



South African Institute of Race Relations

72nd Annual Report - 1st April 2001 to 31st March 2002



If it's in our homes,
it's in our hearts.

SOUTH AFRICAN INSTITUTE
OF RACE RELATIONS (INC)

72nd ANNUAL REPORT

1st APRIL 2001 TO 31st MARCH 2002

LEADERSHIP WITH FACTS

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*The Institute would
deeply appreciate being
remembered
in your will.*

*Please contact the
Chief Executive should
you be willing to
discuss a possible
legacy or bequest
(see page 53).*

HIGHLIGHTS

- Year-end surplus of R1.6 million against a deficit of R259 000 last year. Net assets under Institute control up from R29 million to nearly R36 million.
- Income runs at R8.6 million and expenditure at R7 million.
- Fifty-third edition of annual *South Africa Survey* published, highlighting key short-, medium-, and long-term macro-economic and socio-economic trends.
- Data excerpted from the *Survey* turned into a 'State of the Nation' slideshow and presented to various audiences around the country, among them general audiences of members and in-house audiences at member companies.
- Twelve editions of *Fast Facts* printed as monthly supplement to the annual *Survey*, bringing the total number of issues published to 134 since the first one appeared in February 1991.
- Increased demand among members for customised information from our *Library Information Service* on a very wide range of subjects.
- Our special *Parliamentary Information Service* enters its second year of operation, earning praise from many MPs for accuracy and impartiality.
- Eighteen briefings and lectures organised for members in Cape Town, Durban, and Johannesburg.
- Students on Institute bursaries run by Head Office achieve an 89% pass rate at the end of 2001 and 144 students graduate, bringing total since 1980 to 2 562 and total bursary expenditure to more than R152 million. Over the same period, the Harvard/South Africa Fellowship Programme has sponsored 129 students at Harvard.
- Head Office awards 994 bursaries for the 2002 academic year.
- New bursary programmes are established on behalf of FirstRand, S A Eagle, Sentrachem, and the American Chamber of Commerce in South Africa, while a new Tikkun Jewish Community Scholarship Fund is launched.
- Cape Western students obtain an 87% pass rate in 2001 and 520 students are awarded bursaries for 2002.
- Public policy issues given special focus over the past year include AIDS, crime, unemployment, land reform, living conditions, racial legislation, social security, terrorism, Zimbabwe, the 'tripartite' alliance, the role of opposition parties, and race relations.
- Results of major field survey of racial attitudes in South Africa published, showing that most South Africans believe race relations have improved, although some minority groups feel victimised. The survey shows that unemployment and crime are regarded as more serious problems than racism.

CHIEF EXECUTIVE'S REPORT TO MEMBERS FOR THE ANNUAL GENERAL MEETING ON 29th AUGUST 2002

Mr President, Members of the Institute,

I have pleasure in presenting this report to you. While the attached financial statements cover the financial year ended 31st March 2002, this narrative report is up to date to the middle of July.

INTRODUCTION

The highlight of the year was the publication of the results of a comprehensive national survey of race relations commissioned by the Institute and conducted by one of our Vice Presidents, Professor Lawrence Schlemmer. The survey took place in July 2001, but its results were not available until August, when they were presented to members and released to the media prior to publication by the Institute in *Fast Facts* in September and December under the title *Race Relations and Racism in Everyday Life*. The survey revealed a great deal that is encouraging, but also more than enough that is disconcerting. The findings also confirmed that the Institute has been right to pay so much attention to unemployment in South Africa. More detail about the survey appears under *Public Policy Matters* below.

FINANCE AND MEMBERSHIP

The Institute ended the financial year on 31st March with a surplus of nearly R1.6m against a deficit of R259 000 the year before. The surplus was doubly gratifying because we had budgeted for a deficit of R605 000. There are three main reasons why our performance was so much better than budget. One was the increase during the financial year in the value of our portfolio of stocks and shares, the second was the receipt of bequests, and the third was successful fund-raising. More detail is given in the Honorary Treasurer's report on page 27. Obviously we cannot budget for bequests, although over the years we have received a number of windfalls of this nature, for which we are very grateful. A list of people from whose estates the Institute has received money or shares or fixed property over the past 12 years appears on page 53.

Membership income has remained static in real terms. We continued to be adversely affected by mergers, while the enrolment of new members remains an uphill battle. It is no comfort, of course, that other organisations are often in the same position.

Our thanks are due to our Honorary Treasurer, Mr Brian Hawksworth, who keeps a close eye on our share portfolio in conjunction with our Financial Director and our brokers. Details of our shares are included in the appendices at the end of the financial statements.

RESEARCH, PUBLICATIONS, AND INFORMATION

The Institute provides a comprehensive and integrated information service to its members, making use of the printed and spoken word as well as electronic technology. For the third year now the annual *South Africa Survey* has been published on CD-ROM as well as in book form, while *Fast Facts* is available both in print and on the Institute's website. This published material is supplemented by our Library Information Service, which caters to members' requirements on a customised basis. We also communicate the findings of our research by presentations to various audiences.

South Africa Survey

The *South Africa Survey 2001/2002* was the 53rd to be published. As foreshadowed in my report last year, it comprised both a narrative and a statistical section. The former contained four chapters by outside specialists dealing with employment, education, and the economy; social development; governance; and security. The latter, split into seven chapters, gave readers an unrivalled collection of statistical information about South Africa, presented in some 274 tables supplemented by 92 graphs and charts. As usual, great care was taken to present the tables as clearly and attractively as space, costs, and the nature of the information allowed.

Although the *Survey* bore the date 2001/2002, we sought, wherever possible, to provide comparative information from earlier years. Presenting data in this way enables readers to discern trends that would not be apparent if only shorter time periods were covered. Our table on immigration and emigration thus showed that in the closing years of the 20th century South Africa experienced a net loss of people for seven years in a row against only three successive years of net losses during the Second World War, which was the only period as far back as data goes in which there was more than one year of net loss. GDP per head figures show a peak in 1981, and after that a downward slide for about a decade before a slight recovery more recently. Presentation of data in a longer-term context also shows how some trends in South Africa have changed since the political liberalisation of the 1990s - most obviously, large increases in both imports and exports following the end of our international isolation - while others, such as the depreciation of the rand against the US dollar, go back a quarter of a century.

Space constraints in the 2001/2002 *Survey* put a limit on the extent to which we could supplement tables with graphs and charts, but the forthcoming *Survey* will contain more graphics. This is because we have decided to omit the four narrative chapters; last year's were so comprehensive that including analysis again would involve too much repetition. The additional space we will now have for statistical data will also enable us to include more international comparisons.

As reported below, copies of the *Survey* were supplied to all parliamentarians through our Parliamentary Information Service subsidised by the Australian Agency for International Development (AusAID) (see below). An outside person appointed to evaluate this project for AusAID reported as follows: 'For a large number of politicians, the Institute and the *South Africa Survey* clearly carry with them a reputation for the provision of impartial, reliable, well-researched material. In spite of the political tensions over the years, and whatever individuals may feel about the Institute, it has nevertheless been hailed, by many of even the most radical groups as the best source of such information available.'

As an additional service to members this past year we launched a slideshow based on the *Survey*. About 80 of the tables and/or graphs and charts were turned into transparencies which the Chief Executive presented to a score of different audiences. These included a presentation to which all members were invited at Auden House in January, and one for members in Cape Town in February; a third was being planned for members in Durban as this report was being written. Presentations were also done for about a dozen member companies and other organisations, among them the South African Defence College. The presentation was further made to parliamentarians in Cape Town as part of our Parliamentary Information Service and a repeat performance is planned for MPs in October. The person appointed to evaluate the service for AusAID reported various comments by MPs on the slideshow: 'After Mbeki's State of the Nation Report, it was interesting to see how civil society views it'... 'This sort of event brings civil society close to government'... 'It empowers parliamentarians'... 'It is important for MPs to get out and broaden their horizons...to hear another voice'. The slideshow is not static. As new information becomes available during the year, the slides are updated. The version currently on offer contains material that will appear in print only when the 2002/2003 *Survey* appears.

Fast Facts

Twelve issues of *Fast Facts* were printed. This publication, which dates back to February 1991, is now well into its second decade. It was designed from the start to be read quickly by busy people, and this has proved to be a successful formula. The four regular pages of *Fast Stats* at the back remain essentially unchanged. Among the hardy annuals to appear in the publication were *Future at your fingertips* in the January issue, designed to brief members on key predictions and forecasts for the year ahead and beyond; our update on foreign investment in and by South Africa; our analysis of the budget in a seven-year context; and comparative social and economic indicators for each province. *Fast Facts* also carried our regular update of matric results, along with the findings of a survey of schooling conditions made available by the Department of Education. Discontinuation by the government of the regular release of police crime statistics meant that we could no longer publish our *Crime Watch* page as regularly as in the past. However, in response to requests from Institute member firms doing business elsewhere in Africa, we have started to include more regular economic information about sub-Saharan Africa.

Fast Facts also included the text of some of the addresses at our briefings following requests for them from members. The text of Mr Clem Sunter's *Call to arms against AIDS* (reported last year) appeared, as did Ms Patricia De Lille's speech about the role of parliamentary opposition, along with the text of an address by Dr Rand Stoneburner on how AIDS is being successfully combated in Uganda. Finally we published an address by Dr Gerhart Raichle, head of the Liberal Institute in Germany - the think-tank of the Friedrich Naumann Foundation - on liberal social policy. Other issues covered in *Fast Facts* are reported under *Public Policy Matters* below.

Electronic publishing

Logos Information Systems published a new CD-ROM including the 2001/2002 *South Africa Survey, Surveys* from 1987 to 2001, and eleven other Institute publications. The Institute receives royalties from sales. Some of the public policy issues dealt with below were the subject of *News Releases* and/or *Website Comments* on the Institute's website. *Fast Facts* also appears on our website, most of it accessible only to members with passwords.

Library Information Service

The Institute's library is a resource not only for our own research operation but also for our members. Our library gathers a vast amount of information which we never publish, either because it is too specific to be of general interest or because we face constraints of both cost and space. But this information is available on request to members and providing it to them has become one of the most important services offered by the library.

Nor is the information sought from us confined to subjects on which we might normally be expected to keep data. Recent requests which we have answered have dealt with such topics as patents, house prices in Sandton over the past ten years, the effect of gambling on the retail market, car manufacturing in China, South African imports of fashion items from Italy, and the steel industry in Russia and Ukraine. These were in addition to more run-of-the-mill requests dealing with such issues as the brain drain, engineering graduates broken down by race, corporate social responsibility, land restitution, transformation in the corporate environment, migrant labour in the mining industry, and a racial breakdown of judges. One company sought information on AIDS orphans to help it start a programme to assist these children.

