

62nd
ANNUAL
REPORT

1st APRIL 1991
TO
31st MARCH 1992

**South African Institute
of Race Relations**



SOUTH AFRICAN INSTITUTE OF RACE RELATIONS (INC)

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1ST APRIL 1991 TO 31ST MARCH 1992

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**EXECUTIVE DIRECTOR'S REPORT TO MEMBERS
FOR THE 1992 ANNUAL GENERAL MEETING
ON 20TH AUGUST 1992**

INTRODUCTION

The most important development in the past year has been the start of multi-party constitutional negotiations. Fifteen years ago, despite the black anger that exploded into violence in Soweto on 16th June 1976, the then prime minister, Mr B J Vorster, said that he rejected calls for a national convention since its task would be to tear up South Africa's constitution and replace it with one-man-one-vote. If few people then would have predicted that a national convention would meet before the end of 1991, even fewer would have expected that it would after two days commit itself to bring about an undivided South Africa with a common citizenship and a legal system guaranteeing equality of all before the law.

Your Institute, I am happy to say, was one of the few organisations to detect which way the wind was blowing in the second half of the 1980s when so many other people took at face value government statements that laws such as the Group Areas Act and the Population Registration Act would not be repealed. In a conference in France in September 1987, for example, we said that South Africa was on the brink of starting constitutional negotiations. The first secret meeting between Mr P W Botha and Mr Nelson Mandela took place six months later.

At the time of writing, the Convention for a Democratic South Africa (Codesa) had come to a halt after its second plenary session, on 15th and 16th May 1992. The first plenary, on 20th and 21st December last year, had agreed on a declaration of intent and appointed five working groups to flesh out some of the principles agreed upon. However, one of these groups failed to complete its work and resolve all the inevitable differences in time for the second plenary. Even though Codesa then broke down, there were signs at the time of writing this report that negotiations would resume.

Constitutional negotiations aside, the dominating feature of the past year has been the seemingly never-ending political violence. On 14th September last year various political organisations signed a national peace accord which contained, inter alia, codes of conduct for political organisations and the police. However, the number of fatalities in the ten months since the accord was signed was 8% higher than in the ten months before it was signed. At the end of July 1992 the Institute, drawing on its research into causes of political violence, submitted a memorandum to a special representative sent to South Africa by the secretary-general of the United Nations to help end the violence and get constitutional negotiations going again.

The impasse in political negotiations and the continuing violence are among the reasons why the South African economy has languished in prolonged recession. Even though South Africa's international isolation has effectively come to an end — best symbolised by the presence of a multi-racial team representing the country at the Olympic Games in Barcelona at the time of writing — few foreign investors had enough confidence in the future of South Africa to put into the country the risk-taking profit-seeking capital it so desperately needs.

FINANCE AND MEMBERSHIP

Despite the poor economic climate, the Institute has again had a satisfactory year financially. Income increased by 17% and expenditure by 9%. As a result we were able to

turn last year's deficit of R65 000 into a surplus of R242 000. This satisfactory performance, together with a change in how membership fees are brought to account, has enabled us to eliminate our accumulated deficit of R335 000 at 31st March 1991 and end the financial year on 31st March 1992 with an accumulated surplus of nearly R83 000.

We certainly cannot afford to be complacent, however. Although we have a satisfactory rate of membership renewals, quite a number of our members have been unable to renew as a result of economic hardship.

RESEARCH AND PUBLICATIONS

Since the last annual report, 24 publications have been produced apart from the **Survey**, **Countdown**, **Update**, and **Race Relations News**. Mrs Helen Suzman's 1991 presidential address was published under the title **Holding the High Ground**. We also issued a number of publications dealing with education. Among them was **The Politics of Teacher Unity**, a study by Monica Bot of the various teacher organisations and their differing attitudes to such questions as whether teaching bodies should be trade unions or professional associations.

Four publications arose from a major conference we held on education and economic growth in March 1992. The conference, which was sponsored by the United States Agency for International Development, was attended by some 200 delegates from various sectors, including business, education, politics, and government. It was not designed to recite yet again the well-known facts and figures about apartheid in education which the Institute has laid bare in many publications down the years. Rather, the conference was designed to identify ways in which educational systems and policies might be changed to speed up South Africa's rate of economic growth and in so doing make the country a better place for all its people. The chairman of the Anglo American and De Beers Chairman's Fund, Mr Michael O'Dowd, whose writings on both education and economic issues go back over many years, delivered the keynote address, which was published in full under the title **Education and Growth**. Two other papers were published in full. One by Dr Pundy Pillay of the University of Cape Town explored the relationship between educational policies and economic development. It was issued under the title **Education and Economic Development: The Experience of Developed and Developing Countries**. Mr Andrew Donaldson of Rhodes University discussed ways in which the efficiency of South African education could be improved in the context of financial resources already stretched to their limits. His paper went out under the title **Content, Quality and Flexibility: The Economics of Education System Change**. The proceedings of the conference were published under the title **Educating for Growth**. This report also contained an evaluation and assessment by Professor Lawrence Schlemmer, one of our vice-presidents. He concluded that after many years of rather testy, ideologically inspired debate, South Africans were becoming very serious in the consideration of one of the country's most serious problems.

Our research into political strategies generated several reports. **Forum on Mass Mobilisation**, edited by Anthea Jeffery, contained the transcripts of 17 interviews with representatives of a wide array of institutions and organisations, among them the government, the police, the African National Congress (ANC), the Inkatha Freedom Party (IFP), the Civic Association of the Southern Transvaal, and the Congress of South African Trade Unions. A summary of some of the key points in **Forum**, and an assessment of mass mobilisation as a political strategy, had earlier been published by the Institute, as recorded in last year's report. An updated version of this study was due back from the printers at the time of writing this report.

Dr Jeffery also wrote a book entitled **Riot Policing in Perspective**. This again was based on extensive interviews with a wide range of interested parties, including policemen, judges and other legal practitioners, and political organisations in conflict with one another. The study examined the record of the police in dealing with demonstrations, the weapons used, the legal procedures, and the training of riot policemen. It also brought out a number of factors that are less well-known, such as the large number of political demonstrations which pass off without incident and the extent to which police are themselves under attack. A summary of the key points from the study was published in **Fast Facts**.

The third publication arising out of our research into political strategies was one by Paul Pereira entitled **Coercion, Boycotts and Stayaways**. This examined some of the strategies used by political groups from about 1984 onwards, and again reported the views of a range of different organisations, while also discussing some of the arguments put forward for using coercion to ensure the success of boycotts and stayaways. The report included as an appendix the results of an opinion survey commissioned by the Institute to measure the extent of coercion.

