

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
FINANCIAL STATEMENTS
for the year ended 31 MARCH 2006

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
FINANSIËLE STATE
vir die jaar geëindig 31 MAART 2006

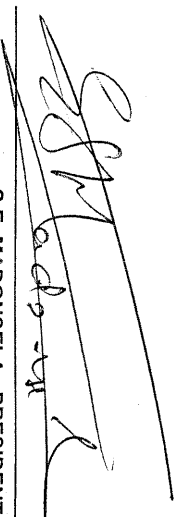
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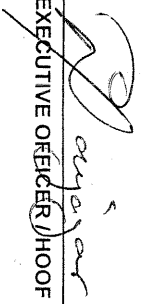
STATEMENT BY THE COUNCIL

VERSLAG VAN DIE RAAD

The financial statements set out on pages 2 to 13 for the year ended
31 March 2006 are approved by the Council on 17 August 2006
and are signed on its behalf by:

Die finansiële state uiteengesit op bladsye 2 tot 13 vir die jaar
geëindig 31 Maart 2006 is goedgekeur op 17 Augustus 2006
en is geteken ten behoeve van die Raad deur:


S.E. MADONSELA PRESIDENT


P. NAYAGAR CHIEF EXECUTIVE OFFICER/HOOF UITVOERENDE BEAMPTTE

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF THE
ENGINEERING COUNCIL OF SOUTH AFRICA**

We have audited the financial statements set out on pages 2 to 13 for the year ended 31 March 2006. These financial statements are the responsibility of the Council. Our responsibility is to express an opinion on these financial statements based on our audit.

SCOPE

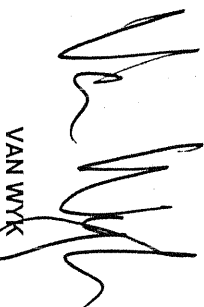
We conducted our audit in accordance with statements of the South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining on a test basis, evidence supporting the amount 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 aspects, the financial position of the Council at 31 March 2006 and the results of its activities, changes in funds and cash flows for the year then ended, in accordance with South African Statements of Generally Accounting Practice, except for the accounting policies referred to in Note 1, and according to the rules of the Council.



VAN WYK

Chartered Accountants (S.A.) / Geoktroleerde Rekenmeesters (S.A.)
18 August 2006 / 18 Augustus 2006
Pretoria

**VERSLAG VAN DIE ONAFHANKLIKE OUDITEURE
AAN DIE LEDE VAN DIE
SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE**

Ons het die finansiële state soos uiteengesit op bladsye 2 tot 13, vir die jaar geëindig 31 Maart 2006, geaudit. Hierdie finansiële state is die verantwoordelikheid van die Raad. Ons verantwoordelikheid is om op grond van ons audit 'n mening oor hierdie finansiële state uit te spreek.

MENING

Ons het ons audit in ooreenstemming met standpunte van Suid-Afrikaanse Ouditstandaarde uitgevoer. Dit vereis dat ons die audit beplan en uitvoer om redelike geruststelling te verkry dat die finansiële state geen wesentliche wanvoorstelling bevat nie. 'n Oudit behels:

- 'n ondersoek, op 'n toetsgrondslag, van bewyse wat die bedrae en openbaarings in die finansiële state steun;
- beoordeling van die rekeningkundige beginsels wat gebruik is en beduidende ramings wat deur bestuur gemaak is; en
- evaluering van die algehele aanbieding van die finansiële state.

Ons is van mening dat ons audit 'n redelike grondslag vir ons mening bied.

OUDDTMENING

Na ons mening, bied die finansiële state, in alle wesentlike opsigte 'n redelike weergawe, van die Raad se finansiële posisie op 31 Maart 2006 en van sy bedrywighede, verandering in fondse en kontantvloei vir die periode dan geëindig, in ooreenstemming met Suid-Afrikaanse Standpunte van Algemeen Aanvaarde Rekeningkundige Beleid, behalwe vir die verwys na in Aantekening 1, en volgens die reëls van die Raad.