Parliamentary Information Service

I am delighted to report that we signed a second contract with the Australian Agency for International Development (AusAID), which is the development arm of the Australian government, to help finance our Parliamentary Information Service for another year. We are thus able to provide our Library Information Service to parliamentarians of all parties as well as to our members. The demands of parliamentarians for information range far and wide and come from political parties both big and small. Topics on which we have supplied information on demand include legislation governing stem cell research in South Africa and elsewhere, the effects of sleep deprivation on shift workers, what kind of punishment for murder was used during King Shaka's rule, case studies of privatisation in California and elsewhere, arms exports to Israel, landing slots at Heathrow, sexual harassment in schools, and how meteorological services are financed in other countries.

Our outside evaluator of this project (see above) interviewed a number of MPs, some of whom have used the information service a dozen or more times. The evaluator reported to AusAID: 'The universal reaction from those who had utilized the service, and so experienced it first-hand, was extremely positive. Responses in the nature of "brilliant", "impressive", "wonderful", "a very valuable resource centre", "commendable", were commonplace. The content of information that was supplied was, in every instance, said to be "spot-on", "excellent", "just what was required", "very detailed", "accurate", "pertinent to my request", and "objective".'

As reported above, part of the service entailed a supply of complimentary copies of the *Survey* to all MPs and a special *State of the Nation* presentation near to parliament, which was attended by some two dozen MPs and which will be repeated later this year.

BRIEFINGS AND LECTURES

Over the years the Institute has offered platforms to a wide range of speakers; their names (since 1984) appear on page 55. During the past year, eighteen briefings or presentations were held for members, including two in Cape Town, two in Durban, and the rest in Johannesburg. Professor Schlemmer made five presentations to members on the results of his survey of race relations, while Mr Kane-Berman gave his *State of the Nation* slideshow to members on four occasions.

The other speakers and topics were:

- Mr Jeremy Gauntlett, SC, Chairman of the General Council of the Bar of South Africa, on *Constitutionalism after the Constitution*
- Mr Justice Edwin Cameron, a judge in the Supreme Court of Appeal, on *HIV/AIDS: Ethical, legal, employment, human, and personal issues*
- Mr Rick Menell, Deputy Chairman and Chief Executive Officer of Anglovaal Mining, on *The historical context of current changes in South Africa's mining laws*
- Professor R W (Bill) Johnson, former Director of the Helen Suzman Foundation, on *Zimbabwe: Behind the headlines, and what now?*
- Dr Rand Stoneburner, Director, Health and Population Evaluation Unit, University of Cambridge, currently based at the Chris Hani Baragwanath Hospital, on *How Uganda combats AIDS*
- Ms Jenny Cargill, Director of BusinessMap Foundation, on *Black economic empowerment: the new - government driven - phase*
- Mr Gavin Woods MP, former Chairman of the parliamentary standing committee on public accounts, on *An insider's view of parliament*, and
- Mr Saki Macozoma, Chairman of the national working group on restructuring higher education, on *Sink or streamline*.

In addition, the Hecate Corporate Theatre Company presented a play about AIDS called *Secrets and lies*.

The briefings by Judge Cameron and Dr Stoneburner, as well as the presentation by the Hecate Corporate Theatre Company, were sponsored by Johnson & Johnson Medical (Pty) Ltd, one of our corporate members. Another of our company members, 3M South Africa (Pty) Ltd, sponsored the briefings by Ms Cargill and Mr Macozoma.

NATIONAL BURSARIES

The national bursary programme of the Institute, run from Head Office, dates back to 1935. Since then our students, among them Mr Nelson Mandela, who won a bursary worth £120 in the late 1940s, have served the country in almost every field of endeavour. The programme is the Institute's development arm. It seeks simultaneously to promote individual excellence, to provide opportunities for those who would not otherwise get a tertiary education, and to counteract the enormous legacy of deprivation caused by apartheid in education and indeed apartheid more generally.

We receive more than 17 000 applications each year. The initial selection is done by a computer, which analyses the applicants' examination results. Applicants who pass this first test are then evaluated by selection committees which include representatives of sponsors, outsiders drawn from the community and from various academic institutions, and the Institute's own bursary department. The two main selection criteria are the applicants' academic promise and the financial circumstances of their families. Most of our students therefore tend to come from the poorer sections of the community; very few have had what may be called a privileged education. This makes their achievements all the more remarkable.

Sponsors include foreign donor agencies, local trusts, and individuals. We also administer bursary programmes for local and foreign companies. The names of the various bursary trusts administered by the Institute, as well as the names of our corporate clients and of the sponsors of our bursary programme, appear as part of the notes to our financial statements on page 43 of this report. Our students are always told who is financing their particular bursary.

Students on Institute bursaries continue to perform well. Our pass rate since 1990 has never dropped below 82% and has several times topped 90%. Last year's pass rate among our tertiary students was 89%. Altogether 144 students graduated in 2001. In the past 20 years the Institute's Head Office has awarded bursaries, most of them to black students, to the value of R152 million. Since 1980, no fewer than 2 562 students have graduated through our programme in the following fields: science 469, commerce 402, education 346, arts 313, health sciences 208, engineering 199, law 195, business administration 193, medicine 171, architecture 35, and dentistry 31.

Apart from these students, 129 South Africans have been awarded bursaries to study at Harvard since 1979 on the Harvard/South Africa Fellowship Programme, the South African end of which is run by the Institute, in the following fields or capacities: arts and science 33, management development 29, education 22, law 16, visiting scholars 11, public health 10, public administration 5, architecture 2, and theology 1.

The number of bursaries awarded for the 2002 academic year is 994, which is 372 more than in 2001. The increase arises mainly from the depreciation of the rand against the dollar: our agreements with the United States Agency for International Development (USAID), our largest donor, are signed in dollars, but as the rand has depreciated the yield in rands has increased over time, enabling us to take on additional students at no extra cost to USAID or American taxpayers. New awards accounted for 66% of the total, the remainder going to students continuing on our programme.

A twelfth amendment to our current USAID contract was signed in April. New bursary programmes were established this past year on behalf of the FirstRand Foundation, SA Eagle, and Sentrachem. With funding from Tikkun, we also established a special Tikkun Jewish Community Scholarship Fund. Our old United States Signatory Education Fund was renamed the American Chamber of Commerce (AmCham) Bursary Fund after receiving a welcome injection from Johnson & Johnson.

Professor Felton Earls, Professor of Social Medicine at the Harvard Medical School and Professor of Human Behaviour and Development at the Harvard School of

Public Health, is the new Director (at Harvard) of the Harvard/South Africa Fellowship Programme. One of our own alumni, Dr Bethuel Sehlapelo, who is Business Development Manager at the CSIR (formerly known as the Council for Scientific and Industrial Research) and whose doctorate is in organic chemistry, was appointed Chairman of the Institute's bursary selection committee.

CAPE WESTERN REGION

Ms Leslie Liddell was elected for a third term as regional Chairwoman, while Mr Keith Foster became Vice Chairman again, at the Cape Western regional AGM on 20th September 2001.

The guest speaker at the AGM was Professor Lawrence Schlemmer, current Vice President and a former President of the Institute, whose topic was *A Normal Society: South Africa's Prospects?* Professor Schlemmer addressed the region again on 8th November in a function jointly hosted with the Institute of Directors in Southern Africa, when he presented the results of his racism study. In October, Mr Yagyah Adams, a member of the Cape Town City Council and also of the Muslim Judicial Council, gave a presentation on the Muslim community in South Africa with particular reference to the Western Cape. As indicated above, the Chief Executive of the Institute presented his *State of the Nation* address to members of the Cape Western region and to parliamentarians in February 2002 at a function held near parliament for the convenience of MPs.

The regional office offers an information service to Institute members, the public, and the media. Over the past year 154 queries for statistical, political, demographic, and other information have been dealt with. The region runs three educational projects. The *Bursary Programme* offers opportunities to young people from the poorest sectors of the Western Cape to study at tertiary level. The overall pass rate in last year's final examinations was 87%. The programme, now in its 30th year, is currently supporting 520 students at technikon and university. Funding comes from five major trusts, including the region's own educational trust.

The Learner Empowerment Programme, established in 1982, provides supplementary tuition to Grade 11 and 12 pupils from disadvantaged schools on Saturdays and during school holidays. A total of 2 600 pupils registered for the programme in 2002. The top performers in the 2001 matric examination at 20 different township schools were on the programme, as were 72% of those at the 30 main feeder schools who were awarded university exemption. *The Teacher Empowerment Programme* provides in-service training for teachers of Mathematics, English, and Physical Science through a series of workshops offered after school hours throughout the year.

At the time of writing this report, arrangements were being made to house the Cape Western's educational activities under an independent Section 21 company, in accordance with the Institute's long-standing policy of enabling projects of that nature to leave the nest, as it were. Headstart College, also initially a project of the Institute's Cape Western region, was thus established as an independent organisation known as Gqweza College in March 1999.

Over the years a large number of projects initiated by the Institute have

subsequently set themselves up as independent organisations. They include the Legal Aid Bureau and the Penal Reform League, both established before the War; the Bureau of Literacy and Literature, established in 1946 and made independent in 1956; and the Domestic Workers and Employers Project, the Education Information Centre, Operation Hunger, the Human Awareness Programme, Using Spoken and Written English, the Youth Programme and Open School, and the African Arts Centre in Durban, all of which became independent in the 1970s and 1980s.

OFFICE-BEARERS

During the year Mr Harold Bernstein, Mrs Sue Gordon, Professor Elwyn Jenkins, Mrs Noel Robb, and Mr Raymond Tucker were elected as Honorary Life Members in recognition of their services to the Institute over a long period. Professor Charles Simkins replaced Professor Elwyn Jenkins as Chairman of the Executive Committee on the latter's retirement (reported last year), while Mr Roger Crawford replaced Professor Simkins as Vice Chairman of the Executive.

STAFF

Eunice Halo received an award for 25 years with the Institute; Linda Vilakazi one for 20 years; Ellen Potter, Mary Gwala, Betty Mokane, Queenie Nkuna, and Alfred Nkungu awards for 15 years; and Tamara Dimant one for 10 years. As at the time of writing this report, out of a total complement of 41 staff members, five have been with us for 15 years, two for 16 years, three for 18 years, four for 19 years, one for 20 years, one for 22 years, one for 23 years, one for 25 years, and two for 29 years.

THANKS

Thanks are due to all our members for their continuing loyalty and support. We are grateful also to the various sponsors of our bursary and other educational programmes, both at Head Office and in Cape Town, along with those who back our annual *South Africa Survey* and sponsor some of our briefings. Our thanks are also due to all those who have given donations or made bequests to the Institute.

I am grateful to the members who serve on our various governing bodies and in particular offices, including Themba Sono, our President; Raymond Tucker, our Honorary Legal Adviser; and Brian Hawksworth, our Honorary Treasurer. Thanks are due also to all our staff. Financial constraints compelled us to reduce our staff complement a few years ago, but there has been no reduction in output. Everyone, in other words, has worked harder and willingly taken on additional duties.