During the period under review we published the final issues in our series **Quarterly Countdown** and **Social and Economic Update**. The last issue of **Countdown**, Number Twenty, published in March 1992, reported that its mission had been accomplished. The first issue, dated April 1986, pointed out that the then state president, Mr P W Botha, had committed himself at the beginning of that year to power sharing and equal opportunities, treatment and justice for all. He also said that South Africa had outgrown 'the outdated concept of apartheid.' The Institute launched **Countdown** to take stock of the country's moves away from apartheid and towards power sharing and equality before the law. At that stage most of the apartheid laws were still on the statute book, but our research had convinced us, contrary to popular wisdom, that the erosion of apartheid was unstoppable. So confident of this were we, that we decided to bring **Countdown** out every three or four months to keep pace with the gathering speed of change. We were delighted to record the abolition of the pass laws in only the second issue. As constitutional negotiations loomed, we used **Countdown** to monitor the removal of obstacles standing in their way. The last issue of **Countdown** contained a constitutional scene-setter defining the key issues facing Codesa and listing points of agreement and disagreement among some of the participants.

The author of **Countdown** from start to finish, Shaun Mackay, continues to monitor constitutional issues, but in **Fast Facts**, which comes out monthly. **Fast Facts** also incorporates our other quarterly, **Social and Economic Update**, which was launched at the beginning of 1987, after Mr Botha had said that 'political reform would serve no purpose without socio-economic reform' and urged that the gap between the 'first world' and 'third world' economies in South Africa be 'harmonised'. Mr Botha specifically committed the government to better housing, job creation, and training, and identified the promotion of black business as a priority. **Update** was accordingly launched to monitor the extent to which social and economic inequalities were being eroded or removed in practice.

There were two reasons for merging **Countdown**, **Update**, and **Fast Facts**. One was to cut costs; the other was to provide our members with information monthly rather than quarterly and to do so more compactly and concisely at a time when there is more and more to read and less and less time to read it in. However, whereas the old **Fast Facts** was a four-pager, the new one, incorporating **Countdown** and **Update**, is double the length. Since my last report to you, in which I recorded publication of the first five issues of **Fast Facts**, another 12 issues have been published. Violence has obviously featured regularly, as have the proceedings in Codesa. An issue brought out in May 1992 focused on the

question of federalism and subsequent issues paid attention to the unfolding debate on this question. One issue contained the transcript of a lecture at the Institute by Professor Elwyn Jenkins on **Language Planning and the New Constitution**. Other matters to which **Fast Facts** paid attention included the allocation and possible re-allocation of land in South Africa, budgets and social equity, health trends, and views of various people on economic policy and investment.

Finally, of course, the **Survey** remains the Institute's flagship. The 1991/92 edition ran to 605 pages, nearly 40% fewer than the previous issue. Again, our objective was partly to keep costs down and in particular to avoid a price increase, but we were also concerned with greater conciseness and a physically more manageable volume. Our **Survey** writing team now consists of the Research Director, Carole Cooper, who acts as editor-in-chief, assisted by Robin Hamilton, who also writes the chapter on health and welfare, with Harry Mashabela writing on political organisations and security matters, Shaun Mackay on constitutional matters, Elizabeth Sidiropoulos on business, employment and the economy, Claire Gordon-Brown on land and agriculture, Stuart Murphy on housing, and Coletane Markham on education.

LECTURES, CONFERENCES AND OTHER FUNCTIONS

Apart from Mrs Helen Suzman's presidential address in August 1991 and an address on political violence by the Executive Director to the annual general meeting of the Cape Western region in July 1992, the following lectures, panel discussions, and conferences were held:

- **Union Officials in Political Office: Cat among the Pigeons?** (Messrs Moses Mayekiso and Rob Lagrange: respectively, general secretary of the National Union of Metalworkers of South Africa, and Transvaal regional secretary of the South African Clothing and Textile Workers' Union)
- **Violence between the ANC and Inkatha in Natal: When will it end?** (Mr Jacob Zuma and Dr Frank Mdlalose: respectively, deputy general secretary of the ANC, and national chairman of the IFP)
- **Scenario Presentation** (Mr Bob Tucker: former managing director of the Perm)
- **South Africa and Russia: Three Centuries of Contact** (Professor Apollon Davidson: professor of African history at Moscow State University)
- **Wonderland or Wasteland? The New South Africa in the Eyes of the ANC** (Mr Aziz Pahad: member of the national executive committee of the ANC)
- **Language Planning and the new Constitution** (Professor Elwyn Jenkins: president of the English Academy of Southern Africa)
- **The Pros and Cons of an Interim Government** (Messrs Jeremy Cronin and Musa Myeni, and Mrs Sheila Camerer: respectively, member of the national interim leadership group of the South African Communist Party, central committee member of the IFP national council, and National Party MP for Rosettenville)
- **Forging South Africa's Future: With iron fist or velvet glove?** (Dr Don Beck: director of the National Values Centre, Denton, Texas)
- **Management of Health Care: The Challenges** (Dr Jocelyne Kane-Berman: chief medical superintendent of the Groote Schuur Hospital region)
- **The White Right – Options in Changing Times** (Professor Lawrence Schlemmer, Dr Corne Mulder, Dr Wim Booyse: respectively, general manager of Group Social

Dynamics at the HSRC, Conservative Party MP for Randfontein, and managing director of Risk-Afrique Country and Investment Risk Consultants)

- **Totalitarianism** (Professor L Paty and Dr Z Deyl: respectively, deputy minister of education of the Czech Republic, and director for international relations at the Department of International Co-operation of the Czech Ministry of Education)
- **Education for Growth Conference** (Messrs Michael O'Dowd, John Kane-Berman, John Samuel, Andrew Donaldson, Bryan Phillips, Ben Nicholson; Drs Pundy Pillay and Jane Hofmeyr; and Professors Harold Wolpe, Ben Turok and Lawrence Schlemmer). The conference, one of the largest and most successful held by the Institute, was planned and organised by Isabelle Delvare, our education project co-ordinator.

BURSARIES

Despite the continuing crisis in black education and the political violence that continued to rack black townships, the 755 holders of university and technikon bursaries awarded by the Institute's head office scored an 86% pass rate in 1991. One hundred and forty-five students graduated in arts, agriculture, commerce, education, engineering, law, medicine, pharmacy, para-medical, and science. The highest number of these graduated in commerce, while there were 11 technikon graduates in 1991 as opposed to only one in 1990.