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
BALANCE SHEET
as at 31 March 2006

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
BALANSSTAAT
soos op 31 Maart 2006

	Notes	31/03/2006 R	31/03/2005 R	Notas	
ASSETS					
Non-current assets		9,543,299	10,638,237		
Fixed property and -assets	2	1,330,001	1,330,001	2	Nie-bedryfsbates
Investments	3	8,213,298	9,308,236	3	Vaste eiendom en -bates Beleggings
Current assets		4,465,043	4,156,103		
Accounts receivable and prepayments	4	4,025,862	2,981,545	4	Bedryfsbates
Inventory	5	1	1	5	Debiteure en vooruitbetalings Voorraad
Cash at bank and in hand	11.3	439,180	1,174,557	11.3	Kontant in bank en op hande
Total assets		14,008,342	14,794,340		Totale bates
RESERVES AND LIABILITIES					
Reserves		10,075,626	10,410,840		
Accumulated funds		7,363,319	7,346,231		Reserwes
Funds reserved for future expenses	6	2,712,307	3,064,609	6	Opgehoopde fondse Reserwe fondse vir toekomstige uitgawes
Non-current liabilities		680,181	1,123,133		
Long-term liabilities	7			7	Nie-bedryfslaste Langtermyn laste
Current liabilities		3,252,535	3,260,367		
Accounts payable		1,929,019	2,174,172		Bedryfslaste Krediteure
Annual- and application fees received in advance		885,666	677,202		Jaar- en aansoek gelde vooruit ontvang
Current portion of interest bearing borrowings	7	437,850	408,993	7	Huidige gedeelte van rente draende lenings
Total reserves and liabilities		14,008,342	14,794,340		Totale reserwes en laste

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
INCOME STATEMENT
for the year ended 31 March 2006

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
INKOMSTESTAAT
vir die jaar geëindig 31 Maart 2006

	Notes	31/03/2006 R	31/03/2005 R	Notas	
INCOME					
FEES	1.3	20,649,771	18,129,320	1.3	GELDE
Annual fees		16,379,288	15,108,638		Jaargelde
Application fees		1,554,229	1,405,750		Aansoekgelde
OTHER INCOME	8	17,933,517	16,514,388	8	ANDER INKOMSTE
		2,716,254	1,614,932		
EXPENDITURE		19,618,014	17,344,254		UITGAWES
Council and committee meetings	9	3,084,753	2,843,116	9	Raads- en komiteevergaderings
Administrative expenditure	10	14,386,051	12,739,280	10	Administratiewe uitgawes
Auditors' remuneration		36,000	-		Ouditeursvergoeding
Consulting fees		1,085,717	566,030		Konsultasiefoole
Fixed assets written off		78,142	96,421		Vaste bates afgeskryf
Legal costs and inquiry expenses		863,460	996,163		Regs- en ondersoek koste
Interest on long-term liabilities		83,891	103,244		Rente betaal op langtermyn laste
NET SURPLUS for the year		<u>1,031,757</u>	<u>785,066</u>		NETTO SURPLUS vir die jaar

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
STATEMENT OF CHANGES IN FUNDS
for the year ended 31 March 2006

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
STAAT VAN VERANDERING IN FONDSSE
vir die jaar geëindig 31 Maart 2006

	Accumulated funds / Opgehoopte fondse	Funds reserved / Reserwe fondse	Total / Totaal
	R	R	R
Balance at 31 March 2004	7,188,432	2,751,376	9,939,808
Net surplus for the period	785,066	-	785,066
Transfer to funds reserved	(627,267)	627,267	-
Funds expenditure	-	(314,034)	(314,034)
Balance at 31 March 2005	7,346,231	3,064,609	10,410,840
Net surplus for the year	1,031,757	-	1,031,757
Transfer to funds reserved	(1,014,669)	1,014,669	-
Reserved funds expenditure	-	(1,366,971)	(1,366,971)
Balance at 31 March 2006	7,363,319	2,712,307	10,075,626