We also appreciate the continued backing of the (German) Friedrich Naumann Foundation, the (American) International Republican Institute (IRI), and the (American) National Endowment for Democracy, from which the IRI obtains part of its funding for the Institute. We are further grateful for the support of the Australian Agency for International Development (AusAID) for the Parliamentary Information Service we launched in March this year. We are grateful also to all those members who provided funding for our survey on *Race Relations and Racism in Everyday Life*. We thank Mr Neil van Heerden, Executive Director of the South Africa Foundation, for his assistance with fund-raising. Thanks are due also to Lawrie Schlemmer for the energy, expertise, and insight he gave this landmark study.

PUBLIC POLICY MATTERS

The Institute has always had a commitment to 'seek the facts and make them known'. Equally important has been its function of speaking out to promote the values of liberal democracy. We have accordingly continued to deal with a number of crucial public policy issues. A perusal of our published material - in *Fast Facts*, on our website, and in contributions to newspapers - shows the range of issues we have dealt with. The published material has been supplemented by radio interviews and briefings to various individuals, institutions, and groups. Our own work has been supplemented by briefings by selected outside experts. Public policy issues on which we have focused particular attention this past year include the following:

- AIDS. The photograph of Gail and Nkosi Johnson on the cover of my last report to members was designed in part to draw attention to the importance the Institute attaches to AIDS, which is both a human tragedy and, in this country, a political scandal. In this past year we organised two further breakfast briefings on the issue, one by Judge Edwin Cameron, who spoke compellingly and bravely about the need for truth-telling, among other things. Dr Rand Stoneburner, a leading epidemiologist, briefed members on how Uganda had successfully reduced the rate of HIV infection. His unspoken message was quite clear: South Africa needs presidential leadership. We published the text of his remarks in *Fast Facts*, along with two graphs side by side showing how HIV infection rates in Uganda have gone down almost as sharply as they have gone up in South Africa. An earlier issue of *Fast Facts* had carried the text of Mr Clem Sunter's call to arms against AIDS, delivered at a breakfast briefing listed in last year's report. *Fast Facts* also ran an article on the implications of AIDS for South Africa's educational system.

We further drew attention to a speech in November last year in which President Mbeki unintentionally revealed that his own preoccupation with race lay at the heart of his attempts to deny that AIDS is spread by a virus. The sub-text of his remarks was that anyone claiming that AIDS was caused by HIV was in practice also claiming that the disease was spread by deprived Africans unable to control their sexual appetites. A later issue of *Fast Facts* called for the tabling of a motion of no-confidence in parliament in which MPs would be allowed a free vote on the government's AIDS policy. We suggested that this was a matter in which parliament itself should exercise its constitutional right to override the President and his health minister. On the website, in *Fast Facts*, and in newspaper articles the Institute questioned whether the government's apparent about-turn on AIDS earlier this year was genuine or merely an attempt at damage control following the rulings against its policies by the Pretoria High Court and then by the Constitutional Court. At the time of writing this report it was still not clear that the government would comply in spirit with its constitutional obligations to provide anti-AIDS medication in the circumstances laid down by the Constitutional Court.

What is clear is that the media and civil society cannot relax their vigilance for a moment, lest the government continue its obstructionist attitude on AIDS.

- Crime. The Institute has been analysing crime statistics since before the change of government and constitution in 1994. *Fast Facts* has dispassionately reported both increases and decreases based on our analysis of crimes as reported to the South African Police Service. On more than one occasion, when our analysis has showed decreases in certain crime rates, it has been quoted by the President and some of his ministers. In July 2000 the government placed a moratorium on the release of further crime statistics. This was lifted a year later, but was then replaced by a policy of selective release at the minister's discretion (instead of the earlier procedure of automatic release on a quarterly basis). Both in our publications and in newspaper articles the Institute has criticised this policy and suggested that it is in violation of Section 32 of the Constitution, which provides that 'Everyone has the right of access to any information held by the state.' We also published an analysis drawing attention to certain anomalies in crime figures that had been published, notably two substantial revisions of murder figures for 1995 which have not been adequately explained but which create the impression that the number of murders between 1995 and 2000 went down, when the original figures gave the opposite impression.
- Unemployment. South Africa's very high unemployment rate continues to claim Institute attention. *Fast Facts* regularly carries the overall national figures, which are supplemented periodically with breakdowns by race, sex, sector, and province. Early in 1998 we published a major survey of unemployment written by Professor Lawrence Schlemmer. In this past year *Fast Facts* suggested that there were lessons that South Africa could learn from the US, where unemployment two years ago had dropped to below 4% (a tenth of South Africa's current expanded rate of 42%). We noted in particular that unemployment rates had dropped among young African-American men in inner cities, joblessness among whom had once been regarded as an intractable problem.

Our survey of *Race Relations and Racism in Everyday Life*, published during the year under review, reveals that South Africans regard unemployment as by far the most serious problem in the country, a point stressed by both Professor Schlemmer and the Chief Executive in presentations of the survey results to various audiences. The Chief Executive also routinely highlighted unemployment in his *State of the Nation* slideshow. The Institute has in the past suggested that the government does not pay sufficient attention to the problem of unemployment. We face a long haul in our efforts to see the adoption of policies more likely to help than hinder the generation of jobs. When the Growth, Employment, and Redistribution (Gear) document was published in mid 1996, we greeted it enthusiastically. Even though Gear has come under strong attack from the trade union movement and from many sections of civil society, the Institute believes that its fundamental approach is sound. Jobs are the route out of poverty and inequality and government's role is to ensure that the policy framework is conducive to the generation of jobs through private sector involvement. The fact that government has undermined its own policy, inter alia by an increasingly prescriptive approach to the conduct of business, does not mean that the principles underlying Gear are unsound, only that all aspects of government policy need to work in harmony, not against one another.

- Land reform. The May issue of *Fast Facts* focused on land in South Africa. We drew attention to the fact that claims for land restitution were surprisingly few in number given the vast scale of forced removals in the apartheid years. We also pointed out that land tenure reform, in failing to provide for individual land ownership in former homeland areas, was offering little new. Thirdly, we pointed out, given the historical pattern of land distribution, that white commercial farmers could be expected to have to contribute some 95% of the land to make up the government's target of enabling black farmers to acquire 30% of agricultural land by the year 2020. We suggested that President Mbeki might be right in his view that 'the problem in South Africa is homelessness, not land'.
- Living conditions. Almost since it was founded, the Institute has reported on the conditions under which South Africans live. Throughout the apartheid era, racial legislation had a major impact on living conditions, and the legacy of such laws remains with us. The *Survey* and *Fast Facts* carry a great deal of information on housing, electrification, sanitation, transport, refuse removal, water supply, and communications, along with data on education and health. All of this is broken down by race, province, and location. *Fast Facts* has for some years included a set of socio-economic indicators - the only such set of indicators published together like this on a monthly basis.

During the period under review we were able also to publish a set of data entitled *Improvements in living conditions 1995 - 1999*, based on household surveys conducted by Statistics South Africa which were published annually for each of those years but collated into a single report published only last year. The important point about this data is that it is based on information gathered from households - or consumers of services - rather than gleaned from the claims of ministers or officials. The data showed trends both encouraging - such as a large increase in the number of households using electricity for lighting in rural areas - and discouraging - such as a decline in the number of households with access to private healthcare. An important trend to emerge from analysis of this data was that the increase in the number of informal dwellings in the urban areas has far outstripped provision of clean water supply and modern sanitation. Some of these trends were highlighted in our *State of the Nation* presentation. We also urged Stats SA to find a way of overcoming the capacity and financial constraints that have led to the discontinuation of its *October Household Surveys*.

- Racial legislation. The Institute has continued to monitor the Employment Equity Act of 1998 and the Promotion of Equality and Prevention of Unfair Discrimination Act of 2000. During the year under review we paid particular attention to the latter of these. It was rushed through parliament to meet a constitutionally dictated deadline of 4th February 2000. Notwithstanding this, a number of target dates for the Act to come into effect have passed and it is still not in operation. Despite the Act's noble-sounding title, the delay is no bad thing. In an article in November 2001, *Fast Facts* drew attention to proposals to further extend the scope of the Act and to supplement its provision of civil liability for unfair discrimination with criminal penalties. It is satisfying to report that none of these proposals - which emanate from official bodies - has yet been introduced into parliament. The Act is a piece of very ambitious social engineering. It rests

on the assumption that equality of outcomes is attainable, provides for an assumption of guilt until innocence is proved, and, in practice, further entrenches racial discrimination. It is objectionable on all these grounds and also because it will complicate even further the conduct of business in South Africa and so provide yet another deterrent to investment. At the time of writing this report, the Institute was preparing a critique of certain black economic empowerment proposals.

- Social policy. During the year under review, pressure was building up for the government to take a bold leap forward and introduce a 'basic income grant' to supplement South Africa's social security system. The BIG was proposed by a committee of inquiry and supported by sections of civil society and the official opposition. At the time this report was being written, the Institute was still studying the issue. However, as a contribution to debate the June issue of *Fast Facts* contained an article listing *Twelve principles of liberal social policy*. The author was Dr Gerhart Raichle, head of the Liberal Institute in Germany, which is the think tank of the Friedrich Naumann Foundation, the political foundation linked with that country's Free Democratic Party (and one of the Institute's partners and sponsors). Dr Raichle argued essentially that people in need should be helped by government only where individual or community self-help was impossible or inefficient, and that where they were helped, this should be done by direct transfer payment financed out of tax revenue rather than through manipulating market mechanisms or prices.
- Terrorism. *Fast Facts* carried an editorial in October criticising those who sought to shift part of the blame for the mass murders of 11th September on to the US itself on the grounds that the Americans were arrogant or the cause of the alleged evils of globalisation or disparities across the world between rich and poor. Inter alia, we said: 'Pressure on the US (and other rich countries) for greater trade liberalisation needs to intensify, but critics of America also need to consider that that country is rich because it is hard working, enterprising, and democratic, while many other countries are poor because their governments are brutal and corrupt and more concerned with finding scapegoats than solutions for their problems.'
- Zimbabwe. The Institute continued to pay attention to Zimbabwe. Professor R W (Bill) Johnson gave members a briefing in Auden House in March 2002 on the fraudulent Zimbabwe election earlier in the month. He pointed to the large number of 'fictional voters' who had supposedly backed President Robert Mugabe. In articles published in various newspapers in June the Institute took up this theme of fraudulent arithmetic, reaching the same conclusion as Professor Johnson but using different figures. An editorial in *Fast Facts* argued that South Africa's reluctance to condemn the behaviour of President Mugabe inevitably gave rise to the question of how secure democracy in South Africa itself would be if the ruling party ever faced as powerful a challenge as Mr Morgan Tsvangirai's Movement for Democratic Change had presented to Mr Mugabe. *Fast Facts* also suggested that South Africa's failure to condemn the assault on democracy in Zimbabwe had contributed to declining foreign confidence in this country.

