Durban High School - Capital Development Projects		(829 546)	(3 122 545)
Durban High School - Other		(8 500)	(300 920)
		<u>(4 818 566)</u>	<u>(11 554 324)</u>
Profit after distribution		6 794 908	1 578 831
Profit for the year		6 794 908	1 578 831

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Statement of Changes in Trust Funds

Figures in R	Trust capital	Capital - special funds	Capital - Specific Bequests	Capital profits	Capital Tertiary Bursaries	Retained earnings	Total
Balance at 1 January 2020	45 437 105	3 093 439	7 041 601	11 194 964	2 625 715	(6 996 119)	62 396 705
Total comprehensive income for the year							
Profit for the year						13 133 155	13 133 155
Total comprehensive income for the year	-	-	-	-	-	13 133 155	13 133 155
Distributions						(11 554 324)	(11 554 324)
Movements during the year			(1 500 000)				(1 500 000)
Capital donation - C Seabrooke			1 500 000		-		1 500 000
Balance at 31 December 2020	45 437 105	3 093 439	7 041 601	11 194 964	2 625 715	(5 417 288)	63 975 536
Balance at 1 January 2021	45 437 105	3 093 439	7 041 601	11 194 964	2 625 715	(5 417 288)	63 975 536
Total comprehensive income for the year							
Profit for the year						11 613 474	11 613 474
Total comprehensive income for the year	-	-	-	-	-	11 613 474	11 613 474
Distributions						(4 818 566)	(4 818 566)
Balance at 31 December 2021	45 437 105	3 093 439	7 041 601	11 194 964	2 625 715	1 377 620	70 770 444
Notes	8.	9.1	9.2	9.3	9.4		

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Statement of Cash Flows

Figures in R	Notes	2021	2020
Cash flows from operating activities			
Profit for the year		11 613 474	13 133 155
<i>Adjustments for:</i>			
Finance costs	14	2 793	-
Reversal of impairment on loan	5		(4 700 000)
Loan donated to Durban High School	5		4 700 000
Depreciation of tangible assets	3	22 949	22 949
Investment income	13	(1 283 059)	(1 097 854)
Profit on disposal of property, plant and equipment		(5 000)	-
Change in fair value of shares		(961 822)	154 150
Donations paid		(4 818 566)	(11 554 324)
Operating cash flow before working capital changes		4 570 769	658 076
<i>Working capital changes</i>			
Increase in trade and other receivables		(1 583 262)	(703 247)
Increase in trade and other payables		16 681 951	5 862 349
Net cash flows from operations		19 669 458	5 817 178
Investment income	13	1 232 449	974 009
Finance costs	14	(2 793)	-
Dividends received	13	50 610	123 845
Net cash flows from operating activities		20 949 724	6 915 032
Cash flows used in investing activities			
Investment acquired		(54 833)	(129 158)
Proceeds on disposals of property, plant and equipment		6 628	-
Net cash flows used in investing activities		(48 205)	(129 158)
Net increase in cash and cash equivalents		20 901 519	6 785 874
Cash and cash equivalents at beginning of the year		26 126 968	19 341 094
Cash and cash equivalents at end of the year	7	47 028 487	26 126 968

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Accounting Policies

1. General information

The Durban High School Foundation Trust is a trust founded in South Africa. The type of trust and its principal activities is, as fully set out in the Trust Deed, to initiate and participate in fundraising ventures to raise funds for the beneficiaries of the Trust, to promote the goals and objectives of the beneficiaries, to provide funds or assets to the beneficiaries, to build and strengthen partnerships between the Durban High School, its Old Boys, Durban Preparatory High School and any other educational institution and the public, to establish and govern a credible, professional and high calibre entity, and generally to promote any objects which in the view of the Trustees may be advantageous to the development and extension of Durban High School.

2. Summary of significant accounting policies

The annual financial statements have been prepared in accordance with entity-specific accounting policies. These financial statements have been prepared under the historical cost convention and are presented in South African Rand.

In preparing the annual financial statements, the Trustee's are required to make judgements, estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the annual financial statements. The accounting policies are consistent with the previous period.

2.1 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable from fund raising activities in the ordinary course of the trust's activities.