The 86% pass rate would do any established white institution proud. Considering that most of our students have come out of the troubled black education system, theirs is a remarkable achievement. Our students are vitally important role models who prove that success is attainable in difficult circumstances. At a function held on 2nd April 1992 Mrs Suzman presented awards to fifteen of the top bursary students. An additional 24 awards were made in absentia. Among the 140 people at the function were parents and other relations of bursars, as well as representatives of some of our donors.

We wrote to all our corporate and company members to inform them that we had graduates in various fields and inviting them to contact the Bursary Director, Mr Dennis Venter, should they wish to employ any of these young people. To date 16 companies asked for details, which we have duly supplied.

The following bursaries, with a total value of R9,7m, were awarded by the Institute's the head office Bursary Department from among 42 025 applicants for the 1992 academic year:

	<i>Continuing</i>	<i>New</i>	<i>Total</i>
University	564	296	860
Technikon	74	65	139
Teacher Training	58	12	70
Secondary	17	25	42
Total	713	398	1 111

The success of our bursars is due to a number of factors. The most important is obviously their own dedication and hard work. In addition, however, our Bursary Department employs three full-time student counsellors, who travel around to all the campuses where we have students to hold personal interviews with each one in an effort to give advice where necessary and/or anticipate academic or any other problems

that might arise and deal with them timeously. Thirdly, our selection procedures have become more and more refined: in addition to supplying academic results, applicants for bursaries are now required to write essays which are then marked by the selection committee to get a better idea of the applicants' abilities. At the beginning of 1992, for the first time, we extended our counselling service by arranging orientation programmes for our first-year bursars at the Universities of the Witwatersrand, the North, Natal (Durban and Pietermaritzburg campuses), Cape Town, and the Western Cape. Student mentoring programmes are now in place at the Universities of Cape Town and the Western Cape.

In an effort to help change the heavily academic orientation of South African education, the Institute has been encouraging bursary applicants to move towards scientific, technical, and commercial courses. The number of our students attending technikons has risen significantly. Altogether 65 new technikon bursary awards were made for 1992, bringing the total, including continuing awards, to 139, 63 more than in 1991.

Under a new bursary programme financed by the Austrian government, we are to receive funds for 40 students to study at technikons. The first ten students were chosen this year.

The Still Gosnell Bursary Trust Fund is also a new contribution to our bursary programme. It made four university and two technikon awards in August 1991.

The steady weakening of the rand against the American dollar has meant a saving of R2,5m against the budgeted costs of the students funded on our American bursary programme in the last six years. We accordingly approached the US Agency for International Development to allow us to take on an additional 115 university and 25 technikon students with immediate effect. They agreed and we were accordingly able this year to increase our American-funded university students from 232 to 347 and technikon students from 47 to 72, to give a total of 419.

LECTURES BY INSTITUTE OFFICIALS AND VISITORS TO THE INSTITUTE

The Executive Director and other Institute staff address a wide variety of organisations, drawing extensively on the Institute's research. In the past year presentations were made in various places including Zurich, Munich, Passau, Bonn, Berlin, Durban, Cape Town, Lebowa, Bophuthatswana, the Transkei, and other parts of South Africa. Audiences included businessmen, parliamentarians, managers, academics, security personnel, public servants, political organisations, educational institutions, parastatals, professional associations, Rotarians, youth groups, journalists, teachers, and librarians.

In addition to South Africans, numerous foreign visitors have been briefed at the Institute during the period under review. They include visitors from Australia, Belgium, Canada, Denmark, Egypt, Finland, France, Germany, Hong Kong, Hungary, Italy, Japan, Norway, Mexico, Paraguay, Poland, Portugal, Russia, Singapore, Spain, Sri Lanka, Sweden, Switzerland, The Netherlands, the UK and the US.

CAPE WESTERN REGION

Nearly 4 500 application forms were sent out for 1992 bursaries. The Cape Western Bursary Department made 371 awards for study at tertiary level this year, compared with

393 in 1991 and 406 in 1990. Altogether 255 of these awards were renewals and 116 fresh awards.

	<i>Continuing</i>	<i>New</i>	<i>Total</i>
University	171	56	227
Technikon	63	44	107
Teacher Training	21	16	37
Total	255	116	371

The German-funded enrichment programme (essentially extra tuition for matric pupils) continues to enjoy great popularity and has doubled in size. It now operates not only at the St Francis Centre in Langa but also at Luhlaza Secondary School in Khayelitsha. Combined registration for the programme is close on 3 000. The pass rate for enrichment programme pupils in last year's matric examination was 59%, compared with 31% for black government schools in Cape Town.

A headstart programme was initiated this year. Funded by the Independent Development Trust and planned with the assistance of the academic support programme at the University of Cape Town, this programme aims to increase the pool of students who have matriculation exemption with mathematics and science as subjects. The programme has admitted 50 ex-enrichment programme students who passed matric last year without these exemptions to a full-time course which will prepare them to rewrite maths, science, and English at the end of the year.

Speakers hosted by the Cape Western region included Professor Robert Schrire of the University of Cape Town, who spoke on **The referendum and its implications**; Professor Hugh Corder, who spoke on **Executive accountability and judicial appointment in a future South African constitution**; Ms Helen Zille, who spoke about **The history and origins of the conflict between rival groups of taxi drivers in the western Cape**; Mr Tony Heard, former editor of the Cape Times, who discussed **A new media order for South Africa**; and Mr Clive Keegan, deputy mayor of Cape Town, who spoke on **The move to non-racialisation of the City Council and local government in the Western Cape region**.

The regional committee also published several papers, one on **Gangsterism in Schools**, one based on Mr Heard's address, one by Professor Solly Benatar on **Health Services in South Africa**, one by Professor Heribert Adam on **The ANC Mourning of False Socialism**, one by Professor Hugh Corder on **Some Constitutional Issues which need urgent attention**, and one by Professor George Ellis on **School Syllabus Revision: An Alternative Approach**.

STAFF

We have upgraded our Human Resources function under the guidance of Sheila Whiteman, the Human Resources Director, in an effort to run the Institute more professionally. Over the past year a system of performance appraisals every six months has been introduced. At the same time, money permitting, more attempt is being made to provide training for staff to enable them both to increase their own skills and contribute more to the Institute. The system whereby all staff automatically received an annual payrise of the same percentage was discontinued during the period under review and all pay increases are now related to performance on the job.

COUNCIL AND INSTITUTE OFFICE BEARERS

The new Council of the Institute, which holds office from 1st May 1992 to 30th April 1996, was elected by postal ballot. A list of all Council members appears at the beginning of this report.

Mr Allan Wentzel, who assumed the position of Chairman of the Finance Committee after Mr Tom Wixley's resignation due to pressure of other commitments, was co-opted as Honorary Treasurer of the Institute through a postal canvass of Council members.