- Tripartite alliance. In an editorial in *Fast Facts* at the end of 2001, the Institute said it was time to end the *ménage à trois* between the African National Congress (ANC), the Congress of South African Trade Unions (Cosatu), and the South African Communist Party (SACP). We drew attention to the fact that Cosatu appeared to believe that it was entitled to privileged treatment in the formulation of policy, in that it expected that the tripartite alliance 'would remain in full control over government'. Any demand based on this belief, we said, was illegitimate. Cosatu was entitled to pursue the interests of its members as vigorously as business or any other lobby groups pursued theirs, but was not entitled to preferential treatment. We also said that members of the Communist Party should contest the next election under their own colours instead of on the ANC ticket.
- Opposition. The Institute focused also on the issue of political opposition. Referring to the view that we should all join the 'mainstream of politics', we argued that this implied going along with the broad thrust of policy and confining criticism to detail rather than principle. If policy on offer by government passed the careful scrutiny of opposition parties they should back it, we said, but if not, their role was to expose its flaws and turn voters against it. Some policies required frontal attack, as happened with the government's handling of AIDS. (As noted above, the Institute has strongly supported certain key aspects of government policy, in particular the Growth, Employment, and Redistribution Policy (Gear), that have come under attack from many other sections of civil society, but we have been highly critical of many other aspects, not least of them labour and racial policy.) We suggested that if democracy was at risk in South Africa, the risk arose from overweening executive power rather than thoroughgoing opposition.

Some people seem surprised that government policy is often subjected to criticism from a liberal perspective, but this is not really any more surprising than the government's use of the powers of the state to rectify backlogs and inequalities arising from the apartheid system. A clash between many aspects of ANC policy and key principles of liberalism was all along inevitable, even though criticism from a liberal perspective often causes resentment. This will not, however, deter the Institute from doing its job of voicing criticism where necessary.

The role of opposition in the post-apartheid era became the focus of renewed public debate when the political marriage between the Democratic Alliance (DA) and the New National Party (NNP) broke up in October last year, the latter party deciding to seek an alliance with the African National Congress. Mr F W de Klerk, the former National Party leader and state president, put his finger on the fact that there is an important difference between the 'English-speaking liberal culture of the DA' and the 'inclusive power-sharing model' he himself had long favoured and which he said the NNP was now adopting. It is as well to recognise that there is a genuine difference. Many people, both black and white, some of them liberals, do believe that the adversarial political style typified by the British House of Commons - part of the so-called Westminster system - is inappropriate for South Africa. On the other hand, if a tradition of tough-minded

opposition cannot establish itself and be recognised as legitimate in this of all African countries, then the future of South Africa, of the New Partnership for Africa's Development (Nepad), and of the African Union looks bleak.

- Race relations. As last year's report to members was being written, we were awaiting the results of the field study of *Race Relations and Racism in Everyday Life*, commissioned by the Institute and conducted by Professor Lawrence Schlemmer, one of our Vice Presidents. The study, based on an opinion survey, showed that over the past few years race relations in South Africa have generally been improving, not deteriorating, that incidents of raw racism are the exception, not the rule, and that most people regard unemployment and crime as more serious problems than race, despite the fact that the government pays more attention to the latter. This is good news. Also encouraging were the threads of goodwill, reasonableness, and common sense that ran through the responses of all groups - even though there are warnings that many Afrikaans-speaking whites, along with Indians, see themselves as new victims of racial discrimination in the form of affirmative action. A significant boost for democracy was the fact that only a third of Africans saw the liberal opposition as racist.

However, this painstaking and complex study (extrapolated from the answers to a penetrating set of questions posed in long interviews with a fully representative sample of 2 144 South Africans in their homes and home languages) also showed that our society is vulnerable to renewed racial mobilisation. Professor Schlemmer warned: 'South African society has so much social stress and material frustration that one cannot rule out a future search for scapegoats. Racial blaming is an ever-present possibility despite the progress towards reconciliation that has been made, and some of our most prominent political leaders seem to be leading the way in exploiting the symbolism of race.' The study appeared in two instalments. The first was in August 2001 and published in the September *Fast Facts*. The second was in November and published in the December *Fast Facts*. Advance copies were sent to Mr Nelson Mandela, President Mbeki, the leaders of opposition parties, our sponsors and donors, and the media. Copies were also sent to all MPs.

The Institute launched each instalment along with press releases and website comments which greatly enhanced the newspaper, radio, and television coverage given to the findings. Consequently, after each launch the Institute was inundated with requests for interviews. Articles and/or interviews appeared in prominent newspapers and journals, and on radio and television programmes worldwide - in France, Holland, Australia, India, Japan, England, and the United States. Copies of the study were also sought by foreign missions in Pretoria and South African missions abroad.

As the Institute had anticipated, all this publicity narrowly preceded the World Conference Against Racism, Racial Discrimination, Xenophobia and Related Intolerance, which began in Durban on 31st August. Thus, at a time when there was world-wide hype around the issue of racism, along with numerous press reports that would seem to indicate an alarming increase in racial tension in South Africa, the Institute's careful and scholarly study of the attitudes of ordinary South Africans brought some balance - and indeed reassurance - into the public

arena. The study provided journalists, politicians, and other opinion formers with a reliable source of information on which to base their contribution to debate.

We were able to mount ten presentations around the country, as well as a briefing by the Chief Executive to the Royal Institute of International Affairs at Chatham House in London. The presentations held in Cape Town, Durban, Pietermaritzburg, Pretoria, and Johannesburg were especially well attended.

In an interview in *The Star* earlier this year, Mr Mandela said: 'The most outstanding characteristic of South African society is that we have marginalised the right wing, and we have been able to unite our people. Those who say that South Africa is still a divided country on the basis of race or ethnicity - I'm afraid I can't agree with them because we have united the country.' There is a risk that Mr Mandela's vision might evaporate unless it is nurtured. Our study has provided a foundation for doing this. With adequate funding it could become a permanent project of the Institute - a reliable, and regularly updated source of information which could be used to augment what is hopeful, refute what is exaggerated, and bolster the spirit of non-racialism that runs through South African history. The study could also be used to give the lie to journalists, politicians, or non-governmental organisations with a vested interest in the continuance of racial tension and racial ill-feeling. And it could be an invaluable early-warning device - and spur to action - if the present, mostly positive, trends were to start changing for the worse.

Has the study had an impact on the government? The initial response from Dr Essop Pahad, Minister in the Presidency, was hostile. He said that the survey's finding that unemployment and not racism was the topmost concern of South Africans, was foolish. 'How the hell can you say jobs are more important than racism? Unemployment is the consequence of racism,' he told delegates of the World Conference Against Racism.

I reported last year that we had criticised President Mbeki for remarks that could reinforce racial polarisation, while praising him for reconciliatory statements. It is quite some time now since he has exploited race for political reasons. There seems thus at least to have been a change in language. This is to be welcomed. Regrettably, however, there is still a powerful racial thread to important legislation both already enacted and in the pipeline.



Johannesburg
31st July 2002

HONORARY TREASURER'S REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2002

The surplus for the year amounted to R1 562 692 (2001 deficit R259 495).

Total income was R8 561 212 compared with the previous year's figure of R6 538 396. The higher level of income was mainly due to increases in grants and donations of R1 162 006, bequests of R463 602, and unrealised surplus on investments of R475 551.

Total expenditure was R6 998 520 (2001 R6 797 891). The variation was mainly due to an increase in personnel costs of R320 571. The other costs were marginally down.

The Institute's financial position at the year end was sound. At that date it had net assets of R35 895 018 (2001 R29 099 781) under its control. The main reason for the increase was a rise in the value of Special Fund investments of R5 217 291 (2001 R3 612 397).

The King II Report on corporate governance is being examined to ascertain whether there is a necessity for further compliance with aspects thereof.

There is a budget surplus of R155 487 for the year ending 31st March 2003. The income and expenditure will be monitored closely. Since the year end an unbudgeted grant of R450 000 over a three year period was confirmed. The first tranche of this amount was received in June 2002.

I thank Mr Frank Oppler and his staff for the conscientious manner in which they have handled the finances of the Institute.



Brian M Hawksworth
Honorary Treasurer
Chairman of the Finance Committee

31st July 2002

SOUTH AFRICAN INSTITUTE OF RACE RELATIONS
(INCORPORATED ASSOCIATION NOT FOR GAIN
REGISTERED UNDER SECTION 21
OF THE COMPANIES ACT)
AND ITS SUBSIDIARY COMPANY

ANNUAL FINANCIAL STATEMENTS
for the year ended 31st March 2002

COMPANY REGISTRATION NUMBER: 1937/010068/08
NON-PROFIT REGISTRATION NUMBER: 000-709-NPO

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The annual financial statements set out on the following pages have been approved by the Board of Directors and are signed on their behalf by:



.....
DIRECTOR



.....
DIRECTOR
6th June 2002

REPORT OF THE INDEPENDENT AUDITORS

To the members of the
South African Institute of Race Relations
(Incorporated Association Not For Gain
registered under Section 21
of the Companies Act)

We have audited the annual financial statements and group annual financial statements of the South African Institute of Race Relations set out on pages 33 to 51 for the year ended 31st March 2002. These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

Audit opinion

In our opinion, the financial statements fairly present, in all material respects, the financial position of the Institute and the Group at 31st March 2002, and the results of their operations and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Companies Act in South Africa.



PRICEWATERHOUSECOOPERS INC
Registered Accountants and Auditors
Chartered Accountants (SA)
Johannesburg
6th June 2002

CORPORATE GOVERNANCE

The South African Institute of Race Relations remains committed to the principles of openness, integrity, and accountability as advocated in the King Report of 1994 on corporate governance while the subsequent King II report is being currently reviewed for its applicability to the Institute. The directors consider the Institute to be a going concern.

EXECUTIVE COMMITTEE

Decisions on material matters are in the hands of the Executive Committee, materiality having been defined in delegated authorities regarding matters such as capital expenditure, property transactions, goods and service procurement, borrowings, and investments. The Executive Committee retains full and effective control over the Institute and monitors the performance of the executive management on a continuous basis. The necessary authority has been delegated by the Board of Directors to the Executive Committee.

BOARD OF DIRECTORS

The Board of Directors meets when required. The roles of chairman and chief executive do not vest in the same person. Directors are appointed for a specific term of office and appointment is not automatic. Membership of the Board is set out on page 33 of the annual financial statements.

AUDIT COMMITTEE

An Audit Committee has been in existence since 1998. The Committee is responsible for ensuring that management creates and maintains an environment of effective corporate control, for reviewing the accounting policies, and for the optimal functioning of the financial and operational control systems. The Committee, consisting of three non-executive members and two executive members, meets at least twice annually.

COMPANY SECRETARY

All directors have unlimited access to the advice and services of the company secretary, who is responsible to the Board for ensuring that board procedures are followed.

