

South African Oil & Gas Alliance Status Report at December 31, 2010

Submitted to:

Department of Economic Development & Tourism, Provincial
Government of the Western Cape

Cape Town City Council

January 2011

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COMPANY DETAILS

NAME	Cape Oil and Gas Supply Initiative T/A South African Oil and Gas Alliance
REGISTRATION No.	2003/027668/08
PHYSICAL ADDRESS	1906 ABSA Centre 2 Riebeek Street CAPE TOWN 8001
TELEPHONE	+27 21 425 8840
FACSIMILE	+27 21 421 7928
E-MAIL	Info@offshoreafrica.co.za
WEBSITE	www.offshoreafrica.co.za

OFFICERS & PORTFOLIOS

NON EXECUTIVE CHAIRPERSON	Everton September	
EXECUTIVE DIRECTOR	Warwick Blyth	
NON EXECUTIVE DIRECTORS	Colin Schreuder	Business Development & BBBEE
	James Cooke	Ship Repair
	Stefan Hrabar	Engineering & Project Management
	Floris Brand	West Coast Business Representative – Company Secretary
	Pieter Kroon	Fabrication & Construction
	Anschen Friedrichs	Operators & Service Companies
	Kwanda Modise	City of Cape Town
	Masizake Zimela	DTI
	Omar Gire	Labour
	Noor Kapdi	Logistics
	Hilton Lazarus	IDC

AUDITORS : **David Bruce & Company**
37 Soho on Strand
128 Strand Street
Cape Town 8001
Telephone : +27 21 419 5128
Facsimile : +27 21 425 3546
e-mail : taracc@mweb.co.za

BANKERS : **ABSA Bank Limited**
Western cape Government
Banking Branch
10 Oswald Pirow Street
Cape Town 8001
Telephone : +27 21 415
5100

1. HIGHLIGHTS FOR QUARTER

The third quarter of the 2010/11 financial year has seen further progress in our company visit programme and the beginnings of a refocus in the strategic priorities of the organisation. In addition we have seen substantial progress of most of our planned programme activities. Highlights include (please note that we refer to quarters in terms of the calendar year and not the financial year e.g. Q1 means Jan-Mar):

- Company visits have been a significant focus of activity in the quarter. A typical company visit lasts about 2 hours and includes a review of a pre-completed company questionnaire, a presentation on the company's activities, discussion of the industry/company priorities and the requirements for assistance from SAOGA and, to end, a site tour. The visits have been immensely valuable in building deeper relationships and knowledge of our members and understanding their needs.
- During the week of November 29th we travelled to Gauteng to meet a number of our members there. There are some excellent companies there who are relatively isolated from SAOGA and other SA participants in the industry – this has highlighted the need to engage more with our Gauteng members and arrange some events there during 2011.
- Our engagement with key political stakeholders yielded some significant fruit during the quarter as the DTI's Industry Development Division approached us to help them develop a National Strategy for the sector. We then met with the relevant DTI policy team in early-December to map out a process for preparing a document for the National Cabinet Lekgotla in mid-2011. We drafted a Green Paper on the National Strategy for discussion which was sent to a wide range of stakeholders in the latter part of December.
- In parallel with the insights emerging from the company visitation process and the National Strategy process we have also devoted significant internal effort to reviewing the strategic priorities for SAOGA going forward. A Board strategy session was held during October and in late November a staff strategy session looked at the strategic issues in more detail. Further efforts on the strategy will take place in Q1 2011 and we anticipate that the Business Plan for 2011/12 will contain some significant new directions and priorities for the years ahead.