I regret to report the death at the age of 82 of Dr Patrick Lewis, one of our honorary life members. Dr Lewis served as honorary treasurer of the Institute from 1942 to 1957, during which period the Institute's finances gained considerably from his initiative and guidance.

THANKS

Thanks are due to all our members for their loyal support, mostly in the form of membership fees and subscriptions but also sometimes in special grants for research. Thanks are also due to all the donors, both local and foreign, to our bursary programmes run by head office and the Cape Western region.

To our President and Vice-Presidents, the Chairman of the Executive Committee, the Honorary Treasurer, and the Honorary Legal Adviser, also go thanks for the time and effort that they put into the Institute's affairs. The same applies to members of the outgoing Council, among them Mr Wixley, the Executive Committee, the Finance Committee, the Cape Western Regional Committee, and the volunteers without whom the Cape Western region's art centre could not function. All the staff of the Institute help in a variety of ways to make the organisation the success it is. To them too on your behalf, gratitude for their work and support. In particular I would like to thank the staff for their co-operation, under the overall guidance of the Financial Director, Frank Oppler, in keeping expenditure under control.

CONCLUSION

In conclusion I want to return to the question of violence. In my report to you last year I mentioned that the Institute had participated in the state president's conference on violence and intimidation in Pretoria in May 1991. One of the proposals we put forward was that codes of conduct for political organisations and the police should be adopted. I was appointed as chairman of one of the working groups set up during the conference, my group being charged with looking into proposals for the establishment of a code of conduct to regulate political behaviour. The group (which had about 50 other members) proposed the adoption of a code and said it should address the following issues:

- The need to avoid the adoption of militant or provocative attitudes that have been shown to incite violence;
- The need to avoid the use of dangerous weapons;
- The need to ensure impartial policing in the maintenance of law and order;
- The need to define what constitutes acceptable and what constitutes unacceptable police conduct in situations of conflict;

- The need to define what constitutes acceptable and what constitutes unacceptable criticism of the police;
- The need to define what constitutes unacceptable and acceptable language, campaigning, strategies and action against governmental structures at all levels;
- The need to cease all forms of intimidation and coercion; and
- The need to stop the language of vilification.

The national peace accord signed several months later in September included codes of conduct for political organisations and the police. In an issue of **Fast Facts** published at the end of the year the Institute recorded the key provisions of these codes of conduct and of the accord. However, we said that the provisions regarding the police were inadequate in that investigation of complaints against police remained in the hands of the police.

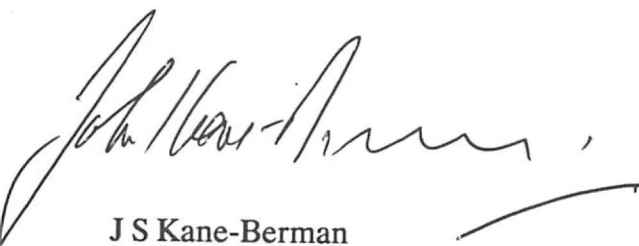
We noted that the code of conduct for political parties and organisations had committed signatories to condemning political violence, and encouraging tolerance and an understanding of 'democratic pluralism'. In addition, all were put under a duty:

- not to kill, injure, intimidate or threaten any person for his political beliefs;
- not to obstruct any person from attending a political gathering; and
- not to compel any person, by threat or use of force, to join any organisation, take part in any boycott or strike action, or resign from any post or office.

Moreover, all the signatories undertook to refrain from 'incitement to violence and hatred', to inform the appropriate authorities of planned marches and rallies, to maintain effective communication among one another, and to provide full assistance and co-operation to the police. We commented that the code could be strengthened by specific prohibitions on campaigns to make South Africa 'ungovernable'.

At the end of July various political, labour, business, and religious organisations drafted a code of conduct for mass action.

The Institute played a constructive role in helping to bring about these codes of conduct. Some of its main work now is to expose to the light of day all of the various causes of violence and so help to bring them all into the framework of the codes. Even though it is obvious that the codes are neither adhered to nor adequately enforced, they nevertheless remain important starting points – necessary even if not sufficient – to ridding South Africa of the scourge of political violence.



J S Kane-Berman
Executive Director

7th August 1992

**REPORT OF THE HONORARY TREASURER ON THE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1992**

I only assumed my present role in the last few days of the financial year. I am therefore reporting primarily on the efforts of Mr Tom Wixley. I thank him for his guidance of the Institute's finances over the past few years and for agreeing to remain a member of the finance committee.

The income increased by 17% (R618 198). The only significant movement was the increase in membership fees and subscriptions of R578 387 – increase of 79%. Due to a change in the basis of accounting the provision for membership fees received in advance of R378 497 has been reversed and added to accumulated funds. This change was to reflect membership fees on a cash received basis. If the comparative figures had been adjusted the increase in income would have been R239 701 (6%) whilst the membership fee increase would have been R199 890 (18%).

It is difficult to make definitive statements in the light of the change in the basis of accounting. Nevertheless it is clear that the Institute's income is not keeping pace with inflation.

The disclosed expenditure has increased by under 9% or R310 961 in total. Included in expenditure was committed expenditure on fixed assets of R115 440. If this amount is adjusted to omit the fixed assets expenditure the increase is only slightly over 5%. The executive director and staff are to be congratulated for their efforts.

Before the reversal of membership fees received in advance the accumulated funds improved by R39 411. This was after making a provision for research and the survey of R200 000.

The assets administered by the Institute increased sharply in 1992. Most of the increase is in the area of bursary funds. The fixed assets are valued conservatively and the market value of the properties is likely to exceed the book value. All other fixed assets are written off when acquired.

Overall the financial administration is operating very smoothly. I convey my thanks to Mr Frank Oppler and his staff for their dedication and efficiency.