FINANCIAL CONTROL

The Institute maintains accounting and administrative control systems designed to provide reasonable assurance that assets are safeguarded and that transactions are executed and recorded in accordance with general business practices. These controls include proper delegation of responsibilities, effective accounting procedures, and adequate segregation of duties, and are monitored regularly throughout the Institute. Employees are required to act with integrity in all transactions.

CODE OF ETHICS

The South African Institute of Race Relations conducts activities in accordance with the principles of excellence, integrity, human dignity, and fairness.

REPORT OF THE DIRECTORS

The directors have approved the attached annual financial statements and submit their report for the year ended 31st March 2002.

REVIEW OF THE INSTITUTE'S BUSINESS AND OPERATIONS

The main activity of the Institute is that of a Research, Policy Analysis, Publishing, 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:

T J Sono	- President of the Institute
C E W Simkins	- Chairman of the Executive Committee (appointed August 2001)
E R Jenkins	- Chairman of the Executive Committee (resigned August 2001)
H B Giliomee	- Vice President
L Schlemmer	- Vice President
H Suzman D B E	- Vice President
B M Hawksworth	- Honorary Treasurer
J S Kane-Berman	- Chief Executive *
J W Wentzel	- Special Research Director *
D H Venter	- Bursary Director *

* Executive directors

The secretary of the company is F G Oppler, whose addresses are:

<u>Business address</u>	<u>Postal address</u>
68 De Korte Street	P O Box 31044
Bramfontein	Bramfontein
2001 Johannesburg	2017 South Africa

SUBSIDIARY COMPANY

The name of the subsidiary is:

De Korte Street Properties (Pty) Ltd	2002	2001
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Details are as follows:

Issued share capital	R6	R6
Company's holding	100%	100%
Book value of company's holding	R6	R6
Amounts owing to holding company	R920 872	R954 941

BALANCE SHEET
as at 31st March 2002

	Note	2002 R	GROUP 2001 R	2002 R	COMPANY 2001 R
ASSETS					
Non current assets					
Property, plant, and equipment	2	1 677 493	1 573 206	707 493	588 206
Investment in subsidiary	3	-	-	898 212	898 212
		<u>1 677 493</u>	<u>1 573 206</u>	<u>1 605 705</u>	<u>1 486 418</u>
Investments					
Special funds	4	29 079 993	23 806 093	29 079 993	23 806 093
Other	4	4 895 128	3 275 495	4 895 128	3 275 495
		<u>33 975 121</u>	<u>27 081 588</u>	<u>33 975 121</u>	<u>27 081 588</u>
Current assets					
Inventory	5	16 856	34 422	16 856	34 422
Debit balances on special funds		301 905	334 734	301 905	334 734
Current account with subsidiary		-	-	22 666	56 735
Accounts receivable	6	677 051	1 192 939	673 363	1 191 988
Cash resources		74 884	254 803	74 884	254 803
		<u>1 070 696</u>	<u>18 916 898</u>	<u>1 089 674</u>	<u>1 872 682</u>
TOTAL ASSETS		<u><u>36 723 310</u></u>	<u><u>30 471 692</u></u>	<u><u>36 670 500</u></u>	<u><u>30 440 688</u></u>
FUNDS AND LIABILITIES					
Funds and reserves					
Non-distributable reserves	7	1 233 304	1 237 854	1 217 129	1 221 679
Accumulated funds		3 257 556	1 694 864	3 224 221	1 670 200
Research reserve		2 000 000	2 000 000	2 000 000	2 000 000
Reserve funds					
- Western Cape	8	344 494	324 690	344 494	324 690
		<u>6 835 354</u>	<u>5 257 408</u>	<u>6 785 844</u>	<u>5 216 569</u>
Special funds	10	29 059 664	23 842 373	29 059 664	23 842 373
Non current liabilities					
Long term liabilities	11	14 900	14 900	14 900	14 900
Current liabilities					
Accounts payable	12	813 392	1 357 011	810 092	1 366 846
TOTAL FUNDS AND LIABILITIES		<u><u>36 723 310</u></u>	<u><u>30 471 692</u></u>	<u><u>36 670 500</u></u>	<u><u>30 440 688</u></u>

INCOME STATEMENT
for the year ended 31st March 2002

		GROUP		COMPANY	
	Note	2002 R	2001 R	2002 R	2001 R
INCOME					
Administration fees received		1 724 909	1 929 187	1 756 909	1 929 187
Bequests -					
Estate Late P S Stohr	18	737 162	273 560	737 162	273 560
Dividends		45 676	26 655	45 676	26 655
Grants and donations		2 713 782	1 551 776	2 713 782	1 551 776
Interest received		358 487	371 532	358 487	371 532
Membership fees and subscriptions		2 249 360	2 102 350	2 249 360	2 102 350
Publication sales		121 278	153 747	121 278	153 747
Rental received		58 236	52 818	58 236	52 818
Unrealised surplus on investment revaluation		552 322	76 771	552 322	76 771
		<u>8 561 212</u>	<u>6 538 396</u>	<u>8 593 212</u>	<u>6 538 396</u>
EXPENSES					
Auditors' remuneration					
- Fees for the audit	13	98 229	95 102	94 929	89 102
Depreciation		142 540	165 954	127 540	150 954
Lease expenditure		147 260	143 394	147 260	143 394
Overheads and administration		552 783	604 745	611 754	653 724
Personnel		4 813 971	4 493 400	4 813 971	4 493 400
Postage		166 822	185 279	166 822	185 279
Printing		262 312	362 054	262 312	362 054
Rent and utilities		332 245	329 153	332 245	329 153
Telecommunications		271 080	257 493	271 080	257 493
Travel		211 278	161 317	211 278	161 317
		<u>6 998 520</u>	<u>6 797 891</u>	<u>7 039 191</u>	<u>6 825 870</u>
SURPLUS/(DEFICIT)					
for the year		<u>1 562 692</u>	<u>(259 495)</u>	<u>1 554 021</u>	<u>(287 474)</u>

STATEMENT OF CHANGES IN EQUITY
for the year ended 31st March 2002

<u>GROUP</u>	Non-distributable reserves R	Accumulated funds R	Research reserve R	Reserve funds – Western Cape R	<u>Total</u> R
Balance at 1 st April 2000	1 221 679	1 954 359	2 000 000	434 787	5 610 825
Revaluation of buildings	16 175	-	-	-	16 175
Deficit for the year	-	(259 495)	-	(110 097)	(369 592)
Balance at 31 st March 2001	<u>1 237 854</u>	<u>1 694 864</u>	<u>2 000 000</u>	<u>324 690</u>	<u>5 257 408</u>
Balance at 1 st April 2001	1 237 854	1 694 864	2 000 000	324 690	5 257 408
Movement for the year	(4 550)	1 562 692	-	19 804	1 577 946
Balance at 31 st March 2002	<u>1 233 304</u>	<u>3 257 556</u>	<u>2 000 000</u>	<u>344 494</u>	<u>6 835 354</u>
<u>COMPANY</u>					
Balance at 1 st April 2000	1 221 679	1 957 674	2 000 000	434 787	5 614 140
Deficit for the year	-	(287 474)	-	(110 097)	(397 571)
Balance at 31 st March 2001	<u>1 221 679</u>	<u>1 670 200</u>	<u>2 000 000</u>	<u>324 690</u>	<u>5 216 569</u>
Balance at 1 st April 2001	1 221 679	1 670 200	2 000 000	324 690	5 216 569
Movement for the year	(4 550)	1 554 021	-	19 804	1 569 275
Balance at 31 st March 2002	<u>1 217 129</u>	<u>3 224 221</u>	<u>2 000 000</u>	<u>344 494</u>	<u>6 785 844</u>

CASH FLOW STATEMENT
for the year ended 31st March 2002

	GROUP		COMPANY	
	2002 R	2001 R	2002 R	2001 R
Cash flows from operating activities				
Operating profit/(deficit) before interest	1 204 205	(520 229)	1 195 534	(543 208)
Adjustments:				
Depreciation	142 540	170 954	127 540	150 954
Increase/(decrease) in reserve funds – Western Cape	15 254	(107 783)	15 254	(107 783)
Increase in special funds	5 217 291	2 878 653	5 217 291	2 878 653
Movement in working capital				
- decrease/(increase) in accounts receivable	515 888	(5 377)	518 625	(5 377)
- (decrease) in accounts payable	(543 619)	(120 709)	(556 754)	(286 726)
- decrease/(increase) in debit balances on special funds	32 829	(286 726)	32 829	175 643
- decrease in inventory	17 566	22 174	17 566	22 174
	<u>6 601 954</u>	<u>2 030 957</u>	<u>6 567 885</u>	<u>2 284 330</u>
Interest received	<u>358 487</u>	<u>371 532</u>	<u>358 487</u>	<u>371 532</u>
Net cash inflow from operating activities	<u>6 960 441</u>	<u>2 402 489</u>	<u>6 926 372</u>	<u>2 655 862</u>
Cash flows from investing activities				
Decrease/(increase) in inter-company current account	-	-	34 069	(253 373)
Increase in investments	(6 893 533)	(2 231 788)	(6 893 533)	(2 231 788)
Proceeds on disposal of property, plant, and equipment	24 302	-	24 302	-
Additions to property, plant, and equipment	<u>(271 129)</u>	<u>(9 409)</u>	<u>(271 129)</u>	<u>(9 409)</u>
Net cash outflow from investing activities	<u>(7 140 360)</u>	<u>(2 241 197)</u>	<u>(7 106 291)</u>	<u>(2 494 570)</u>
Net cash (utilised)/generated for the year	(179 919)	161 292	(179 919)	161 292
Cash resources at beginning of year	254 803	93 511	254 803	93 511
Cash resources at end of year	<u>74 884</u>	<u>254 803</u>	<u>74 884</u>	<u>254 803</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31st March 2002

1. ACCOUNTING POLICIES

Basis of preparation

The consolidated financial statements are prepared in accordance with and comply with South African Statements of Generally Accepted Accounting Practice. The financial statements are prepared on the historical cost basis except for listed investments, which are valued at market value, and the revaluation of certain property, plant, and equipment.

Consolidation

The company results include the operating results and assets and liabilities of the Johannesburg Head Office and the Western Cape region. The group results include the company results and the operating results and assets and liabilities of the wholly owned subsidiary.

Membership fees

Membership fees due and payable are brought to account on a cash received basis.

Donations

Donations are brought to account on a cash received basis.

Special funds

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

Bursary Funds and Special Research Projects

The Funds and Projects administered by the Institute are disclosed in these financial statements in Note 10.

Property, plant, and equipment

Land and library books are not depreciated. Other assets are stated at cost or valuation less accumulated depreciation. Library books are stated at valuation. The archives housed at the University of the Witwatersrand are carried at no cost. Depreciation is calculated on a straight line basis to write off the cost of each asset over its estimated useful life as follows:

Buildings	-	50 years
Furniture and equipment	-	3 - 6 years
Motor vehicles	-	5 years

Financial instruments

Financial instruments carried on the balance sheet include cash and bank balances, investments, receivables, and payables.