- During the quarter we have seen increasing involvement and interest from a few individuals who are essentially retired upstream executives who nevertheless retain an interest in the sector and in South African involvement in it. To create a mechanism to involve and recognize such individuals we have created a new membership category for such individuals (provisionally called SAOGA Ambassadors) – we anticipate that great value will come from the knowledge, passion and networks of these individuals as we move forward.
- Our participation in the UNIDO SPX programme has resulted in a firm work programme to benchmark and profile around 30 member companies. The profiling component of this effort is proceeding well in conjunction with our company visits and the data collection activity around them. We continue to work with UNIDO to ensure that the programme's attractiveness is enhanced by having PetroSA, Sasol etc participate in the programme as buyers.
- PetroSA's tendering process around their FO field development has generated a steady stream of inquiries and activity during the quarter from both local and foreign parties. We have received visits from a number of players looking to submit bids for the project and interested in finding out about local partners, NIPP/BBBEE requirements, local conditions and facilities etc.
- From October 11-22 the Executive Director and Skills Programme Manager, accompanied by Claude Orgill from PGWC, undertook a two week visit to the UK and Norway. The primary purpose of the visit was to assess the potential for the "Marine Oil & Gas Academy" (MOGA) that we have for some time been contemplating. In particular we were looking to understand the feasibility and willingness of foreign training providers to deliver oil and gas training in SA – encouragingly there was strong positive feedback on both counts. We also used the trip as an opportunity to investigate possible training providers to assist with our local industry skills development as well as to deepen our links and collaboration with associations and government agencies in UK and Norway. A full trip report will be made available on the SAOGA website during January 2011.
- One fairly immediate consequence of the trip was an expression of interest by Falck Nutec, a major Danish/Norwegian oil and gas training provider, in setting up a Cape Town-based training centre in conjunction with a local

partner. CPUT's offshore survival facility was deemed the best opportunity and we facilitated an early round of discussions between CPUT leadership and InnovationNorway during a visit in November. The next step was for Falck Nutec to visit CPUT in early 2011. Unfortunately we have recently learned that a new Falck Nutec Board has reversed the decision to proceed with this and the Norwegian's are now considering other partners on their end for what should be an attractive opportunity to grow the CPUT market into the oil and gas sector.

- In our last status report we noted the growing trend of global upstream companies establishing regional offices and logistics bases in the Western Cape and our collaboration with Wesgro on this. During our UK trip in October we participated with Wesgro in an investor presentation in London. We have also been working jointly with Wesgro to publicise knowledge of the new favourable SA company headquarters tax regime within the oil and gas sector.
- During the quarter we participated in a number of inbound trade missions. In October (29th) SAOGA and a number of our members participated in an official trade mission from Cameroon. Following a general session in the morning we hosted an oil and gas focused session at the TNPA Port House in the afternoon. The following week on November 1 we hosted a delegation from Beijing Gas and in early December joined a Romanian delegation visiting Cape Town.
- On the funding side we finally concluded our first funding MoA with PGWC and received our first tranche payment in early December. We still await our first tranche payment from City of Cape Town related to the 2010/11 MoA we concluded with them in Q3.
- The online South African Oil & Gas directory (www.oilandgassa.com) has continued to be a useful marketing tool during the quarter but requires further development and integration with our main website. We hope to get this task underway in early 2011.
- SAOGA continues to engage with the domestic upstream operators other than PetroSA and the outlook for domestic exploration continues to improve. Shell Exploration communicated with us during the quarter that they are intending to carry their Karoo shale gas TCP through to an application for an exploration license – a step they formally announced in early January 2011.

Forest Oil has switched their gas commercialization model from selling gas to selling electricity in a move that promises to lead to faster resolution of the market development issue constraining their Ibhubesi project. Other operators appear to be working towards renewed exploration drilling activities from late 2011 on. is much improved this quarter.