Balans op 31 Maart 2004
Netto surplus vir die periode
Oorplasing na reserwe fondse
Fonds uitgawes
Balans op 31 Maart 2005
Netto surplus vir die jaar
Oorplasing na reserwe fondse
Reserwe fonds uitgawes
Balans op 31 Maart 2006

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
CASH FLOW STATEMENT
for the year ended 31 March 2006

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
KONTANTVLOEIESTAAT
vir die jaar geëindig 31 Maart 2006

	Notes	31/03/2006	31/03/2005	Notas
		R	R	
Cash flows generated from operating activities				
Operating surplus / (deficit) before working capital changes	11.1	(1,387,363)	197,293	11.1
		(1,899,985)	(438,170)	
Working capital changes	11.2	(1,052,149)	(273,739)	11.2
Cash flows applied to operations		(2,952,134)	(711,909)	
Interest and dividends received		1,648,662	1,012,446	
Interest paid on long-term liabilities		(83,891)	(103,244)	
Cash flow from investing activities		1,094,938	1,195,722	
Increase / (decrease) in investments		1,094,938	1,195,722	
Cash flow from financing activities		(442,952)	(375,342)	
Increase / (decrease) in long-term liabilities		(442,952)	(375,342)	
Net increase / (decrease) in cash and cash equivalents		(735,377)	1,017,673	
Cash and cash equivalents at beginning of this year		1,174,557	156,884	
Cash and cash equivalents at the end of this year	11.3	439,180	1,174,557	11.3

Kontantvloei geskep uit bedryfsaktiwiteite
Kontant aangewend deur bedrywighede

Verandering in bedryfskapitaal
Kontantvloei aangewend vir bedryfsaktiwiteite
Rente en dividende ontvang
Rente betaal op langtermyn laste

Kontantvloei uit beleggingsaktiwiteite
Toename / (afname) in beleggings

Kontantvloei uit finansierings aktiwiteite
Toename / (afname) in langtermyn lenings

Netto toename / (afname) in kontant en kontantekwivalente

Kontant en kontantekwivalente aan die begin van die jaar

Kontant en kontantekwivalente aan die einde van hierdie jaar

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 MARCH 2006

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice, except for note 1.1 and 1.2. The financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment, marketable securities and investment properties.

1.1 Fixed assets

- Fixed assets are reflected at a nominal value. Replacements and additions are written off in the year of purchase. Fixed property is shown at cost. No depreciation is provided on fixed property.
- Fixed assets leased under financial leases are not capitalised. Lease payments are charged against income as incurred.

1.2 Investments

No provision is made for differences between the cost and market value of long-term investments, which are to be held to maturity.

1.3 Revenue recognition

Fees are recorded in the financial statements at the date when the fees are raised.

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
AANTEKENINGE TOT DIE FINANSIËLE STATE
vir die jaar geëindig 31 MAART 2006

1. REKENINGKUNDIGE BELEID

Die finansiële state is ooreenkomstig Suid Afrikaanse Standpunte van Algemeen Aanvaarde Rekeningkundige Praktijk opgestel behalwe vir nota 1.1 en 1.2. Die finansiële state word opgestel ooreenkomstig die historiesekostemetode wat deur die herwaardasie van sekere eiendom, masjinerie en toerusting, bemerkbare sekuriteite en beleggings-eiendomme gewysig is.

1.1 Vaste bates

- Vaste bates word aangetoon teen nominale waarde. Vervangings en toevoegings word in die jaar van aankoop afgeskryf. Vaste eiendom word teen kospys getoon. Geen deprezasie word voorsien op vaste eiendom nie.
- Vaste bates ondertheg aan finansiële bruikhuur word nie gekapitaliseer nie. Bruikhuur paaiemente word teen inkomste verreken soos aangegaan.

1.2 Beleggings

Geen voorsiening is gemaak vir die verskil tussen die koste en markwaarde van langtermyn beleggings wat gehou sal word tot die vervaldag nie.

1.3 Erkenning van inkomste

Inkomste word in die finansiële state opgeteken op die datum waarop die fooie gehel word.