The trust recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the trust's activities, as described below:

2.1.1 Revenue

Revenue is generally recognised on the accrual basis.

2.1.2 Dividends income

Dividends income is recognised as revenue when the right to receive payment is established and is shown as 'finance income'.

2.1.3 Interest income

Interest income is recognised using the effective interest rate method and is shown as finance income.

2.2 Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits will flow to the enterprise, and the cost of the investment property can be reliably measured. Investment property is property held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services, for administrative purposes, or for sale in the ordinary course of business.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Accounting Policies

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

After initial recognition, investment property whose fair value can be measured reliably without undue cost or effort shall be measured at fair value at each reporting period with changes in fair value recognised in profit or loss. If the fair value cannot be determined without undue cost and effort, the investment property is classified to property, plant and equipment.

2.3 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

Furniture and fittings	33.33%
Computer equipment	33.33%

2.4 Impairment of non-current assets

The Trustees assess at each reporting date whether there is any indication that an asset may be impaired. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of assets) is increased to the revised estimate of its fair value less costs to sell, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.5 Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the trust will not be able to collect all amounts due according to the original terms of the receivables.

2.6 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Accounting Policies

2.7 Trust capital and retained earnings

All funds of a capital nature received by the Trust are accounted for directly to the Trust capital account. This includes the original donation received by the Trustees to establish the Trust, as well as all donations received by the Trustees since the Trust's inception. This excludes capital gains and losses realised by the Trust in the normal course of its business activities. Trust capital is reduced by any capital distributed by the Trustees to any capital beneficiary.

Retained earnings consists of all revenues, capital gains and capital losses retained by the Trust after payment of all expenses, taxes and distributions of income and capital gains to beneficiaries.

2.8 Borrowing costs

Borrowings are recognised initially at the transaction price (that is, the present value of cash payable to the bank, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest rate method and is included in finance costs.

Borrowings are classified as current liabilities unless the trust has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2.9 Trade payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest rate method.

2.10 Provisions

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.11 Donation and Investment Policy

All investment income and capital vests with the Foundation and the Trustees have sole discretion on the utilisation of all funds.

2.12 Related Parties

A party is related to the company if any one of the following are met:

- Directly, or indirectly through one or more intermediaries, the party controls, is controlled by or is under common control with the Trust;
- The party is a member of the key management personnel of the Trust;
- The party is a close member of the family of an individual referred to above;
- A close member of the family includes:
 - The individuals domestic partner and children
 - Children of the individuals domestic partner; and
 - Dependents of the individual or the individuals domestic partner.
- The party is a post-employment benefit plan for the employees of the Trust.

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Notes to the Annual Financial Statements

3. Property, plant and equipment

	2021			2020		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
<i>Owned assets</i>						
Land and buildings	50 000 000	-	50 000 000	50 000 000	-	50 000 000
Furniture and fittings	-	-	-	58 600	(37 439)	21 161
Computer equipment	10 248	(8 540)	1 708	10 248	(5 124)	5 124
	<u>50 010 248</u>	<u>(8 540)</u>	<u>50 001 708</u>	<u>50 068 848</u>	<u>(42 563)</u>	<u>50 026 285</u>

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

	2021				2021 Carrying value at end of year
	Carrying value at beginning of year	Additions	Disposals	Depreciation	
<i>Owned assets</i>					
Land and buildings	50 000 000	-	-	-	50 000 000
Furniture and fittings	21 161	-	(1 628)	(19 533)	-
Computer equipment	5 124	-	-	(3 416)	1 708
	<u>50 026 285</u>	<u>-</u>	<u>(1 628)</u>	<u>(22 949)</u>	<u>50 001 708</u>

	2020				2020 Carrying value at end of year
	Carrying value at beginning of year	Additions	Disposals	Depreciation	
<i>Owned assets</i>					
Land and buildings	50 000 000	-	-	-	50 000 000
Furniture and fittings	40 694	-	-	(19 533)	21 161
Computer equipment	8 540	-	-	(3 416)	5 124
	<u>50 049 234</u>	<u>-</u>	<u>-</u>	<u>(22 949)</u>	<u>50 026 285</u>

Details of property	2021	2020
	R	R
Opening balance	<u>50 000 000</u>	<u>50 000 000</u>

Erf 944, Durban North Township, Province of Kwa-Zulu Natal, Measuring 2.1936 H.