- Q4 was another good one for the ship repair/MMO (maintenance, modification and operation i.e. marine repair and maintenance) sector in the harbour. The major maintenance project for Saipem's FDS pipelay vessel continued through into December and in November another project on the Saipem 3000 crane barge came in for dry dock work. A steady stream of oil and gas vessels continue to call at the Saldanha and Cape Town ports for bunkering, resupply, crew changes and layup purpose. The outlook for the MMO sector remains strong going forward into 2011.
- The A-Berth upgrade work was completed in the first half of December and the facility was formally commissioned on December 15th. To our knowledge there was no event to mark this occasion and we remain concerned at the lessees' (FerroMarine Cape and DCD Dorbyl) failure to provide meaningful access to third parties on 50% of the facility as required by the March 2009 competition tribunal ruling.
- The TNPA repair facilities concession process appears to be progressing and we understand that for at least one facility TNPA has selected a preferred bidder.
- In December TNPA advertised for RFP around the proposed LPG import terminal at Saldanha Bay. In our view this was a step back on a process that seemed to be further along than the initial tender stage but it appears that TNPA has opened up the whole bidding process again. Both ourselves and PGWC continue to feel that this is a project that should proceed and will enhance the proposition of Saldanha Bay as a hub for oil and gas activity.
- The RFP process for awarding a port lease for a supply base in Saldanha Base appears to be progressing on track. We understand that a preferred bidder was selected in December and that the process now awaits final approval at TNPA head offices. Prior to this some parties had raised concerns that unnamed third parties were meddling in the process in an attempt to enter the process after the bidding deadline. IN conjunction with PGWC we expressed the view to TNPA that this process should not be interfered with

and we remain optimistic that real activity to commence base operations will commence in Q1 2011.

- Our communications and networking with members and the industry continues to push the themes of communicating regularly through the monthly newsletter and to restore the networking event schedule that SAOGA has traditionally run. Feedback on the newsletters continues to be positive. We held one networking breakfasts during the quarter in which Chris Bredenhaan of PwC spoke on the results of a recent industry survey they conducted across Africa. As is now the pattern the event was well attended.
- In early October we hosted a Ship Repair SHEQ Workshop at the Royal Cape Yacht Club in conjunction with TNPA. This was an outgrowth of our ongoing facilitation and involvement in the Ship Repair SHEQ forum with TNPA. The event was very well attended and received great feedback. We are looking to deepen our involvement in efforts to facilitate better SHEQ practices in the port and greater compliance with the TNPA guidelines.
- On November 9 we hosted a BBBEE Workshop sponsored by CCT funding. Graeme Dorrington, an attorney and thought provoking BBBEE consultant, and Steve O'Brian of Smit Amandla spoke on practical ways to address BBBEE requirements, make a meaningful contribution to economic/social transformation in the country and do right by your business. Roughly 40 people attended and the discussion was lively and constructively positive. We will probably seek to do some further activity in this vexing area.
- We continue to host an Innovation Norway network office with their local representative a regular occupant in the offices. We anticipate the first visit from one of the Norwegian network companies in Q1 2011 although we did have a meeting with whole group during our October trip to Norway.
- Arrangements for OTC11 are progressing according to plan with Ropetec and DCD Dorbyl assuming primary responsibility for arranging the stand. We understand that about 10 companies will be involved in total – this is roughly the same as last year's level but with no financial contribution from SAOGA.
- Following the late September PGWC announcement by PGWC that they intend to create a Western Cape Economic Development Agency (WCEDA) that will absorb Wesgro, CTRU, the provincial property portfolio and possibly some of the SPVs we have heard little more in terms of concrete progress in

moving this forward. We do however continue to monitor developments closely as it is clear that the WCEDA remains a political priority.