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
NOTES TO THE FINANCIAL STATEMENTS
(continued)
for the year ended 31 MARCH 2006

31/03/2006 31/03/2005
R R

2. FIXED PROPERTY AND - ASSETS

Property at cost 1,330,000 1,330,000

Property consist of :

- Sections 9 and 10, Waterview corner (South)
Bruma, Johannesburg

Fixed assets at nominal value 1 1

Fixed assets comprise of a motor
vehicle, computer equipment,
office furniture and equipment.

1,330,001 1,330,001

3. INVESTMENTS

Long - Term Investments

Standard Bank fixed and call investments - 450,000

Momentum Endowment Policy
- at cost 854,179 767,790

SIS Inflation and Money Markets 5,943,976 8,090,446

Standard Bank Money Market 1,415,143 -

8,213,298 9,308,236

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
AANTEKENINGE TOT DIE FINANSIËLE STATE
(vervolg)
vir die jaar geëindig 31 MAART 2006

2. VASTE EIENDOM EN - BATES

Eiendom teen kosprys

Vaste eiendom bestaan uit :

- Dele 9 en 10, Waterview corner (Suid)
Bruma, Johannesburg

Vaste bates teen nominale waarde

Vaste bates bestaan uit 'n motorvoertuig,
rekenaartoerusting, meubels en kantoor-
toerusting.

3. BELEGGINGS

Langtermyn Beleggings

Standard Bank vaste- en korttermyn beleggings

Momentum Uitkeer Polis
- teen kosprys

SIS Inflasie en Geld Markfondse

Standard Bank Geld Markfondse

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
NOTES TO THE FINANCIAL STATEMENTS
(continued)
for the year ended 31 MARCH 2006

31/03/2006
R

31/03/2005
R

4. ACCOUNTS RECEIVABLE

Annual- and application fees outstanding
Prepaid expenses and sundry debtors
SETA's financing Engineering Standards Generating
Board expenses

248,616	248,091
1,669,345	1,133,787
2,107,901	1,599,667
<u>4,025,862</u>	<u>2,981,545</u>

5. INVENTORY

Inventory consists of
De Jongh Graphic Posters

Estimated value

<u>1</u>	<u>1</u>
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6. FUNDS RESERVED

Funds set aside on an ongoing
basis to provide for the
replacement of:

Motor Vehicle

Balance - beginning of this year
Funds set aside

Balance - end of this year

195,610	165,610
30,000	30,000
<u>225,610</u>	<u>195,610</u>

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
AANTEKENINGE TOT DIE FINANSIËLE STATE
(vervolg)
vir die jaar geëindig 31 MAART 2006

4. DEBITEURE

Jaar- en aansoekgeelde uitstaande
Vooruitbetaalde uitgawes en diverse debiteure
SETA's finansiering van Standaard Skeppende Raad in
Ingenieurswese

5. VOORRAAD

Voorraad bestaan uit
De Jongh Grafiese Plakkate

Beraamde waarde

6. RESERWE FONDSE

Fondse opsy gesit op 'n voortgesette
basis om voorsiening te maak vir die
vervanging van:

Motorvoertuig

Saldo - begin van hierdie jaar
Fondse opsy gesit

Saldo - einde van hierdie jaar

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 MARCH 2006

	31/03/2006	31/03/2005
	R	R
6. FUNDS RESERVED - continue		
Computer software		
Balance - beginning of this year	10,373	15,125
Funds set aside	27,416	11,979
Expenditure and funds reallocated	(27,701)	(16,731)
Balance - end of this year	10,088	10,373
Professional services		
Balance - beginning of this year	2,858,626	2,570,641
Funds set aside	1,035,768	585,288
Expenditure	(1,417,785)	(297,303)
Balance - end of this year	2,476,609	2,858,626
TOTAL FUNDS RESERVED	2,712,307	3,064,609