Erf 951, Durban North Township, portion No 165 Province of Kwa-Zulu Natal, Measuring 2.1193H.

Details of property continued onto next page...

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Notes to the Annual Financial Statements

Figures in R 2021 2020

As 20 Gainsborough Drive Share Block (Pty) Ltd was unable to deliver a guarantee for the purchase price payable against transfer by the latest agreed date, it was decided to cancel the sale agreement concluded in 2016 with a forfeiture of all interest paid by the Purchaser to the Foundation and to conclude a new Consolidated Sale Agreement supported by comprehensive suretyships. This Consolidated Sale Agreement and Suretyships were signed by the Purchaser and its members on the 2 March 2021 and the comprehensive suretyships has been accepted by the Foundation now that new LoA have been issued to the Trustees of the Foundation and a written resolution has been signed by all Trustees named in the new LoA.

Per the current agreement the final payment was due 30 September 2021. This deadline was not achieved but the board of trustees has agreed to extended terms while reserving their rights.

4. Investments

Unit Trusts - at cost	Cost Price	Cost Price
Allan Gray Equity Fund	4 000 000	4 000 000
Unit Trusts - at market value	Market Value	Market Value
Allan Gray Equity Fund	5 027 555	4 010 900

The carrying amounts of investments are shown at market value.

5. Loans receivable

As per resolution passed on the 11th September 2020, the impairment of R4.7mil has been reversed and the loan has been donated to Durban High School in line with a resolution passed by the Trustees on 14 January 2014.

6. Trade and other receivables

Club Debtors	27 927	21 629
Durban High School	2 509 890	833 793
Value Added Tax	168 802	267 935
	<u>2 706 619</u>	<u>1 123 357</u>

7. Cash and cash equivalents

Bank balances	<u>47 028 487</u>	<u>26 126 968</u>
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THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Notes to the Annual Financial Statements

Figures in R	2021	2020
8. Reserves		
Balance at beginning of the year	45 437 105	45 437 105
Balance at the end of the year	<u>45 437 105</u>	<u>45 437 105</u>
9. Trust Capital	<u>23 955 719</u>	<u>23 955 719</u>
9.1 Capital Profits		
Durban High School Trust capital	737 803	737 803
Durban High School Trust bequest	530 577	530 577
Durban High School - 125 celebrations	56 885	56 885
Durban High School Association Scholarships	88 935	88 935
Avoidance of sexual abuse	624 945	624 945
DHS Foundation Functions	66 223	66 223
Class of 1963	259 815	259 815
Consolidation various small donations	728 256	728 256
	<u>3 093 439</u>	<u>3 093 439</u>
9.2 Capital - Specific requests		
Pat Goss Fund	2 075 661	2 075 661
Estate of Late FD Tomlin	815 940	815 940
Karel Tip Class' 62	150 000	150 000
Capital Donation - C Seabrooke	4 000 000	4 000 000
	<u>7 041 601</u>	<u>7 041 601</u>
These bequests/donations have specific requests as to the use of the income thereon.		
9.3 Capital Profits		
Profit on sale of:	8 944 690	8 944 690
• Portion 4 of Erf 951 Durban North; and		
• Portions 223 & 224 (of 165) of Erf 944 Durban North.		
Distribution - Durban High School	(2 366 834)	(2 366 834)
Distribution - Durban Old Boy's Club	(3 311 217)	(3 311 217)
Profit on sale of investments	7 928 325	7 928 325
	<u>11 194 964</u>	<u>11 194 964</u>
9.4 Capital Tertiary Bursaries		
Estate Readshaw Bequest	1 590 009	1 590 009
Lillian Readshaw Scholarship	244 000	244 000
LCW Theobald Scholarship	341 668	341 668
Cecil Renaud Fund	105 600	105 600
BE Masojada Fund	344 438	344 438
	<u>2 625 715</u>	<u>2 625 715</u>

Donations received in prior years with requests that they be used for tertiary educational bursaries for Durban High School learners.

