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11 September 2013

TO WHOM IT MAY CONCERN

Dear Sirs

**FACTUAL FINDINGS REPORT ON THE EXTENT TO WHICH BLACK BENEFICIARIES ARE DIRECTLY AFFECTED BY INITIATIVES OF CALABASH TRUST (IT951/2001)**

In terms of Socio-Economic Development and the gazette Codes of Good Practice No. 29617, for any measured entity (i.e. entity subject to measurement under the codes) to recognize the *full* value of Socio-Economic Development contributions made to beneficiaries, at least 75% of the value must directly affect black people [Statement 700, clause 3.2.2].

We have performed the procedures set out below with respect to the evaluation of the extent to which black people are directly affected by Calabash Trust initiatives and other related information as at 09 September 2013. The procedures were performed solely to confirm the extent to which black beneficiaries are directly affected and are summarized as follows:

1. We evaluated the 2012 documentation and financials for Calabash Trust to determine the nature of the work undertaken and the applicable facts.
2. We evaluated 2012 business records provided by Calabash Trust in order to determine the demographics and target areas of Calabash Trust initiatives and ultimately, the extent to which black people are directly affected by the initiatives.
3. We inspected the company secretarial information for Calabash Trust to determine the nature of the entities.
4. We evaluated provided records from the Calabash Trust to determine the manner and extent to which black people were directly affected by the association's initiatives.
5. We checked that the latest financial statements of Calabash Trust have been audited and signed.

**Directors**

M.H. Abbas  
T.B. Hayter  
J.L. Lawrence  
M.Z. Sadek  
A. Timol  
W. van Rooyen (Managing)  
M.S. Willmott

We report our findings below:

- (a) With respect to the above we confirm that Calabash Trust's objective is to, "provide funds for the beneficiaries." The key activities are further defined by the co-founder as: nutrition, pre-school advancement, schools advancement, skills development, micro enterprise, internal learning and growth.
- (b) The beneficiaries are defined as "pre-primary and primary schools and other developmental projects, which serve historically disadvantages communities..."
- (c) With respect to beneficiaries, the majority of those last year were educational institutions.
- (d) With respect to the paid employees, there are 10 staff members as indicated by the general manager, of whom one is non-black.
- (e) We confirm that the financials of Calabash Trust indicate and confirm that the total value of all receipts accrued for the costs of running and the benefit of the beneficiaries of Calabash Trust in terms of their objective and beneficiaries. The percentage of the expenses that were spent on running the organization was 42.71%. The percentage of income spent on qualifying projects was 72.47% of the value of receipts of Calabash Trust accrues to the target beneficiaries.
- (f) With respect to the BEE status of Calabash Trust, the turnover of the entity was less than R5million for the last financial period. Calabash Trust therefore qualifies as a Level 4 BEE compliant contributor.
- (g) With respect to the status of Calabash Trust, we found that the association has been approved as a non-profit organization (Registration No.033-175 NPO).
- (h) We further confirm that the annual financial statements for the year ended 28 February 2012 were prepared by Mazars and signed and approved by Calabash Trust on 6 September 2012.
- (i) Our conclusion is that the income and expenditure spent on the beneficiaries, employees and projects of the Calabash Trust, qualifies donors to recognise 100% of their donations as socio economic development (SED) spend, as per the Codes of Good Practice.

Grant Thornton Verification Services (Pty) Ltd confirm that we act impartially and independent in this confirmation.

Our report is solely for the purpose of an Independent Person and to confirm the percentage of beneficiation accruing to Black Beneficiaries. This report thus relates only to the evaluation of the extent to which black people are directly affected by the initiatives of the Calabash Trust and related items specified above and does not extend to the financial statements of Calabash Trust taken as a whole.

Please do not hesitate to contact the writer should you have any queries.

Yours faithfully,



Jenni Lawrence  
Director