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
AANTEKENINGE TOT DIE FINANSIËLE STATE
(vervolg)

vir die jaar geëindig 31 MAART 2006

	31/03/2006	31/03/2005
	R	R
6. RESERWE FONDSE - vervolg		
Rekenaarsagteware		
Saldo - begin van hierdie jaar	10,373	15,125
Fondse opsy gesit	27,416	11,979
Uitgawes en fondse geherallokeer	(27,701)	(16,731)
Saldo - einde van hierdie jaar	10,088	10,373
Professionele dienste		
Saldo - begin van hierdie jaar	2,858,626	2,570,641
Fondse opsy gesit	1,035,768	585,288
Uitgawes	(1,417,785)	(297,303)
Saldo - einde van hierdie jaar	2,476,609	2,858,626
TOTALE RESERWE FONDSE	2,712,307	3,064,609

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
NOTES TO THE FINANCIAL STATEMENTS
(continued)
for the year ended 31 MARCH 2006

7. LONG TERM LIABILITIES

	31/03/2006	31/03/2005
	R	R
ABSA Bank		
- Mortgage Bond	798,831	939,326
Pension Fund Deficit - Liability	319,200	592,800
	1,118,031	1,532,126
Less: Shortterm portion transferred to current liabilities	437,850	408,993
	<u>680,181</u>	<u>1,123,133</u>

The bond is:

- Secured by fixed property with a cost price of R 1 330 000.
- Interest is payable at a rate of prime plus 1.25% per annum.
- Repayable in monthly payments of R18,698.87.

8. OTHER INCOME

Bad debts recovered	80,636	103,952
Evaluation of qualifications	5,789	5,526
Interest received		
- on long-term investments	1,648,662	1,012,446
Inspection of register and duplicate certificate fees	4,941	3,836
Rent received	502,665	383,054
Sundry income	473,561	106,118
	<u>2,716,254</u>	<u>1,614,932</u>

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
AANTEKENINGE TOT DIE FINANSIËLE STATE
(vervolg)
vir die jaar geëindig 31 MAART 2006

7. LANGTERMYN LENINGS

ABSA Bank	
- Verband	
Pension Fonds Tekort - Verpligting	
Min: Korttermyngedeelte oorgegedra na bedryfslaste	

Die verband is :

- Verseker deur vaste eiendom met 'n kosprys van R 1 330 000.
- Rente is betaalbaar teen prima plus 1.25% per jaar.
- Terugbetaalbaar in maandelikse paaiemente van R18,698.87.

8. ANDER INKOMSTES

Slegte skuide verhaal	
Evaluasie van kwalifikasies	
Rente ontvang	
- op langtermyn beleggings	
Gelde vir inspeksie van register en vir duplikaatsertifikate	
Huur inkomste	
Diverse inkomste	

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 MARCH 2006

	31/03/2006	31/03/2005
	R	R
9. COUNCIL AND COMMITTEE MEETINGS		
Member expenses for attending meetings	1,259,752	1,094,577
Travel, accommodation and refreshments	1,825,001	1,748,539
	<u>3,084,753</u>	<u>2,843,116</u>

10. ADMINISTRATIVE EXPENDITURE

Bank charges	114,188	101,417
General expenses	207,337	172,900
Insurance	85,584	104,910
Leasing of computer equipment	278,162	375,697
Leasing of office equipment	395,224	502,648
Maintenance of computer and office equipment	52,086	34,910
Maintenance of offices	122,708	100,987
Personnel recruitment	168,174	132,360
Personnel travel and related expenses	183,615	109,829
Printing, stationery and publications	458,539	533,284
Rent, electricity and parking	1,547,794	1,380,982
Salaries and related expenses	10,004,980	8,613,078
Secretarial services	116,214	42,717
Telephone and postage	651,446	533,561
	<u>14,386,051</u>	<u>12,739,280</u>

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
AANTEKENINGE TOT DIE FINANSIËLE STATE
(vervolg)
vir die jaar geëindig 31 MAART 2006

9. RAADS- EN KOMITEEVERGADERINGS	
Lede onkoste vir bywoning van vergaderings	
Reis-en verblyfkoste en verversings	

10. ADMINISTRATIEWE UITGAWES

Bankkoste	
Algemene uitgawes	
Versekering	
Bruikhuur van rekenaartoerusting	
Bruikhuur van kantoortoerusting	
Onderhoud van rekenaar- en kantoortoerusting	
Onderhoud van kantore	
Personeelwerwing	
Personeel reis- en verwante koste	
Drukwerk, skryfbehoeftes en publikasies	
Huur, elektrisiteit en parkeering	
Salariesse en verwante koste	
Sekretariele dienste	
Telefoon en posgeld	