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Notes to the Annual Financial Statements

Figures in R

2021

2020

10. Provisions

The following provisions are included in accounts payable:

	2021			2020
	Legal Fees	Audit Fee	Total	Total
Carrying amount at the beginning of the year	42 960	63 000	105 960	98 700
Current year provision	-	75 000	75 000	105 960
Amounts incurred and charged against the provision	(42 960)	(63 000)	(105 960)	(52 500)
Unused amounts reversed during the period	-	-	-	(46 200)
Carrying amount at end of the year	-	75 000	75 000	105 960

11. Trade and other payables

Trade creditors	205 425	580 765
Accrued liabilities	1 271	1 271
Unutilised funds - Old Boys Supporters Club	93 454	93 454
PAYE, UIF & SDL	38 535	30 524
Leave pay provision	80 240	-
	<u>418 925</u>	<u>706 014</u>

12. Income

An analysis of income is as follows:

Donations Received - S18A	4 415 110	4 953 216
Donations Received - Other	4 276 976	326 872
Profit from fundraising activities	311 942	36 101
Electricity recoveries	433 399	50 708
Rent received	922 883	678 928
Book sales	-	6 261
Penalty interest accrued in respect of the disposal of Old Boys Property	2 830 660	3 892 448
	<u>13 190 970</u>	<u>9 944 534</u>

13. Finance income

Interest received	1 230 459	974 009
REIT & other income	1 990	-
Dividends received from listed companies	50 610	123 845
	<u>1 283 059</u>	<u>1 097 854</u>

14. Finance costs

SARS	2 793	-
	<u>2 793</u>	<u>-</u>

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Notes to the Annual Financial Statements

Figures in R	2021	2020
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15. Income tax expense

The Trust is not liable for taxation as it has been approved as a Public Benefit Organisation in terms of S30 of the Income Tax Act and the receipts and accruals are exempt in terms of S10(1)(cN), under registration number 930022185.

The Trust is liable for taxation on its trading income less apportioned expenditure. Its trading income comprises rental income from its property which is in the process of being sold and some sundry income.

16. Profit from fundraising activities

Fundraising activities for 2021 consisted of events such as golf days, dinners and horseflies supporter club.

Contributions received toward fundraising activities

BCM Management Company (Pty) Ltd	21 739	-
Better Compare	13 043	-
GRM Search (Pty) Ltd	22 609	-
Jeppe School	22 341	-
KwaZulu-Natal Cricket Union	22 826	-
Maritzburg College	22 826	-
Northwood High School	18 261	-
Reevo Agencies	14 043	-
Richards Bay Cricket Academy	16 739	-
Stefanutti Stocks Roads, Earthworks and Pipelines	29 217	-
Trellicor Pty Ltd	13 043	-
Contributions received under R12 000	398 555	136 115
	<u>615 243</u>	<u>136 115</u>

17. Donations

Non-section 18A donation

Class Action	60 173	65 000
Derick Bass	61 699	56 174
Dr Chris Jennings	129 100	-
Impact DHS	50 153	134 389
MacBean Beier Plastics (Pty) Ltd. t/a Neucoat	-	(100 000)

... donations note continued onto next page

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Notes to the Annual Financial Statements

Figures in R	2021	2020
Maple Trust	56 600	-
Maris Stella School	3 000 000	-
Michane Stead	58 600	-
Quinton Oswald	56 600	-
Roger Eaton	105 836	104 575
Ryan Woolley	20 000	-
Spar KwaZulu-Natal	275 000	-
Victor Daitz Foundation	132 650	-
Donations received under R12 000	270 565	66 734
	<u>4 276 975</u>	<u>326 872</u>

Section 18A donation

Andrew Crawford	-	15 000
Bitrim Management & Financial Services (Pty)Ltd	140 000	164 000
Buffet Investment Services (Pty) Limited	350 000	-
CFC and Trading (Pty) Ltd	-	20 000
Charles Allan Solomon	50 000	50 000
Chris Seabrooke	650 000	994 000
Chris Seabrooke (Seabrooke Digiproject)	-	200 000
Chris Seabrooke (Seabrooke Theatre)	-	800 000
Clinton Grobbelaar	284 000	-
Colin Woodcock	56 600	56 400
Compendium Insurance Brokers	87 468	27 200
Conrite Walls (Pty) Ltd	25 000	-
Delve Moto CC	100 000	-
Denzil Andrews	129 100	124 150
Edward Snell & Company	130 000	-
George Bennett	-	56 400
Gillian Freda Solomon	50 000	50 000
Grand/Sportsbadge	-	56 400
Grant Oldfield	75 000	100 000
Isaac Sandler Charitable Trust	314 800	302 700
Jakamar Trust	20 000	55 000
Jo Ann Pamela Varejes	50 000	-
John Moshal	56 600	-
Kenneth Herbert Douglas Solomon	50 000	50 000
LP Watrus	-	130 000
Mr Michael John Bryan Goss	25 000	-
Narrowtex (Pty) Ltd	190 000	170 000
NCR Consulting (Pty) Ltd	-	25 000