Investments

Listed investments are stated at market value. The increase or decrease in market value is capitalised for Bursary Funds, and recognised in income for Institute investments.

Inventory

Inventory is stated at the lower of printing cost or net realisable value. Cost is determined on an average cost basis. Cost of research is expensed as incurred.

NOTES (continued)

2. PROPERTY, PLANT, AND EQUIPMENT

<u>Group</u>	Land R	Buildings R	Furniture and equipment R	Motor vehicles R	Library R	<u>Total</u> R
Year ended 31st March 2002						
Opening net carrying amount	250 000	765 922	118 913	38 371	400 000	1 573 206
Additions	-	-	53 276	216 753	1 100	271 129
Disposals	-	-	-	(24 302)	-	(24 302)
Depreciation	-	(15 000)	(102 632)	(24 908)	-	(142 540)
Closing net carrying amount	<u>250 000</u>	<u>750 922</u>	<u>69 557</u>	<u>205 914</u>	<u>401 100</u>	<u>1 677 493</u>
At 31st March 2002						
Cost	250 000	780 922	903 070	247 054	401 100	2 582 146
Accumulated depreciation	-	(30 000)	(833 513)	(41 140)	-	(904 653)
Closing net carrying amount	<u>250 000</u>	<u>750 922</u>	<u>69 557</u>	<u>205 914</u>	<u>401 100</u>	<u>1 677 493</u>
Year ended 31st March 2001						
Opening net carrying amount	250 000	764 747	245 912	55 231	400 000	1 715 890
Revaluation	-	16 175	-	-	-	16 175
Additions	-	-	9 409	-	-	9 409
Depreciation	-	(15 000)	(136 408)	(16 860)	-	(168 268)
Closing net carrying amount	<u>250 000</u>	<u>765 922</u>	<u>118 913</u>	<u>38 371</u>	<u>400 000</u>	<u>1 573 206</u>
At 31st March 2001						
Cost	250 000	780 922	849 794	84 302	400 000	2 365 018
Accumulated depreciation	-	(15 000)	(730 881)	(45 931)	-	(791 812)
Closing net carrying amount	<u>250 000</u>	<u>765 922</u>	<u>118 913</u>	<u>38 371</u>	<u>400 000</u>	<u>1 573 206</u>
Company						
		Land and Buildings R	Furniture and equipment R	Motor vehicles R	Library R	<u>Total</u> R
Year ended 31st March 2002						
Opening net carrying amount		30 922	118 913	38 371	400 000	588 206
Additions		-	53 276	216 753	1 100	271 129
Disposals		-	-	(24 302)	-	(24 302)
Depreciation		-	(102 632)	(24 908)	-	(127 540)
Closing net carrying amount		<u>30 922</u>	<u>69 557</u>	<u>205 914</u>	<u>401 100</u>	<u>707 493</u>
At 31st March 2002						
Cost		30 922	903 070	247 054	401 100	1 582 146
Accumulated depreciation		-	(833 513)	(41 140)	-	(874 653)
Closing net carrying amount		<u>30 922</u>	<u>69 557</u>	<u>205 914</u>	<u>401 100</u>	<u>707 493</u>
Year ended 31st March 2001						
Opening net carrying amount		30 922	245 912	55 231	400 000	732 065
Additions		-	9 409	-	-	9 409
Depreciation		-	(136 408)	(16 860)	-	(153 268)
Closing net carrying amount		<u>30 922</u>	<u>118 913</u>	<u>38 371</u>	<u>400 000</u>	<u>588 206</u>
At 31st March 2001						
Cost		30 922	849 794	84 302	400 000	1 365 018
Accumulated depreciation		-	(730 881)	(45 931)	-	(776 812)
Closing net carrying amount		<u>30 922</u>	<u>118 913</u>	<u>38 371</u>	<u>400 000</u>	<u>588 206</u>

NOTES (continued)

PROPERTY, PLANT, AND EQUIPMENT
(continued)

Details of land and buildings	Valuation R	2002 R	2001 R
Freehold property, stand 28701 situated at 5 Long Street, Mowbray, Cape Town Purchased January 1975 at cost Improvements during that year		27 723 3 199	27 723 3 199
Municipal valuation (2001: R29 240)	32 610	<u>30 922</u>	<u>30 922</u>
Freehold stand, lot 2794 Johannesburg township situated at 68 de Korte Street, Braamfontein Purchased 1954 at cost Building erected 1956 Revaluation		20 500 65 198 667 981	20 500 65 198 667 981
Municipal valuation (2001: R705 000)	705 000	<u>753 679</u>	<u>753 679</u>
Freehold stand, lot 5088 Johannesburg township situated at 70 De Korte Street, Braamfontein Purchased 1989 at cost Improvements and alterations - 1990 Improvements and alterations - 1991 Improvements and alterations - 1997 Revaluation		375 000 440 410 47 528 35 189 (651 806)	375 000 440 410 47 528 35 189 (651 806)
Municipal valuation (2001: R560 000)	560 000	<u>246 321</u>	<u>246 321</u>
	<u>1 297 610</u>	<u>1 030 922</u>	<u>1 030 922</u>

3. **INVESTMENT IN WHOLLY OWNED
SUBSIDIARY COMPANY**

	COMPANY	
	2002 R	2001 R
Shares at cost	6	6
Loan to subsidiary	898 206	898 206
	<u>898 212</u>	<u>898 212</u>

NOTES (continued)

		COMPANY AND GROUP	
		2002	2001
		R	R
4.	<u>INVESTMENTS</u>		
4.1	Special Funds		
4.1.1	Bursary Funds : Head Office	20 801 726	16 684 020
4.1.2	Special Research Projects : Head Office	2 558 519	1 974 005
4.1.3	Education Funds : Western Cape	5 719 748	5 148 068
		<u>29 079 993</u>	<u>23 806 093</u>
4.2	Other Funds	4 895 128	3 275 495
	TOTAL INVESTMENTS (see Schedule for details)	<u><u>33 975 121</u></u>	<u><u>27 081 588</u></u>

		GROUP		COMPANY	
		2002	2001	2002	2001
		R	R	R	R
5.	<u>INVENTORY</u>				
	Inventory comprises -				
	Finished goods, books, and				
	publications at printed cost	<u>16 856</u>	<u>34 422</u>	<u>16 856</u>	<u>34 422</u>
6.	<u>ACCOUNTS RECEIVABLE</u>				
	Trade and other debtors:				
	Head Office	655 189	1 086 925	651 501	1 085 974
	Western Cape	12 117	100 489	12 117	100 489
	Staff debtors	9 745	5 525	9 745	5 525
		<u>677 051</u>	<u>1 192 939</u>	<u>673 363</u>	<u>1 191 988</u>
7.	<u>NON-DISTRIBUTABLE RESERVES</u>				
7.1	Specific bequests, surplus on sale of investments, and extraordinary donations of a non-recurring nature	226 631	231 181	226 631	231 181
7.2	Building fund	590 500	590 500	590 500	590 500
7.3	Revaluation of buildings and library	416 173	416 173	399 998	399 998
		<u>1 233 304</u>	<u>1 237 854</u>	<u>1 217 129</u>	<u>1 221 679</u>

		2002	2001
		R	R
8.	<u>RESERVE FUNDS - WESTERN CAPE</u>		
	Reserve Fund	203 358	203 358
	Celebrating Diversity Programme	16 164	21 368
	Motor Vehicle Reserve Fund	124 972	99 964
		<u>344 494</u>	<u>324 690</u>

NOTES (continued)

9. SPECIAL FUNDS: INCOME STATEMENT

	Head Office Bursary Funds R	Head Office Special Research Projects R	Western Cape Education and Special Funds R	Total 2002 R	Total 2001 R
INCOME					
Donations and grants	7 821 804	1 275 451	4 282 113	13 379 368	13 000 897
Interest	577 596	55 639	460 872	1 094 107	1 092 288
Dividends	328 080	-	-	328 080	362 207
	<u>8 727 480</u>	<u>1 331 090</u>	<u>4 742 985</u>	<u>14 801 555</u>	<u>14 455 392</u>
EXPENSES					
Administration fees and running costs	1 412 101	1 063 495	2 656 919	5 132 515	4 107 939
Audit fees	144 006	-	-	144 006	69 354
Bursaries and grants	6 815 387	-	2 034 698	8 850 085	9 336 119
	<u>8 371 494</u>	<u>1 063 495</u>	<u>4 691 617</u>	<u>14 126 606</u>	<u>13 513 412</u>
SURPLUS FOR THE YEAR					
Unrealised surplus on revaluation of investments	3 655 576	316 919	444 609	4 417 104	1 897 816
(Loss)/profit on sale of shares	-	-	(14 374)	(14 374)	619
Accumulated funds at beginning of the year net of deficit balances	16 385 566	1 974 005	5 148 068	23 507 639	20 175 407
Funds introduced during the year	<u>182 581</u>	<u>-</u>	<u>(10 140)</u>	<u>172 441</u>	<u>491 817</u>
NET ACCUMULATED FUNDS	<u>20 579 709</u>	<u>2 558 519</u>	<u>5 619 531</u>	<u>28 757 759</u>	<u>23 507 639</u>

A list of the balances of the Special Funds administered by the Institute appears in Note 10 and the related investments are set out in the Schedule and the Appendices thereto.