A. E. Wentzel

ALLAN E WENTZEL
Honorary Treasurer
Chairman of the Finance Committee

3 August 1992

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
(INCORPORATED ASSOCIATION NOT FOR GAIN)
AND ITS SUBSIDIARY COMPANY

FINANCIAL STATEMENTS

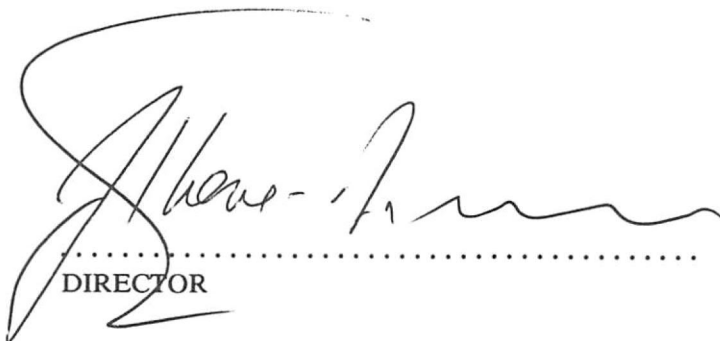
31 MARCH 1992

REGISTRATION NO: 05/10068/08
FUND RAISING NO: 01 100066 0006

I N D E X

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The annual financial statements which appear on the attached pages were approved by the Directors on 19 May 1992 and are signed on their behalf by:


.....
DIRECTOR

a. i. d. - j. t.
.....
DIRECTOR

REPORT OF THE INDEPENDENT AUDITORS

To the members of
South African Institute of Race Relations (Incorporated Association not
for gain)

We have audited the annual financial statements and group annual financial statements set out on pages 24 to 37. These financial statements are the responsibility of the Institute's directors while our responsibility is to report thereon.

We conducted our audit in accordance with generally accepted auditing standards which required that we plan and carry out the audit to obtain reasonable assurance that fair presentation is achieved in the financial statements in all material respects. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We consider that our audit procedures were appropriate in the circumstances to express the opinion presented below.

In our opinion these annual financial statements fairly present the financial position of the Institute and the group at 31 March 1992 and the results of their operations for the year then ended in conformity with generally accepted accounting practice and in the manner required by the Companies Act.



Price Waterhouse Meyernel

19 May 1992

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
(INCORPORATED ASSOCIATION NOT FOR GAIN)
AND ITS SUBSIDIARY COMPANY

REPORT OF THE DIRECTORS

The Directors have approved the attached Financial Statements and submit their Report for the year ended 31 March 1992.

REVIEW OF THE INSTITUTE'S BUSINESS AND OPERATIONS

The main activity of the Institute is that of a Research and Educational Welfare Organisation. The Financial Statements adequately disclose the results of the operations of the Institute and the state of its affairs.

DIRECTORS AND SECRETARY

The following acted as Directors

H Suzman	–	President of the Institute
D J Gevisser	–	Chairman of the Executive Committee
T A Wixley (resigned 2 January 1992)	–	Honorary Treasurer
A E Wentzel (appointed 18 March 1992)	–	Honorary Treasurer
J S Kane-Berman	–	Executive Director

The Institute does not have a Secretary.

SUBSIDIARY COMPANY

The name of the Subsidiary is:

	<i>1992</i>	<i>1991</i>
De Korte Street Properties (Pty) Ltd		

Details are:

Issued Share Capital	R6	R6
Company's Holding	100%	100%
Book Value of Company's Holding	R6	R6
Amount owing to Holding Company	R573 389	R588 229

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
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BALANCE SHEET AT 31 MARCH 1992

	Notes	GROUP		COMPANY	
		1992 R	1991 R	1992 R	1991 R
<i>CAPITAL EMPLOYED</i>					
NON-DISTRIBUTABLE RESERVE	3	821 681	818 359	821 681	818 359
ACCUMULATED FUNDS/(DEFICIT)		<u>82 863</u>	<u>(335 045)</u>	<u>82 863</u>	<u>(335 045)</u>
		904 544	483 314	904 544	483 314
SPECIAL FUNDS	4 & 5	8 058 395	4 259 475	8 058 395	4 259 475
LONG TERM LIABILITIES	6	<u>297 465</u>	<u>294 269</u>	<u>14 900</u>	<u>14 900</u>
		<u>9 260 404</u>	<u>5 037 058</u>	<u>8 977 839</u>	<u>4 757 689</u>
<i>EMPLOYMENT OF CAPITAL</i>					
FIXED ASSETS	7	<u>979 564</u>	<u>979 564</u>	<u>30 928</u>	<u>30 928</u>
INVESTMENT IN SUBSIDIARY	8	<u>—</u>	<u>—</u>	<u>573 395</u>	<u>588 235</u>
<i>INVESTMENTS</i>					
Special funds		8 058 395	4 259 475	8 058 395	4 259 475
Other		<u>409 090</u>	<u>163 347</u>	<u>409 090</u>	<u>142 100</u>
	9	<u>8 467 485</u>	<u>4 422 822</u>	<u>8 467 485</u>	<u>4 401 575</u>
<i>CURRENT ASSETS</i>					
Stock	10	2	2	2	2
Inter company current account		—	—	6 177	18 714
Accounts Receivable	11	544 647	568 286	543 696	567 335
Cash Resources		<u>933 431</u>	<u>946 688</u>	<u>933 431</u>	<u>949 227</u>
		<u>1 478 080</u>	<u>1 514 976</u>	<u>1 483 306</u>	<u>1 535 278</u>
TOTAL ASSETS		<u>10 925 129</u>	<u>6 917 362</u>	<u>10 555 114</u>	<u>6 556 016</u>
<i>CURRENT LIABILITIES</i>					
Membership fees received in advance		66	378 497	66	378 497
Accounts payable	12	1 464 659	1 501 807	1 377 209	1 419 830
Provision for survey and research	1.8	<u>200 000</u>	<u>—</u>	<u>200 000</u>	<u>—</u>
		<u>1 664 725</u>	<u>1 880 304</u>	<u>1 577 275</u>	<u>1 798 327</u>
NET CURRENT LIABILITIES		<u>(186 645)</u>	<u>(365 328)</u>	<u>(93 969)</u>	<u>(263 049)</u>
		<u>9 260 404</u>	<u>5 037 058</u>	<u>8 977 839</u>	<u>4 757 689</u>