- Early in the quarter we appointed Deloitte to conduct the first phase of our industry bond project – a identification of the issues and proposed way forward. Deloitte has progressed more slowly than we had hoped and this project now appears set to complete in Q1 2011.
- Africa Oil Week, the flagship industry conference on the continent, took place in the first week of November and again we were not extended a complimentary invitation which meant we did not attend. We are continuing to try and resolve the matter with the organizers. We did however have some useful meetings with international managers of member companies who were in town for the conference.
- During the quarter we identified new office premises and concluded a 3-year lease agreement for premises at 4 Loop Street. The new premises are better suited to our needs with a single integrated office space and a boardroom. Preparations are being made to move the office at the end of January 2011.
- Our Skills Programme continues to be the flagship operating programme at SAOGA and has had another quarter of solid progress towards developing a solid foundation for industry skills development. The statistical reports list the programme's achievements in numerical terms but other notable highlights include:
 - Ongoing networking in the sector. Skills Task Team meetings are ongoing. This serves as a valuable networking opportunity. Several skills working groups are being set up to engage with sub sectors in a focused way.
 - Upskilling Programme. The following courses were offered during this quarter: Project Management, Offshore Survival, Rope Access, Train the Trainer, Welding Inspection 1 and 2 and Life Skills.
 - Skills International networking. The previously mentioned visit to UK and Norway
 - RPL Guidelines for the Oil and Gas sector. Draft RPL guidelines were developed. The guidelines are in the process of being finalised.
 - The Proposed Marine Oil and Gas Academy. This is an ongoing initiative.

- Artisan Training and Development . SAOGA, in partnership with DEDT and CASIDRA has embarked on a placement drive to place the artisan trainees developed in the SAOGA National Skills Fund (NSF) project. This initiative goes beyond the scope of the NSF project. It has been a challenging initiative as a result of the economic climate and the project nature of the Oil and Gas sector. Ongoing hard work is starting to yield results. The following systems were developed to facilitate the process:
 - An On the Job Training programme and materials (Funded by the City of Cape Town) were developed to train mentors in industry.
 - A Lifeskills training course was offered to trainees (Funded by the City of Cape Town).
 - SAOGA has developed a relationship with a Dutch organisation to provide ongoing support to trainees in industry.
 - Capacity was developed to improve the placement of trainees, by acquiring the services of a company (IMVUSA) to promote placements to industry. The result of which is starting to show fruits. See the summary of placements that will be formalised in January 2011.
 - Template agreements were developed for trainees and with workplaces.
 - SAOGA is embarking on a skills and artisan training programme in partnership with the CHIETA, Chevron, Emprotrain and Northlink College. Funding for this programme comes from CHIETA and Chevron respectively.
- Ongoing offset funding discussions with the Finnish

2. PGWC APP PROGRESS AGAINST DELIVERABLES

	Performance Measure / Indicator	2010 (Target)	Q1	Achieved	Q2	Achieved	Q3	Achieved	Q4	Achieved	Compulsory Evidence attached with Quarterly Reports (as verification) NB: IT IS REQUIRED THAT ALL COMPULSORY EVIDENCE LISTED BELOW ARE SIGNED BY THE CHIEF EXECUTIVE DIRECTOR
Support the Oil and Gas Sector through industry development	Total no. of members in Oil and Gas Cluster	120	30	96	30	32	30	17	30		Signed and verified database of Cluster bodies and sector forums: (company name, contact person, address, suburb, telephone, description of business, BEE Status, sector, subsector); copies of existing membership renewals, new member invoices
	Number of people trained in the Oil and Gas industry	150							150		(1) Signed and verified database :(Name and Surname, Designation, Name of Business/Organisation/ Type of Training/ Sector/Address/ Tel Number/ Mobile Number/ Fax Number and E-mail Address. (2) Signed Attendance Registers or certificates issued to people trained.(3) Approved report on training interventions.
	Value of funds leverage	1							R5m		(1) Signed contractual agreement between funding partners or correspondence from client confirming assistance provided for funding leverage. (2) Signed and verified database (Name and Surname/ Designation / Name of Business-Organisation / Address / Telephone Number / E-Mail Address / Type of assistance provided / Amount of Funding provided)
	Sector Intelligence Report	1							1		Signed Copy of the key indicator report submitted. Report should be detailed and provide a complete industry analysis