NOTES (continued)

10. SPECIAL FUNDS: BALANCES

10.1 Bursary Funds : Head Office

	Capital R	Amounts held for bursary awards R	<u>Total</u> 2002 R	<u>Total</u> 2001 R
Amcham Bursary Fund	150 128	1 083 269	1 233 397	1 153 260
Bertha McKay Bursary Fund	100 201	-	100 201	100 201
Clayton Bursary Fund	508 735	56 165	564 900	523 330
Dorothy Glauber Bursary Fund	55 000	-	55 000	58 233
Energos Foundation	1 793 264	121 398	1 914 662	1 832 094
Esrael Lazarus Education Fund	114 518	16 912	131 430	133 627
German Enrichment Programme	-	18 423	18 423	18 423
Gert and Irmgard Brusseau Trust	366 911	162 316	529 227	458 182
Giannopoulos Trust	351 856	76 291	428 147	440 278
Harvard/South Africa Fellowship Programme	-	58 425	58 425	-
Hungjao Bequest	1 199 476	6 438	1 205 914	1 093 268
Isaacson Foundation Bursary Fund †	3 406 065	547 730	3 953 795	2 864 642
Kellogg Foundation Bursary Fund	-	45 352	45 352	347 897
Luthuli Memorial Foundation Trust Fund	107 883	-	107 883	107 883
Margaret Ballinger Welfare Fund	-	-	-	19 211
MTN Bursary Fund	-	141 869	141 869	271 016
Nampak Bursary Fund	-	535 111	535 111	613 213
Rand Water Bursary Scheme	-	-	-	168 965
Robert Shapiro Trust	4 929 437	318 056	5 247 493	3 597 102
SAIRR Education Trust	328 093	21 986	350 079	280 527
(Alumni Bursary Fund)	-	21 755	21 755	14 185
(Anglovaal Group Bursary Scheme)	-	112 367	112 367	83 859
(Engen Bursary Fund)	-	11 344	11 344	11 344
(John Deere Bursary Fund)	-	-	-	26 103
SAIRR Funds #	1 463 528	14 508	1 478 036	916 425
Senior Teachers Training Trust	50 000	-	50 000	50 429
South African Scholarship Programme (US Aid)	-	969 711	969 711	181 208
Shirley Simons Bursary Fund	1 365 727	114 600	1 480 327	1 333 441
Tikkun Jewish Community Scholarship Fund	-	50 255	50 255	-
Yvonne Rabbow Memorial Music Award	16 705	964	17 669	17 482
	<u>16 307 527</u>	<u>4 505 245</u>	<u>20 812 772</u>	<u>16 715 828</u>

† The Isaacson Foundation Bursary Fund includes the ASA Educational Trust, the Haggie Bursary Scheme, the Kilchberg Bursary Fund, the Mackenzie Foundation, the Still-Gosnell Bursary Trust Fund, and the Trinity College (Cambridge) Bursary Fund.

The SAIRR Funds are an amalgamation of the following: Joy Abelson Bursary Fund; Auerbach Fund; Sir Robert Birley Trust; Boxer Bursary Fund; Horace Coaker Fund; Ellen Hellmann Fund; Emily Hobhouse Bursary Fund; Andrew Hofmeyr Book Award; B & E Koch Bursary Fund; Mampu Bursary Trust; Dr M Patel and his Parents Trust Fund; Alan Paton Fund; GM Robertson Bursary Fund; Reginald H Smith Bursary Fund.

NOTES (continued)

	Capital R	Amounts held for Bursary Awards R	Total 2002 R	Total 2001 R
Balance brought forward	<u>16 307 527</u>	<u>4 505 245</u>	<u>20 812 772</u>	<u>16 715 828</u>
10.2 Special Research Projects : Head Office				
AusAid Project			674 723	403 635
Dick Gawith Fellowship			1 257 905	918 616
Donaldson Trust			103 002	251 837
Estate Late CMK Thomas			-	314 751
Field Study			283 642	-
Johnson and Johnson Briefing Fund			85 612	-
			<u>2 404 884</u>	<u>1 888 839</u>
10.3 Other Special Funds : Head Office				
Hecate Fund			153 635	85 166
			<u>2 558 519</u>	<u>1 974 005</u>
10.4 Education Funds : Western Cape				
Abe Bailey Trust Bursary Programme	-	-	-	741 247
Educational Empowerment Programme	-	843 611	843 611	118 007
Educational Trust Bursary Programme				
- Brodie Trust Fund	339 525	105 832	445 357	366 517
- Educational Trust	2 741 926	1 255 402	3 997 328	3 646 640
- Gregoire Boonzaier Fund	129 088	5 491	134 579	124 000
Freda Whitehead Progress Trust				
Bursary Programme	31 658	2 674	34 332	31 272
The National Development Agency Fund	-	-	-	82 005
The DG Murray Trust Fund	-	213 259	213 259	13 823
The Cape Times Bursary Fund				
Bursary Programme	-	10 770	10 770	11 816
The Leslie Hill Higher Educational				
Trust Bursary Programme	-	9 137	9 137	17 213
	<u>3 242 197</u>	<u>2 446 176</u>	<u>5 688 373</u>	<u>5 152 540</u>
			<u>29 059 664</u>	<u>23 842 373</u>

NOTES (continued)

	2002 R	2001 R
Balance brought forward	29 059 664	23 842 373
10.5 Debit balances on funds administered:		
Head Office		
- Bertha McKay Bursary Fund	5 724	11 739
- Clive Beck Bursary Fund	11 896	146 049
- Dorothy Glauber Bursary Fund	176	-
- Du Pont Nemours Bursary Fund	951	948
- First National Bank Bursary Fund	1 492	534
- Foschini Bursary Fund	25 032	120 726
- Harvard/South Africa Fellowship Programme	-	1 038
- John Deere Bursary Fund	1 140	-
- Luthuli Memorial Foundation Trust Fund	14 786	4 381
- Margaret Ballinger Welfare Fund	13 795	-
- Rand Water Bursary Scheme	584	-
- Senior Teachers Training Trust	4 746	-
- 3M Bursary Fund	152 741	44 847
	<u>233 063</u>	<u>330 262</u>
Western Cape		
- Abe Bailey Trust Bursary Programme	68 842	-
- Gregoire Boonzaier Fund	-	4 472
	<u>301 905</u>	<u>334 734</u>
TOTAL SPECIAL FUNDS	<u><u>28 757 759</u></u>	<u><u>23 507 639</u></u>

11. LONG TERM LIABILITIES

Unsecured, interest free loan which is repayable on disposal of the Cape Town property	<u>14 900</u>	<u>14 900</u>
--	---------------	---------------

	GROUP		COMPANY	
	2002 R	2001 R	2002 R	2001 R
12. <u>ACCOUNTS PAYABLE</u>				
Trade and other creditors:				
Head Office	654 055	1 179 326	650 755	1 189 161
Western Cape	159 337	177 685	159 337	177 685
	<u>813 392</u>	<u>1 357 011</u>	<u>810 092</u>	<u>1 366 846</u>

NOTES (continued)

	2002 R	2001 R
13. <u>AUDITORS' REMUNERATION (GROUP)</u>		
Head Office Central Funds	67 425	72 360
- Prior year over-provision		(7 498)
Western Cape	27 504	24 240
De Korte Street Properties (Pty) Ltd	3 300	6 000
Charged to the income statement	98 229	95 102
Charged to Bursary Funds : Head Office	32 000	29 537
	<u>130 229</u>	<u>124 639</u>

14. OPERATING LEASES

The Institute has certain operating leases pertaining to office equipment. In terms of the leases the Institute's commitments are as follows:

Minimum lease payments:		
Not later than one year	167 794	147 260
Later than one year and not later than five years	296 124	305 170
	<u>463 918</u>	<u>452 430</u>

15. DIRECTORS' REMUNERATION

The directors' emoluments for the year under review were as follows:

Salaries	622 467	619 247
Fringe benefits	58 661	59 723
	<u>681 128</u>	<u>678 970</u>

16. TAXATION

The Institute is exempt from tax in terms of Section 10(1) of the Income Tax Act for the year under review.

17. FINANCIAL INSTRUMENTS

Fair Values

At the year end the carrying amounts of investments, receivables, and payables were the same as their fair values. The fair value of the investments is disclosed in Note 4. Receivables and payables are disclosed in Notes 6 and 12 respectively.

Credit and Investment Risk

Investments are placed with high quality institutions and invested in blue chip equities and gilts to reduce credit and investment risk.

Interest Rate Risk

The Institute is exposed to the risk of fluctuations in market interest rates. This risk is monitored closely and cash balances are invested accordingly.

18. BEQUESTS

The major bequest received in the comparative bequest figure for 2001 of R273 560 came from the Estate of the Late NK Ingham - R185 621.

SCHEDULE OF INVESTMENTS
as at 31st March 2002

	COMPANY AND GROUP	
	2002	2001
	R	R
<u>INVESTMENTS</u>		
<u>Special Funds</u>		
<u>Bursary Funds : Head Office</u>		
Participation Mortgage Bonds	11 500	86 500
Unit Trusts	1 778 072	-
Fixed deposits	647 173	5 394 348
Listed investments (Appendix 1)	10 017 744	6 669 627
	<u>12 454 489</u>	<u>12 150 475</u>
Local Registered Stock		
9,5% Newcastle Town Council	10 167	9 980
11,0% Eskom N168 (face value - R1 849 627)	1 777 908	1 838 136
	<u>1 788 075</u>	<u>1 848 116</u>
Funds administered by Standard Bank Trust		
Listed investments (Appendix 2)	557 664	511 402
Gilts	399 155	416 357
Cash reserves	242 657	161 294
	<u>1 199 476</u>	<u>1 089 053</u>
Total equities and other investments	15 442 040	15 087 644
Cash deposits	5 584 670	1 783 553
Debtors	5 424	82 961
	<u>21 032 134</u>	<u>16 954 158</u>
Less: Creditors	(230 408)	(270 138)
	<u>20 801 726</u>	<u>16 684 020</u>
<u>Special Research Projects : Head Office</u>		
Cash on call	2 558 519	314 751
	<u>2 558 519</u>	<u>1 659 254</u>
	<u>2 558 519</u>	<u>1 974 005</u>

SCHEDULE (continued)

	COMPANY AND GROUP	
	2002	2001
	R	R
Education Funds : Western Cape		
Participation Mortgage Bonds	1 009 000	1 009 000
Unit Trusts	358 066	-
Eskom Stock	-	347 258
Gilts	-	126 956
Equities	756 133	613 439
Cash deposits	3 283 847	3 371 328
Fixed assets	62 853	84 435
Debtors	323 283	11 272
	<u>5 793 182</u>	<u>5 563 688</u>
Less: Creditors	(73 434)	(415 620)
	<u>5 719 748</u>	<u>5 148 068</u>
Total Special Funds Invested	<u>29 079 993</u>	<u>23 806 093</u>
Other Funds		
Head Office:		
Call Account	1 488 777	1 436 928
11% Eskom N168 (face value - R527 785)	523 031	524 507
Listed investments (Appendix 3)	2 554 914	1 104 847
Western Cape:		
Reserve fund	<u>328 406</u>	<u>209 213</u>
Total Other Funds Invested	<u>4 895 128</u>	<u>3 275 495</u>
TOTAL INVESTMENTS	<u><u>33 975 121</u></u>	<u><u>27 081 588</u></u>