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
(INCORPORATED ASSOCIATION NOT FOR GAIN)
AND ITS SUBSIDIARY COMPANY

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 1992

	Notes	GROUP		COMPANY	
		1992 R	1991 R	1992 R	1991 R
INCOME					
Membership fees and subscriptions		1 308 133	729 746	1 308 133	729 746
Administration fees received		1 279 422	1 210 502	1 279 422	1 210 502
Interest received		325 748	269 504	324 981	269 018
Grants and donations		1 141 033	1 210 438	1 141 033	1 210 437
Publication sales		112 428	129 030	112 428	129 030
Rental received		18 460	17 806	17 633	16 120
		<u>4 185 224</u>	<u>3 567 026</u>	<u>4 183 630</u>	<u>3 564 853</u>
EXPENDITURE					
Auditors remuneration					
Fees for the audit	13	24 600	19 000	23 040	18 000
– Prior year (over) provision		–	(5 000)	–	(5 000)
Furniture and equipment written down to nominal value	1.5	145 280	98 629	145 280	96 409
Interest paid		75 332	77 346	–	–
Lease expenditure		23 822	19 289	23 822	19 289
Research, publishing and administration expenses		3 674 050	3 422 859	3 734 507	3 484 633
		<u>3 943 084</u>	<u>3 632 123</u>	<u>3 926 649</u>	<u>3 613 331</u>
EXCESS INCOME OVER EXPENDITURE		242 140	(65 097)	256 981	(48 478)
PROVISION FOR RESEARCH AND SURVEY		(200 000)	–	(200 000)	–
MEMBERSHIP FEES RECEIVED IN ADVANCE	1.1	378 497	–	378 497	–
PROVISION FOR LOSS IN SUBSIDIARY		–	–	(14 841)	(16 620)
TRANSFER TO NON-DISTRIBUTABLE RESERVE		(2 729)	–	(2 729)	–
PRIOR YEAR ADJUSTMENT	2	–	(16 244)	–	(16 244)
DEFICIT AT BEGINNING OF YEAR		(335 045)	(253 704)	(335 045)	(253 703)
SURPLUS/(DEFICIT) AT END OF YEAR		<u>82 863</u>	<u>(335 045)</u>	<u>82 863</u>	<u>(335 045)</u>

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
(INCORPORATED ASSOCIATION NOT FOR GAIN)
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CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 1992

	<i>Note</i>	<i>GROUP</i>		<i>COMPANY</i>	
		<i>1992</i> <i>R</i>	<i>1991</i> <i>R</i>	<i>1992</i> <i>R</i>	<i>1991</i> <i>R</i>
Operating loss before interest and loss in subsidiary		(83 608)	(334 601)	(68 000)	(317 496)
Items not involving the flow of funds – Adjustments on acquisition of furniture and fittings written down to nominal value		145 280	98 629	145 280	96 409
Increase in working capital	16	(13 442)	849 484	(6 379)	830 669
		<u>48 230</u>	<u>613 512</u>	<u>70 901</u>	<u>609 582</u>
Interest received		325 748	269 504	324 981	269 018
Increase in building reserve		592	1 228	592	1 228
Cash retained from operations		<u>374 570</u>	<u>884 244</u>	<u>396 474</u>	<u>879 828</u>
External financing – loans raised/(repaid)		3 196	(3 630)	–	–
Land and buildings purchased		–	(47 528)	–	–
Purchase of furniture and equipment		(145 280)	(98 629)	(145 280)	(96 409)
(Increase)/Decrease in investments		(245 743)	50 986	(266 990)	72 233
Decrease in investment in subsidiary		–	–	–	19 828
Cash effects of investment activities		<u>(391 023)</u>	<u>(95 171)</u>	<u>(412 270)</u>	<u>(4 348)</u>
Net cash retained		(13 257)	785 443	(15 796)	875 480
Cash resources at beginning of year		946 688	161 245	949 227	73 747
Cash resources at end of year		<u>933 431</u>	<u>946 688</u>	<u>933 431</u>	<u>949 227</u>

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
 (INCORPORATED ASSOCIATION NOT FOR GAIN)
 AND ITS SUBSIDIARY COMPANY

NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 1992

1 ACCOUNTING POLICIES

The Financial Statements are prepared on the historical cost basis.

1.1 *Membership fees*

Membership fees are brought to account on a cash received basis. In prior years, an allowance was made for the proportion due in respect of the following accounting period. This change in the basis of accounting has resulted in the sum of R378 563 being transferred to Accumulated Funds.

1.2 *Donations*

Donations are brought to account on a cash received basis, upon being banked to the account of the Institute.

1.3 *Special Funds*

Funds specifically designated by donors may, at the discretion of the recipient activity, be retained and invested by the Institute pending disbursement.

1.4 *Bursary Funds and Special Research Projects*

The Funds and Projects administered by the Institute are disclosed in these Financial Statements by way of note 4.

1.5 *Fixed assets*

Land and Buildings are not depreciated. Other Fixed Assets are written off when purchased and are shown at nominal value. Included in Fixed Assets written off is an amount of R115 440 for capital expenditure to which the Institute is committed but which had not been brought into use at 31 March 1992.

1.6 *Stock*

Stock is valued at nominal value.

1.7 *Branch Accounting*

Branch operating results and their assets and liabilities are incorporated in these Financial Statements.

1.8 *Provision for Survey Research*

A provision of R200 000 has been made for survey research.

2 PRIOR YEAR ADJUSTMENT

In order to achieve a fairer presentation in the financial statements, a bursary fund administered by Western Cape Region, which was previously incorporated in the Institute's financial statements, has now been removed from the financial statements by transferring the accumulated deficit of the bursary fund at the beginning of the year as follows:

Accumulated deficit at the beginning of the year as previously reported	R318 801
Prior year adjustment	16 244
Accumulated deficit funds at the beginning of the year now reported	<u>R335 045</u>

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
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NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 1992
(continued)

3 NON-DISTRIBUTABLE RESERVES		1992	1991
		R	R
3.1	Specific bequests, surplus on sale of investments and extraordinary donations of a non-recurring nature:		
	Opening balance	227 859	227 859
	Additional transfer to building fund – Cape Town	3 322	–
		<u>231 181</u>	<u>227 859</u>
3.2	Building Fund		
	Specific donations	440 500	440 500
	Amount provided in prior year	150 000	150 000
		<u>590 500</u>	<u>590 500</u>
		<u>821 681</u>	<u>818 359</u>

4 SPECIAL FUNDS

	Note	Bursary Funds R	Special Research Projects R	Regional Bursary and Other Funds R	1992 R	1991 R
					Total	Total
INCOME						
Donations and Grants		11 171 924	395 569	1 706 707	13 274 200	10 509 196
Interest		271 668	57 355	309 149	638 172	372 952
Dividends		38 934	–	–	38 934	67 652
Profit on sale of shares		48 905	–	–	48 905	227 524
		<u>11 531 431</u>	<u>452 924</u>	<u>2 015 856</u>	<u>14 000 211</u>	<u>11 177 324</u>
EXPENDITURE						
Administration Costs and contribution to overheads		1 611 850	–	238 452	1 850 302	1 461 253
Audit fees	13	13 800	–	–	13 800	13 828
Bursaries and Grants		7 165 202	–	1 457 026	8 622 228	8 853 779
Project Costs		–	559 273	–	559 273	622 784
		<u>8 790 852</u>	<u>559 273</u>	<u>1 695 478</u>	<u>11 045 603</u>	<u>10 951 644</u>
SURPLUS/(DEFICIT) FOR THE YEAR						
		2 740 579	(106 349)	320 378	2 954 608	225 680
ACCUMULATED FUNDS AT BEGINNING OF YEAR NET OF DEFICIT BALANCES						
		2 718 326	589 274	29 236	3 336 836	3 100 384
DEFICIT ACCUMULATED FUND BALANCES TRANSFERRED TO DEBTORS						
		34 993	–	–	34 993	190 273
FUNDS INTRODUCED DURING THE YEAR						
		2 000	–	169 948	171 948	10 772
		<u>5 495 898</u>	<u>482 925</u>	<u>519 562</u>	<u>6 498 385</u>	<u>3 527 109</u>
REGIONAL SPECIAL FUNDS						
		–	–	1 560 010	1 560 010	732 366
FUNDS AT YEAR END						
		<u>5 495 898</u>	<u>482 925</u>	<u>2 079 572</u>	<u>8 058 395</u>	<u>4 259 475</u>

A list of the balances of the Special Funds administered by the Institute appears in Note 5.