PROGRESS AGAINST DELIVERABLES – CCT

SAOGA - CCT, 2010 - 2011 Annual Targets

				Q1	Q2	Q3	Q4
		Annual Targets 2010 - 2011	variance	Jul - Sept 10	Oct - Dec 10	Jan - Mar 11	Apr - Jun 11
1	Number of People Trained	120	-71	12	37		
2	Total number of employees in the Industry	!	!	0	0		
3	Industry Sector Report	1	!	0	0		
4	Industry events hosted	12	-3	6	3		
5	Total attendance at industry events	400	-69	196	135		
6	Number of companies assisted with export support	10	2	0	12		
7	Number of promotional trips/trade exhibitions facilitated	1	1	0	2		
8	Direct jobs created/supported	+	+	0	0		
9	Indirect jobs created/supported	+	+	0	0		
10	Total number of paid-up members	150	-96	37	17		
11	Funds Leveraged	R 5m	!	0	169 443		

Subject to an annual survey !

Based on projects in the pipeline - annual survey *

Subject to specific project induction / annual survey +

3. FINANCIAL STATEMENTS

The table below sets out the actual cash flows for the financial year to date. The current expectation is that we will have just enough cash to fund the company until the next tranche of PGWC funding expected in November.

BALANCE SHEET AS AT 31 DECEMBER 2010

	Apr-09	Apr-10	May-09	May-10	Jun-09	Jun-10	Jul-09	Jul-10	Aug-09	Aug-10	Sep-09	Sep-10	Oct-09	Oct-10	Nov-09	Nov-10	Dec-09	Dec-10
	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount	R' Amount
ASSETS																		
Non Current Assets	177 770	105 750	169 655	101 950	161 539	98 149	153 424	94 348	145 309	90 547	137 194	89 038	129 078	89 268	120 963	146 442	112 843	145 886
Fixed Assets	147 254	75 234	139 139	71 434	131 023	67 633	122 908	63 832	114 792	60 031	106 677	58 521	98 562	58 752	90 446	59 926	82 331	59 369
Rent Deposits	30 516	30 516	30 516	30 516	30 516	30 516	30 516	30 516	30 517	30 517	30 517	30 517	30 517	30 517	30 517	86 517	30 513	86 517
Current Assets	9 391 981	6 471 002	8 129 229	6 223 652	7 775 003	5 573 729	6 121 730	5 023 823	4 199 129	4 554 850	2 376 315	4 576 593	1 777 427	4 137 597	4 789 680	8 212 489	3 996 167	7 506 664
Cash & Cash Equivalents	5 385 845	4 968 172	4 938 293	4 954 760	5 159 594	4 465 638	3 949 685	4 089 819	2 918 292	3 694 926	1 153 959	3 724 325	1 002 882	3 311 079	1 566 713	7 361 292	1 187 115	6 672 219
ABSA Bank - Current Acc: 4059227948	2 877 353	643 928	2 200 839	418 057	1 669 654	254 136	1 199 175	85 804	291 061	11 822	458 856	5 716	7 792	4 111	2 252 076	2 291	1 844 450	354
ABSA Bank - Current Acc: NSF1	1 012 717	671 499	1 019 288	673 962	948 307	676 538	932 734	679 023	928 589	681 612	687 284	684 213	683 746	683 527	888 371	683 330	882 164	668 530
ABSA Bank - CC: 5475080008362011	14 804	83 946	-32 585	83 946	-8 715	78 650	-4 748	75 196	-4 490	71 620	-219	66 595	1 477	43 157	7 940	70 162	6 893	69 861
ABSA Bank - CA: Digital Directory	-	93 672	-	85 085	4 177	87 739	41 882	85 410	63 179	85 766	75 352	87 821	79 338	86 238	71 301	86 672	73 729	86 959
Petty Cash SAOGA	107	1 332	1 485	318	840	2 192	897	531	1 200	64	244	269	1 196	1 832	64	1 089	697	1 089
Petty Cash NSF	1 154	1 117	1 909	187	1 146	1 500	2 104	703	1 299	494	839	316	1 004	316	3 215	316	1 119	316
Cash In Hand (Foreign)	-	7 337	-	7 337	-	7 337	-	7 337	-	7 337	-	7 337	-	7 337	-	7 337	-	7 337
Trade & Other Receivables	607 244	437 752	711 081	319 267	643 688	250 696	439 114	419 561	531 999	323 050	1 170 357	228 379	1 306 842	178 821	408 659	489 533	720 829	268 335