... donations note continued onto next page

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Notes to the Annual Financial Statements

Figures in R	2021	2020
P De Chaomony 81	-	20 000
Pat Goss	100 000	-
Phumelela Msomi	20 000	39 000
Precious Prospect Trading 256 (Pty) Ltd	-	-
RAJ Investment Holdings (Pty) Ltd	37 363	62 076
Rand York Coretrays	56 600	55 000
Sabvest Finance & Gaurantee Corp (Pty) Ltd	610 000	554 660
Sabvest Finance & Gaurantee Corp (Pty) Ltd (Blackmore Project)	-	600 000
Sizwe Melusi Ali Nxedlana	28 000	25 000
Sports Badge Embroiderers (Pty) Ltd	56 600	-
Stephen Bradley Saad	500 000	-
Thembelani Gantsho	25 000	-
Webbing Products (Pty) Ltd	60 000	60 000
Yassar Casim	15 000	-
Donations received under R12 000	72 979	91 230
	<u>4 415 110</u>	<u>4 953 216</u>

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Detailed Income Statement

Figures in R	Notes	2021	2020
Income			
Donations Received - S18A	17	4 415 110	4 953 216
Donations Received - Other	17	4 276 976	326 872
Profit from fundraising activities		311 942	36 101
Electricity recoveries		433 399	50 708
Rent received		922 883	678 928
Book sales		-	6 261
Penalty interest accrued in respect of the disposal of Old Boys Property		2 830 660	3 892 448
		<u>13 190 970</u>	<u>9 944 534</u>
Other income			
Dividends received		50 610	123 845
Fair value adjustment		961 822	(154 150)
Investment income		1 232 449	974 009
Profit on sale of fixed assets		5 000	-
Impairment reversal	5	-	4 700 000
Sundry income		-	6 244
		<u>2 249 881</u>	<u>5 649 948</u>
Total income		<u>15 440 851</u>	<u>15 594 482</u>
Expenditure			
Accounting fees		143 025	117 380
Advertising		-	15 121
Assessment rates and municipal charges		295 788	(40 662)
Auditors' remuneration		82 806	25 770
Bank charges		12 100	17 169
Cleaning and consumables		1 967	4 133
Commission paid		304 748	85 281
Computer expenses		26 875	30 812
Depreciation		22 949	22 949
Electricity and water		1 469 584	509 986
Entertainment		13 510	6 023
Finance costs		2 793	-
Insurance		53 401	52 639
Lease rental on operating lease		-	9 000
Legal expense		208 633	291 731
Printing and stationery		-	3 114
Professional fees		-	41 250
Repairs and maintenance		75 541	117 670
Salaries		1 097 414	1 120 658
Security		4 800	7 631
Sundry expenses		-	3 299
Telephone and fax		236	20 373
Travel - local		11 207	-
		<u>3 827 377</u>	<u>2 461 327</u>
Operating profit before distributions		<u>11 613 474</u>	<u>13 133 155</u>

THE DURBAN HIGH SCHOOL FOUNDATION TRUST

(Registration Number IT 1146/1946/PMB)

Financial Statements for the year ended 31 December 2021

Detailed Income Statement

Figures in R	Notes	2021	2020
Distributions paid			
Durban High School - Bursaries		3 980 520	8 130 859
Durban High School - Capital Development Projects		829 546	3 122 545
Durban High School - Other		8 500	300 920
		<u>4 818 566</u>	<u>11 554 324</u>
Profit after distribution		<u>6 794 908</u>	<u>1 578 831</u>