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
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NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 1992
(continued)

5 SPECIAL FUND BALANCES AT 31 MARCH 1992

5.1 Bursary Funds

			1992	1991
	<i>Capital</i>	<i>Amounts held for Bursary Awards</i>	<i>R Total</i>	<i>R Total</i>
KFS Austrian Technikon Bursary Programme	—	113 779	113 779	—
Eva Auerbach Trust	1 500	437	1 937	455
Australian Scholarship Fund	—	11 145	11 145	56 618
Alan Paton Fund	2 000	2 189	4 189	4 189
Andrew Hofmeyr Book Award	10 000	—	10 000	10 000
The Bertha McKay Bursary Fund	100 201	8 327	108 528	113 475
The B and E Koch Bursary Fund	6 000	4 249	10 249	8 022
Margaret Ballinger Welfare Fund	—	5 428	5 428	—
Boxer Bursary Fund	5 000	2 368	7 368	6 681
Dorothy Glauber Bursary Fund	55 000	10 828	65 828	56 201
Ellen Hellmann Fund	8 000	1 382	9 382	9 382
Emily Hobhouse Bursary Fund	600	28	628	627
E Z E Scholarship Programme	—	347	347	352
First National Bank Bursary Fund	—	95 420	95 420	54 339
G M Robertson Bursary	10 000	8 234	18 234	17 784
German Academic Exchange Scholarship Programme	—	419 422	419 422	—
German Enrichment Programme	—	63 656	63 656	119 889
Gert and Irmgard Brusseau Trust	47 990	60 608	108 598	53 921
Harvard S A Fellowship Programme	—	—	—	6 476
The Horace Coaker Trust	500	17 750	18 250	23 720
Isaacson Foundation Bursary Fund	453 366	149 308	602 674	597 504
Joy Abelson Bursary Fund	—	10 771	10 771	11 297
Kellogg Foundation Bursary Fund	—	765 271	765 271	721 119
Esrael Lazarus Education Fund	100 000	28 957	128 957	124 015
Lomans Trust	—	17 737	17 737	72 186
Luthuli Memorial Foundation Trust Fund	107 883	499	108 382	149 915
May MacFarlane Trust	—	—	—	7 554
Mampu School Bursary Fund	1 000	247	1 247	1 297
Mobil Oil Scholarship Programme	—	—	—	11 790
Netherlands Scholarship Programme	—	233 543	233 543	110 033
The Dr M Patel and his parents trust	10 000	5 218	15 218	13 993
Reginald H Smith Bursary Fund	10 000	3 190	13 190	14 260
Robert Shapiro Trust	10 878	6 622	17 500	38 794
Senior Teachers Training Trust	50 000	15 128	65 128	63 606
The Robert Birley Trust	1 500	—	1 500	1 500
South African Scholarship Programme (US Aid)	—	2 059 124	2 059 124	157 667
Carried forward	991 418	4 121 212	5 112 630	2 638 661

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
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NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 1992
(continued)

5 SPECIAL FUND BALANCES AT 31 MARCH 1992

				1992	1991
		<i>Capital</i>	<i>Amounts held for Bursary Awards</i>	<i>R Total</i>	<i>R Total</i>
5.1	<i>Bursary Funds (ctd)</i>				
	Brought forward	991 418	4 121 212	5 112 630	2 638 661
	SAIRR Education Trust	69 292	6 940	76 232	54 062
	USA Test Teach Test	—	—	—	205
	Swiss Church Group Scholarship Programme	—	176 620	176 620	38 360
	World University Service of Canada	—	108 180	108 180	157 710
	Yvonne Rabbow Memorial	16 705	5 531	22 236	19 601
	<i>Total Bursary Funds</i>	<u>1 077 415</u>	<u>4 418 483</u>	<u>5 495 898</u>	<u>2 908 599</u>
5.2	<i>Special Research Projects</i>			1992	1991
	Coercion			272 000	210 243
	Survey 1			15 190	114 873
	Constitution			66 562	15 000
	Education			65 307	—
	Land			—	69 426
	Survey 2			15 190	—
	Update			—	118 557
	Housing			—	15 000
	Multi Party Systems			—	46 175
	Survey 3			20 598	—
	Local Government			28 078	—
				<u>482 925</u>	<u>589 274</u>
5.3	<i>Funds Administered by Regions</i>			2 079 572	761 602
	<i>TOTAL SPECIAL PURPOSE FUNDS</i>			<u>8 058 395</u>	<u>4 259 475</u>

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
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NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 1992
(continued)

6	LONG TERM LIABILITIES		1992 R	1991 R
	<i>Institute</i>			
	<i>Secured</i>			
	Secured by a first mortgage bond over land and buildings in Cape Town, with a book value of R30 922. There is no interest payable and no fixed terms of repayment at present.		14 900	14 900
	<i>Consolidated</i>			
	<i>Secured</i>			
6.1	First mortgage bond over land and buildings in Cape Town, with a book value of R30 922. There is no interest payable at present.		14 900	14 900
6.2	Mortgage bond registered over stands 2 794 and 5 088 Johannesburg, with a book value of R948 636. Interest is payable at 19,25%, and monthly instalments inclusive of interest are R6 989.		366 433	360 345
			381 333	375 245
	Less: Payable before 31 March 1993 included in accounts payable		83 868	80 976
			297 465	294 269
7	FIXED ASSETS		1992	1991
		<i>Cost</i>	<i>Accumulated</i>	<i>Book</i>
		R	Depreciation	Value
			R	R
	Land and buildings	30 922	—	30 922
	Furniture and equipment	708 615	708 611	4
		<u>739 537</u>	<u>708 611</u>	<u>30 926</u>
	Library – at nominal value			2
				<u>2</u>
			<u>30 928</u>	<u>30 928</u>

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
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NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 1992
(continued)