Debtors	2 280	24 933	3 420	363 613	360 152	193 902	302 692	278 084	411 266	167 792	1 010 900	102 903	990 337	41 863	182 456	427 633	478 136	153 153
Prepayments	85 835	38 327	85 333	77 215	77 215	526	80 767	43 762	-	43 468	-	45 640	54 531	41 648	79 906	46 887	78 252	47 661
Current Tax Receivable	55 654	55 654	55 654	55 654	55 654	55 654	55 654	55 654	-	55 654	55 654	55 654	55 654	55 654	55 654	-9 394	55 654	-9 394
Vat Receivable	463 475	318 838	566 674	-	150 666	613	-	42 062	120 733	103 136	103 802	24 182	206 319	39 535	90 944	24 606	108 786	76 914
Total Assets	10 176 995	7 014 504	9 009 964	6 644 869	8 580 230	5 922 573	6 714 267	5 537 732	4 876 437	4 968 447	3 683 865	4 894 010	3 213 347	4 405 686	5 319 502	8 848 464	4 829 839	7 920 886
EQUITY AND LIABILITIES																		
Equity	-532 013	-616 394	-1 646 217	-1 057 580	-2 107 270	-1 604 556	-3 392 973	-2 018 470	-5 262 848	-2 687 054	-6 725 346	-2 888 219	-7 431 848	-3 433 253	-5 328 918	1 021 412	-5 700 936	25 828
Retained Surplus	-532 013	-616 394	-1 646 217	-1 057 580	-2 107 270	-1 604 556	-3 392 973	-2 018 470	-5 262 848	-2 687 054	-6 725 346	-2 888 219	-7 431 848	-3 433 253	-5 328 918	1 021 412	-5 700 936	25 828
LIABILITIES																		
Current Liabilities	10 709 008	2 859 018	10 656 181	2 852 841	10 687 500	2 557 381	10 107 240	2 512 278	10 139 285	2 583 276	10 409 211	2 679 719	10 645 195	2 693 386	10 648 420	2 677 316	10 530 775	2 729 343
Trade & Other Payables	676 772	409 766	623 945	409 766	655 265	303 133	163 178	217 453	107 049	378 228	376 975	502 514	612 959	574 234	616 183	530 136	498 538	598 142
ABSA Bank - CC: 54750800031555011	-	-	-	54 801	-	2 864	-	3 248	-	58 583	-	-	-	73 766	-	75 783	-	75 783
Vat Payable	-	-	16 750	-	-	-	-88 174	-	-	-	-	-	-	-	-	-	-	-
Carryover committed	10 032 236	2 449 252	10 032 236	2 371 524	10 032 236	2 251 384	10 032 236	2 291 576	10 032 236	2 146 465	10 032 236	2 118 622	10 032 236	2 045 387	10 032 237	2 071 397	10 032 237	2 055 418
Liabilities to Funders	-	4 771 880	-	4 849 609	-	4 969 748	-	5 043 226	-	5 072 226	-	5 102 510	-	5 145 553	-	5 149 736	-	5 165 715
Member Income	-	1 234 450	-	1 284 610	-	1 398 190	-	1 445 990	-	1 449 481	-	1 457 165	-	1 483 955	-	1 486 385	-	1 487 385
Interest	-	919 269	-	944 374	-	974 084	-	1 000 462	-	1 025 271	-	1 047 872	-	1 067 124	-	1 085 778	-	1 104 407
Website Development	-	185 415	-	185 415	-	162 264	-	162 264	-	162 264	-	162 264	-	162 264	-	162 264	-	158 614
Dry Dock Feasibility Study	-	1 154 603	-	1 154 603	-	1 154 603	-	1 154 603	-	1 154 603	-	1 154 603	-	1 154 603	-	1 154 603	-	1 154 603
Supply Hub Pre-feasibility Study	-	515 789	-	515 789	-	515 789	-	515 789	-	515 789	-	515 789	-	515 789	-	515 789	-	515 789
Supplier Development	-	1 855	-	1 855	-	1 855	-	1 855	-	1 855	-	1 855	-	1 855	-	1 855	-	1 855
Office Move and Furniture	-	89 000	-	89 000	-	89 000	-	89 000	-	89 000	-	89 000	-	89 000	-	89 000	-	89 000
PGWC Skills MOU - Acc 2	-	671 499	-	673 962	-	673 962	-	673 962	-	673 962	-	673 962	-	670 962	-	654 062	-	654 062
Total Equity & Liabilities	10 176 995	7 014 504	9 009 964	6 644 870	8 580 231	5 922 573	6 714 267	5 537 733	4 876 437	4 968 447	3 683 865	4 894 010	3 213 347	4 405 686	5 319 502	8 848 464	4 829 839	7 920 886