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
NOTES TO THE FINANCIAL STATEMENTS
(continued)
for the year ended 31 MARCH 2006

31/03/2006
R
31/03/2005
R

11. CASH FLOW STATEMENT

11.1 CASH FLOW FROM OPERATIONS

Net surplus for the period	1,031,757	785,066
Adjustment for:		
- reserve funds expenditure	(1,366,971)	(314,034)
- interest received	(1,648,662)	(1,012,446)
- interest paid on long-term liabilities	83,891	103,244
Operating surplus / (deficit) before working capital changes	<u>(1,899,985)</u>	<u>(438,170)</u>

11.2 WORKING CAPITAL CHANGES

Increase in accounts receivable	(1,044,317)	(353,091)
Increase in accounts payable	(7,832)	79,352
	<u>(1,052,149)</u>	<u>(273,739)</u>

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
AANTEKENINGE TOT DIE FINANSIËLE STATE
(vervolg)
vir die jaar geëindig 31 MAART 2006

11. KONTANTVLOEIESTAAT

11.1 KONTANTVLOEI UIT BEDRYWIGHEDE

Netto surplus vir die periode	
Aansuiwering vir:	
- reserve fondse aangewend	
- rente ontvang	
- rente betaal op langtermyn laste	
Bedryfsurplus / (tekort) voor veranderinge in bedryfskapitaal	

11.2 VERANDERING IN BEDRYFSKAPITAAL

Toename in debiteure	
Toename in krediteure	

ENGINEERING COUNCIL OF SOUTH AFRICA
(Established under Act 46 of 2000)
NOTES TO THE FINANCIAL STATEMENTS
(continued)
for the year ended 31 MARCH 2006

	31/03/2006	31/03/2005
	R	R

11.3 BANK AND CASH

Current Bank account	434,005	1,169,370
Cash on hand	5,175	5,187
	<u>439,180</u>	<u>1,174,557</u>

12. STAFF RETIREMENT FUNDING

It is the policy of the Council to provide retirement benefits for staff by way of a separate pension fund.

The pension fund consists of a defined benefits plan and a defined contribution fund and is governed by the Pension Fund Act, No.24 of 1956. Current service contributions are included with salaries and related expenses in the financial statements.

The fund was last valued as at 31 March 2002 and the independent actuary's opinion was that the fund is in a deficit of R 820,800. The deficit has been provided for and will be paid to the pension fund over a period of 36 months. On balance sheet date there were 24 payments outstanding.

13. TAXATION

The Council is exempt from taxation.

SUID-AFRIKAANSE RAAD VIR INGENIEURSWESE
(Gestig ingevolge Wet 46 van 2000)
AANTEKENINGE TOT DIE FINANSIËLE STATE
(vervolg)
vir die jaar geëindig 31 MAART 2006

11.3 BANK EN KONTANT

Lopende Bankrekening
Kontant op hande

12. PERSONEELUITREEBEFONDSING

Dit is die Raad se beleid om voorsiening te maak vir werknemers se aftreevoordele by wyse van 'n aparte pensioenfonds.

Die pensioenfonds bestaan uit 'n omskrewre voordeleplan en 'n omskrewre voorsorgfonds en word deur die Wet op Pensioenfondse, Nr.24 van 1956, beheer. Huidige diensbydraes word ingesluit by salarisse en verwante kostes in die finansiële state.

Die laaste datum van waardasie was soos op 31 Maart 2002 en die onafhanklike aktuaris se mening is dat die fonds in 'n tekort van R 820,800 is. Voorsiening is reeds gemaak vir die tekort, welke aan die pensioen fonds betaal sal word oor 'n periode van 36 maande. Op balansstaatsdatum was daar 24 paaiemente uitstaande.

13. BELASTING

Die Raad is vrygestel van belasting.