7 FIXED ASSETS

<i>Consolidated</i>	<i>Cost</i>	<i>Written down to Nominal Value</i>	<i>1992 Book Value</i>	<i>1991 Book Value</i>
Land and buildings	979 558	—	979 558	979 558
Furniture and equipment	708 615	708 611	4	4
	<u>1 688 173</u>	<u>708 611</u>	<u>979 562</u>	<u>979 562</u>
Library – At nominal value			2	2
			<u>979 564</u>	<u>979 564</u>
<i>Details of Land and Buildings</i>				
Freehold property, Erf 28701. situated at No. 5 Long Street, Mowbray, Cape Town				
Purchase January 1975			27 723	27 723
Improvement during that year			3 199	3 199
			<u>30 922</u>	<u>30 922</u>
Municipal valuation			<u>29 240</u>	<u>29 240</u>
Freehold property stand no. 2794 situated at 68 De Korte Street, Braamfontein				
Purchased 1954			20 500	20 500
Building erected 1956			65 198	65 198
			<u>85 698</u>	<u>85 698</u>
Valuation by J H Isaacs – 1988 – of property on stand 2794			<u>640 000</u>	<u>640 000</u>
Freehold stand, lot 5088 Jhb Township situated at 70 de Korte Street Braamfontein – purchased 1989				
Improvements and alterations – 1990			375 000	375 000
Improvements and alterations – 1991			440 410	440 410
			47 528	47 528
			<u>862 938</u>	<u>862 938</u>
INVESTMENT IN WHOLLY OWNED SUBSIDIARY COMPANY				
Shares at cost			6	6
Loan to subsidiary (net of provision for losses incurred)			573 389	588 229
			<u>573 395</u>	<u>588 235</u>

THE SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
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NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 1992
(continued)

9 INVESTMENTS

9.1 SPECIAL FUNDS	1992	1991
	R	R
9.1.1 <i>Bursary Funds</i>		
Participation Mortgage Bonds	108 500	106 500
Fixed Deposits	114 332	114 332
Listed investments		
1 000 Anglo American Coal	500	500
1 600 Anglo American Corporation	160	160
1 000 Barlow Rand	12 362	13 283
1 300 CG Smith Foods	50 983	—
700 De Beers Consolidated	68 445	68 445
500 De Beers Consolidated Prefs	500	500
416 First International Trust	206	—
4 100 Gencor	44 647	44 647
9 600 Iscor	—	19 200
2 000 Liberty Life	55 190	55 190
80 Lebowa Platinum	169	—
232 Potgietersrus Platinum	489	—
4 000 Remgro	58 795	58 795
3 000 Richemont	55 686	55 686
400 Rustenburg Platinum	32 441	32 441
20 000 Toco Holdings	26 328	—
2 000 Tiger Oats	200	200
240 Western Deep Levels	240	240
100 Vaal Reefs	33 771	33 771
(Market value R1 008 585 1991 - R758 975)	441 112	383 058
Local Registered Stock		
9,625% Phalaborwa Water Board	7 000	7 000
9,5% Newcastle Town Council	9 926	9 926
9,25% Escom 1996	60 000	60 000
	76 926	76 926
Cash deposits	1 510 792	614 031
Debtors	40 605	288 638
Cash Resources	3 673 620	1 829 971
	5 225 017	2 732 640
Less : Creditors	469 989	504 857
	4 755 028	2 227 783
<i>Total Bursary Funds</i>	5 495 898	2 908 599

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NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 1992
 (continued)

	1992 R	1991 R
9.1.2 <i>Special Research Projects</i>		
Cash on Call	482 925	589 274
9.1.3 <i>Funds Administered by Regional Office</i>	<u>2 079 572</u>	<u>761 602</u>
<i>TOTAL SPECIAL FUNDS INVESTED</i>	<u>8 058 395</u>	<u>4 259 475</u>
9.2 <i>OTHER FUNDS</i>		
Cash on Call and on Deposit	328 420	132 475
Other Funds administered by Regional Office	80 670	30 872
	<u>409 090</u>	<u>163 347</u>
<i>TOTAL INVESTMENTS</i>	<u>8 467 485</u>	<u>4 422 822</u>
10 <i>STOCK</i>		
Stock comprises –		
Finished Goods, Books and Publications	<u>2</u>	<u>2</u>

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NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 1992
(continued)

11	ACCOUNTS RECEIVABLE	<i>Group</i>		<i>Company</i>	
		<i>1992</i>	<i>1991</i>	<i>1992</i>	<i>1991</i>
		<i>R</i>	<i>R</i>	<i>R</i>	<i>R</i>
	Amounts due from bursary funds	437 819	440 798	437 819	440 798
	Trade and other debtors:				
	Head office	78 973	104 405	78 022	103 454
	Regional	27 855	23 083	27 855	23 083
		<u>544 647</u>	<u>568 286</u>	<u>543 696</u>	<u>567 335</u>
12	ACCOUNTS PAYABLE AND PROVISIONS				
	Amounts due to bursary funds	—	51 909	—	51 909
	Trade and other creditors:				
	Head office	1 356 500	1 285 040	1 352 918	1 284 040
	Regional	24 291	15 014	24 291	15 014
	Current portion of long term liabilities	83 868	80 976	—	—
		<u>1 464 659</u>	<u>1 432 939</u>	<u>1 377 209</u>	<u>1 350 963</u>
13	AUDITORS REMUNERATION			<i>1992</i>	<i>1991</i>
	Fees for the Audit including management services				
	General			23 040	18 000
	Bursaries			13 800	13 828
	De Korte Street Properties			1 560	1 000
				<u>38 400</u>	<u>32 828</u>
14	COMMITMENT				
	There is a commitment in respect of unexpired portion of lease agreements over office equipment amounting to R105 386 of which R30 319 is payable in the next financial year in instalments of R2 689 pm.				
15	TAXATION				
	The Institute is exempt from tax in terms of Section 10(i) of the Income Tax Act.				

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NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 1992 (continued)

	<i>Group</i>		<i>Company</i>	
	<i>1992</i> <i>R</i>	<i>1991</i> <i>R</i>	<i>1992</i> <i>R</i>	<i>1991</i> <i>R</i>
16 NOTES TO THE CASH FLOW STATEMENT				
(Increase)/Decrease in Working Capital				
Decrease/(Increase) in accounts receivable	23 639	(280 276)	36 176	(298 991)
(Decrease)/Increase in accounts payable	(37 147)	981 263	(42 621)	981 163
Increase in membership fees received in advance	66	148 497	66	148 497
	<u>(13 442)</u>	<u>849 484</u>	<u>(6 379)</u>	<u>830 669</u>