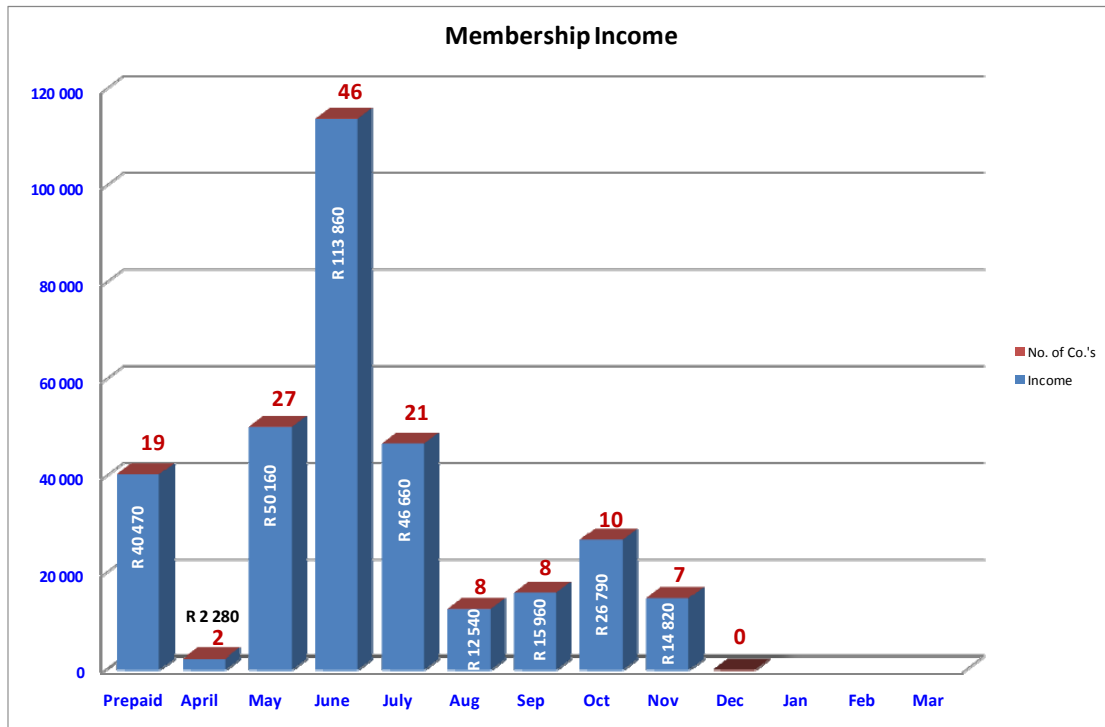
INCOME STATEMENT ENDED 31 DECEMBER 2010

	Apr-09	Apr-10	May-09	May-10	Jun-09	Jun-10	Jul-09	Jul-10	Aug-09	Aug-10	Sep-09	Sep-10	Oct-09	Oct-10	Nov-09	Nov-10	Dec-09	Dec-10
INCOME																		
POWC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 500 000	-	-
DOL	-	-	-	-	-	-	-	-	-	-	700 000	-	50 000	-	3 561 152	-	-	-
City of Cape Town	-	74 277	-	-	275 100	-	-	-	-	-	-	232 552	-	-	-	-	-	-
OTC	-	-	-	-	55 275	-	-	-	-	-	-	-	-	-	-	288 000	354 744	-
Digital Directory	-	-	-	-	108 772	877	39 912	-	37 719	877	-	-	14 737	-	7 895	-	7 018	-
Interest Received	59 304	41 709	71 179	31 316	57 589	29 710	44 110	26 378	40 292	24 809	27 886	22 601	13 440	19 253	18 654	18 654	19 849	18 629
Membership Fees	21 380	32 765	1 000	254 500	330 010	15 222	2 509	5 373	-5 419	3 491	3 250	7 684	16 860	9 500	8 044	2 430	2 719	1 000
Other Income: Breakfast	-	-	-	851	-	2 000	-	-	1 224	-	658	-	-	-	4 644	4 184	5 217	-
Other Income: Skills	-	-	-	-	-	-	-	-	-	-	-	20 739	-	57 721	-	119 623	-	16 702
Other Income: Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 825	-	4 825
Total Income	80 684	148 751	72 179	286 667	826 746	47 809	86 531	31 751	73 816	29 178	731 794	288 417	95 037	86 474	3 593 656	4 937 916	389 547	41 155
EXPENDITURE																		