APPENDICES to the Schedule
as at 31st March 2002

	QUANTITY	2002 R	2001 R
Appendix 1:			
LISTED INVESTMENTS OF HEAD OFFICE			
BURSARY FUNDS			
Diamonds			
De Beers Centenary Linked Units	-	-	1 281 000
Platinum			
Anglo American Platinum Corporation Limited	4 206	2 090 382	1 127 208
Gold			
Anglogold Limited	200	114 400	45 200
Banks			
Standard Bank Investment Corporation Limited	7 149	209 466	210 896
Financial Services			
Coronation Holdings Limited	800	45 600	41 840
Metals and Minerals			
Palabora Mining Company Limited	-	-	44 500
Life Insurance			
Old Mutual Plc	10 000	161 500	117 950
Liberty Group Limited	2 259	121 986	113 077
Mining Holdings and Houses			
Anglo American Plc	21 489	4 048 527	1 572 716
Billiton Plc	6 066	325 744	183 389
Investment Trusts			
Genbel South Africa Limited	2 496	33 446	37 680
Property			
Liberty International Plc	4 600	422 280	64 022
Property Unit Trusts			
Allan Gray Property Trust	70 000	143 500	169 400
Sycom Property Fund	17 000	130 050	136 000
Redefine Income Fund	80 000	172 000	-
Services			
The Bidvest Group Limited	6 338	264 928	279 365
Food			
Anglovaal Industries Limited	32 870	430 597	311 600
Astral Foods Limited	278	3 058	-
Illovo Sugar Limited	5 000	41 250	23 000
Tiger Brands Limited	3 000	189 000	93 135
Packaging and Printing			
Nampak Limited	1 000	11 500	10 800
Diversified Industrial			
Rembrandt Group Limited	1 000	63 000	47 000
Richemont Securities Ag	30 000	783 000	528 000
Retail			
New Clicks Holdings Limited	500	3 274	4 335
Pick 'n Pay Stores Limited	16 402	158 279	196 824
Beverages			
South African Breweries Plc	580	30 450	30 690
Telecommunications			
Venfin Limited	1 000	20 527	-
		<u>10 017 744</u>	<u>6 669 627</u>

APPENDICES (continued)

	QUANTITY	2002 R	2001 R
<u>Appendix 2:</u>			
LISTED INVESTMENTS OF HEAD OFFICE BURSARY FUNDS ADMINISTERED BY STANDARD BANK TRUST			
Mining Holdings and Houses			
Anglo American Plc	1 000	188 400	136 560
Banks			
ABSA Group Limited	1 000	25 300	-
Standard Bank Investment Corporation Limited	1 197	35 072	34 603
Property			
Liberty International Plc	1 155	106 029	70 224
Property Unit Trusts			
Sycom Property Fund	3 000	22 950	23 640
Property Loan Stock			
Hyprop Investments Limited	2 200	22 660	22 220
Diversified Industrial			
Rembrandt Group Limited	800	50 400	37 600
Richemont Securities Ag	2 500	65 250	86 500
Information Technology			
Dimension Data Holdings Plc	1 425	13 253	46 312
Telecommunications			
Johnnic Holdings Limited	-	-	28 500
Venfin Limited	-	-	13 640
Food			
Tiger Brands Limited	450	28 350	11 603
		<u>557 664</u>	<u>511 402</u>

Appendix 3:
LISTED INVESTMENTS OF OTHER FUNDS

Platinum			
Gencor Limited	-	-	21 350
Impala Platinum Limited	200	120 600	-
Diamonds			
De Beers Centenary Linked Units	-	-	76 250
Mining Holdings and Houses			
Anglo American Plc	5 394	1 016 230	360 061
Billiton Plc	3 621	232 830	72 219

Continued next page

	QUANTITY	2002 R	2001 R
Banks			
Firststrand Limited	-	-	56 188
Investec Group Limited	75	9 750	14 775
Nedcor Limited	468	53 820	63 742
Rand Merchant Bank Holdings Limited	5 116	49 625	-
Standard Bank Investment Corporation Limited	733	21 477	21 623
Financial Services			
Coronation Holdings Limited	316	18 012	16 526
Information Technology			
Comparex Holdings Limited	3 045	39 890	3 780
Dimension Data Holdings Plc	1 213	11 281	39 422
Life Insurance			
Liberty Holdings Limited	148	22 170	25 693
Education and Staffing			
Educor Limited	-	-	725
Retail			
Pick 'n Pay Stores Limited	2 775	11 239	13 875
Profum Limited	2 534	253	3 852
Property			
Liberty International Plc	214	19 645	6 870
Diversified Industrial			
Rembrandt Group Limited	1 066	67 158	50 102
Richemont Securities Ag	12 060	314 766	212 256
Services			
The Bidvest Group Limited	503	21 025	22 200
Beverages			
South African Breweries Plc	-	-	39 690
Chemicals, Oils, and Plastics			
Sasol Limited	2 385	300 510	83 759
Sasol Limited 8,5% Debentures	-	-	3 295
Food			
Tiger Brands Limited	830	52 290	43 575
Media			
Johnnic Communications Limited	838	10 349	97 053
Packaging and Printing			
Nampak Limited	-	-	6 490
Paper			
Sappi Limited	250	37 000	15 750
Telecommunications			
M Cell Limited	4 462	59 345	-
Venfin Limited	1 066	19 081	-
Sundry			
Rand Mines Limited	-	-	168
Rand Selection Trust	-	-	3 000
Unit Trusts	-	46 568	45 309
		<u>2 554 914</u>	<u>1 419 598</u>

REMEMBRANCE PAGE

Isobel Gandar
Jeannette Davidoff
Sarah Ethel London
Maida Whyte
H J Katzin
G M Linscott-David
Joseph Entin
Philip Shaw Bell
C M K Thomas
Marjorie Pethick
Philip Wickham Matthews
Patrick R B Lewis
Philip Ellis Medalie
Gwlym Cleaton-Jones
Robert Selby Taylor
Ebrahim Essopjee
Zelma London
Alfred Ernest Glover
M S London
Y M E de Charmoy
Isobel Jessie Green
James Mason Ballantine
Helen Margaret Martin
Marjorie Langley Macintosh
William Claude Walmsley
Clifford Mervyn Tubb
John Clayton
ESL Taaffe
George Craig McKenzie Brown
Hetty Thelma Schwartz
Norah Kirby Ingham
Natalie Doreen Denis-Lester
Kathleen Mary Bonnett
Duchesne Grice
Catherina Hendrina Altman
Philip Stanley Stohr
Richard Lake Gawith
Marjorie Shingler
Hanna Jaff

This page gratefully remembers those who remembered the Institute in their wills. They are listed in the order in which we received bequests, irrespective of amount. An updated list, including the Western Cape, will appear next year

SPEAKERS 1984 - 2002

Elwyn Jenkins, Bobby Godsell, Nthato Motlana, Musi Myeni, Miley Richards, Raymond Louw, Kitt Katzen, Harold Pakendorf, Percy Qoboza, Zwelakhe Sisulu, Allister Sparks, George Palmer, Hennie Reynders, Denis Beckett, Vincent Maphai, Ken Owen, Ernie Wentzel, Jonathan Suzman, Reina Steenwijk, Matsemela Manaka, Sipho Sepamla, John Van Zyl, Michael Venables, Mark Orkin, Heribert Adam, Lawrence Schlemmer, Nic Olivier Sr, Robin Lee, P J van der Merwe, Eddie Webster, Ann Bernstein, Rod Ironside, Moses Maubane, W S Yeowart, Brian Kantor, John Kinard, Richard Salem, Phiroshaw Camay, Aubrey Dickman, Anna Starcke, Tertius Myburgh, Sally Gallagher, Cyril Ramaphosa, Alan Paton, Tom Lodge, Cedric de Beer, A J Kgomo, R A M Saloojee, Maurice McGregor, Jan Lombard, Ben Vosloo, Nigel Mandy, John Garnett, Zach de Beer, Sal Marzullo, Tony Gilson, Willie Breytenbach, Deane Yates, Andrew Levy, Stuart Saunders, Thabiso Leshoi, Oswald Mtshali, Gibson Kente, Bafana Nkambule, Saths Cooper, Anthony Robinson, Graham Leach, Charles Simkins, David Curry, Olaus van Zyl, Nic Olivier Jr, S T Ramala, Manie Venter, Ricky Valente, I L Krige, John Ernstzen, Ken Warren, Andries Niemand, David Solomon, Gerhard Croeser, Mark Swilling, Clive Keegan, Steven Friedman, David Dewar, Clive Weil, Mervyn King, Michael O'Dowd, Thomas Irwin, Lourens Ackermann, Musa Zondi, Andrew Boraine, Marthinus van Schalkwyk, James Ngcoya, Stoffel van der Merwe, Chris Heymans, Andre du Toit, Frank Mdlalose, Tom Boya, John Gogotya, Sam Mabe, Philip Nel, Adrian Guelke, Michael Spicer, Bantu Holomisa, Lawrence Mavundla, Carel Boshoff, Stanley Mogoba, Monty Narsoo, James Moulder, Merton Dagut, Sam Mosikili, Stephen Gelb, Michael Corbett, Vladimir Tikhomirov, Pavel Sedov, John Kane-Berman, Nico Czypionka, Rudolf Gouws, Monica Bot, Neil McGurk, David Adler, Ophelia Jatta, Marcel Golding, Halton Cheadle, Joshua Gqozo, Bob Tucker, Helen Suzman, Moses Mayekiso, Rob Legrange, Jacob Zuma, Frank Mdlalose, Apollon Davidson, Aziz Pahad, Jeremy Cronin, Don Beck, Jocelyne Kane-Berman, John Samuel, Andrew Donaldson, Bryan Phillips, Ben Nicholson, Pundy Pillay, Jane Hofmeyr, Harold Wolpe, Ben Turok, Wim Booyse, Corné Moulder, Stephen Mulholland, L Paty, Z Deyl, Ephriam Keikelame, Albie Sachs, Tony Leon, Nicoli Natrass, Richard Goldstone, Rudolf Gruber, Otto Lambsdorff, Colleen McCaul, Rachel Tingle, Leon Louw, Tony Hawkins, Duncan Reekie, Ina Perlman, Gertrude Shope, Stephen Riley, Dan O'Flaherty, Hermann Giliomee, David Welsh, Bob Charlton, Harry Schwarz, Martin Williams, Peter Zimmerman, Ingo von Münch, David Green, Malcolm Lennox, George Trail, Detmar Doering, Deval Patrick, Lionel Abrahams, W J Le Crerar, L S Moloi, Anthea Jeffery, Peter Leon, Charles Van Onselen, Lot Ndlovu, Ewald Wessels, Charles Carter, Mathatha Tsedu, Rachel Jafta, Tom Callahan, Kelvin Kemm, Colin Douglas, Patti Waldmeir, Martin Schönteich, Ashwin Trikamjee, Esther Steyn, Mark Jennings, Judy Wade, Saguna Gordhan, Walter Felgate, Graham McIntosh, Rudolph Jansen, Themba Sono, Ben Ngubane, Colin Bundy, William Makgoba, Willem Heath, Mohlolo Kgopane, F W de Klerk, Smuts Ngonyama, Max Price, Ketso Gordhan, R W (Bill) Johnson, Frans Rautenbach, Willie Hofmeyr, Mirryena Deeb, Patricia de Lille, Clem Sunter, Jeremy Gauntlett, Edwin Cameron, Rick Menell, Rand Stoneburner, Jenny Cargill, Gavin Woods, Saki Macozoma.

The speakers above are listed in order of appearance. An updated list, including speakers in the Western Cape, will be published next year.

Leadership with Facts



South African Institute of Race Relations