

**The South African Securitisation Forum
Annual Financial Statements
for the year ended 29 February 2012**

The South African Securitisation Forum
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General Information

Nature of business and principal activities To promote the development of securitisation in South Africa.

Executive committee members	Name	Change in appointment
	A Pottas (Chairman)	
	B Harmse (Deputy Chairman)	
	R Kelso (Treasurer)	
	M Rosen	
	R Roothman	
	R Hayne	
	J Martin	
	K van Staden	
	N Zeelie	
	P Nana	
	S Howie	
	A Schaefer	Appointed 12 April 2011
	L Cunningham-Scott	Appointed 19 May 2011 Resigned 15 March 2012
	D Eraman	Appointed 3 November 2011
	V Dilsook	Appointed 18 August 2011
	W Wandrag	Appointed 18 August 2011
	M Brunke	Appointed 12 April 2011
	S Zall	Appointed 15 March 2012
	C Michaelides	Resigned 12 April 2011
	J Paterson	Resigned 19 May 2011
	B van der Merwe	Resigned 3 November 2011
	R Leegerstee	Resigned 12 April 2011
	O Meshoe	Resigned 15 March 2012
Auditors	Nolands Inc Chartered Accountants (S.A.) Registered Auditors	
Secretary	P Benbow-Hebbert	

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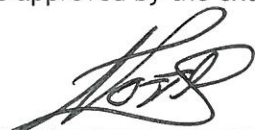
The reports and statements set out below comprise the annual financial statements presented to the members:

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Report of the Independent Auditors	3 - 4
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The following supplementary information does not form part of the annual financial statements and is unaudited:

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The annual financial statements set out on pages 5 to 10, which have been prepared on the going concern basis, were approved by the executive committee on 17 May 2012 and were signed on its behalf by:



Chairman



Treasurer

Johannesburg

17 May 2012

Report of the Independent Auditors

To the members of The South African Securitisation Forum

We have audited the accompanying annual financial statements of The South African Securitisation Forum, which comprise the statement of financial position as at 29 February 2012, the statement of comprehensive income and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes as set out on pages 5 to 10.

Responsibility for the financial statements

The executive committee's members are responsible for the preparation and fair presentation of these annual financial statements in accordance with the basis of accounting as described in Note 1. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual 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 annual 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 that the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the annual 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 controls. 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 annual 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 accompanying annual financial statements have been prepared, in all material respects, in accordance with the basis of accounting described in Note 1.

AUDITING & INSIGHT

Supplementary Information

The supplementary information set out on page 11 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Nolands

Nolands Inc
Registered auditors
Practice number: 900583e
Per: Craig Stansfield CA (SA), RA

17 May 2012
Cape Town

The South African Securitisation Forum
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Statement of Financial Position

Figures in Rand	Note(s)	2012	2011
Assets			
Current Assets			
Accounts receivable	2	-	-
Cash and cash equivalents	3	161,392	409,293
Total Assets		<u>161,392</u>	<u>409,293</u>
Funds and Liabilities			
Funds			
Accumulated funds	4	<u>153,141</u>	<u>178,298</u>
Liabilities			
Current Liabilities			
Accounts payable		8,251	45,002
Taxation		-	185,993
		<u>8,251</u>	<u>230,995</u>
Total Funds and Liabilities		<u>161,392</u>	<u>409,293</u>

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2012	2011
Revenue	5	250,000	-
Operating expenses		(194,333)	(174,040)
Operating profit / (loss)		55,667	(174,040)
Investment revenue	6	20,865	25,639
Profit / (Loss) before taxation		76,532	(148,401)
Taxation	7	(101,689)	-
Loss for the year		(25,157)	(148,401)

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Statement of Cash Flows

Figures in Rand	Note(s)	2012	2011
Cash flows from operating activities			
Cash generated from / (used in) operations	8	18,916	(176,440)
Interest income		20,865	25,639
Taxation paid	9	(287,682)	-
Net cash from operating activities		(247,901)	(150,801)
Net cash movement for the year		(247,901)	(150,801)
Cash and cash equivalents at the beginning of the year		409,293	560,094
Cash and cash equivalents at the end of the year	3	161,392	409,293

The South African Securitisation Forum

Annual Financial Statements for the year ended 29 February 2012

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

1.1 Significant judgements

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates.

1.2 Financial instruments

Accounts receivables

Accounts receivable are items that the Forum has issued invoices for, but not received payment for, as at the reporting date. They are stated at their estimated realisable value, which means that the amount stated is the figure the Forum realistically expects to receive.

Accounts payable

Accounts payable are items where the goods and services have been received by the Forum, but as at the reporting date have not yet been paid. They are stated at the amount of cash required to settle those liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.3 Revenue

Membership fees are recognised on the accrual basis in accordance with the substance of the relevant membership agreements.

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Notes to the Annual Financial Statements

Figures in Rand	2012	2011
2. Accounts receivable		
Membership fees receivable	20,000	-
Provision for doubtful debts	(20,000)	-
	<u>-</u>	<u>-</u>
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	161,392	409,293
	<u>161,392</u>	<u>409,293</u>
4. Accumulated funds		
Opening balance	178,298	326,699
Loss for the year	(25,157)	(148,401)
	<u>153,141</u>	<u>178,298</u>
5. Revenue		
Membership fees - current year	220,000	-
Prior years' unidentified receipts	30,000	-
	<u>250,000</u>	<u>-</u>
6. Investment revenue		
Interest received		
Bank	20,865	25,639
	<u>20,865</u>	<u>25,639</u>
7. Taxation		
Current		
Interest and penalties on taxation	101,689	-
	<u>101,689</u>	<u>-</u>
<p>No other provision has been made for 2012 taxation as the Forum had no taxable income at the accounting date. The computed tax loss available for set-off against future taxable income is estimated at R 190,208 (2011: R 281,740).</p>		
<p>The Forum has submitted an application to the Receiver of Revenue requesting that its receipts and accruals be exempt from taxation. As at the reporting date this application has not been approved.</p>		
8. Cash generated from / (used in) operations		
Profit / (Loss) before taxation	76,532	(148,401)
Adjustments for:		
Interest received	(20,865)	(25,639)
Changes in working capital:		
Accounts payable	(36,751)	(2,400)
	<u>18,916</u>	<u>(176,440)</u>

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Notes to the Annual Financial Statements

Figures in Rand	2012	2011
9. Taxation paid		
Balance at the beginning of the year	(185,993)	(185,993)
Interest and penalties on taxation	(101,689)	-
Balance at the end of the year	-	185,993
	<u>(287,682)</u>	<u>-</u>
10. Auditors' remuneration		
Audit fees	8,250	15,000
Underprovision - prior period	-	2,100
	<u>8,250</u>	<u>17,100</u>

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Detailed Income Statement

Figures in Rand	Note(s)	2012	2011
Revenue			
Membership fees	5	250,000	-
Other income			
Interest received	6	20,865	25,639
Operating expenses			
Advertising and promotional costs		-	2,901
Auditors' remuneration	10	8,250	17,100
Bank charges		1,390	1,209
Consulting fees paid		107,800	99,800
Increase in provision for doubtful debts		20,000	-
Sundry office costs		5,516	5,408
Travel - local		11,542	12,921
Website running costs		39,835	34,701
		194,333	174,040
Profit / (Loss) before taxation		76,532	(148,401)
Taxation	7	(101,689)	-
Loss for the year		(25,157)	(148,401)