Cluster & Industry Development																		
CID: Cluster Linking & Netw:Events	504	-	1 005	-	-	409	5 151	6 302	-	8 307	-	-	-	-	-	-	-	-
CID: Cluster Linking & Netw:Meetings	-	-	-	-	-	-	-	-	1 326	251	140	7 512	-	-	504	-	-	2 622
CID: Cluster Linking & Netw:W/Shops	-	-	-	-	-	-	-	-	-	-	-	6 275	-	5 838	-	4 811	-	12 016
CID: Supplier Development/Profiling	-	-	-	-	-	-	-	5 263	-	-	-	-	-	-	-	-	-	-
CID: Supplier Certification	-	-	-	-	29 144	-	-	-	25 000	31 180	-	-	25 000	-	-	-	-	-
CID: Cluster Def & Track/Loc Travel	-	2 855	-	-	-	-	-	718	-	-	-	-	788	-	-	3 225	-	1 230
CID: Infrastructure & Environ Dvpt	-	-	-	-	-	-	-	-	-	-	340 220	-	12 100	-	-	-	-	-
CID: Cluster Def & Track/ Car Hire	-	1 014	-	472	-	-	-	-	-	-	-	-	-	-	-	-	-	1 407
Marketing & Business Development																		
MBD Dvpt & Print Dig Directory	-	-	-	8 900	-	3 700	35 400	3 800	-	-	-	-	24 925	1 900	724	-	-	-
MBD: Marketing Collaterals	6 735	-	10 625	2 895	-	600	5 940	-	7 650	-	-	-	1 650	2 902	-	-	-	-
MBD: Travel Accommodation	30 109	9 788	39 532	-	-	-	-	-	29 150	-	-	-	-	-	-	-	-	-
MBD: Travel Flights	12 773	42 000	-	1 120	-	2 134	-	2 370	18 386	-	-	-	-	-	-	-	-	-
MBD:Travel Car Hire	-	3 976	-	-	-	-	-	-	-	-	-	-	1 394	501	-	-	325	-
MBD: Travel Local Flights	-	-	-	-	16 349	-	-	-	-	-	-	-	4 004	-	-	-	-	-
MBD: Travel Local Accom & meals	-	-	-	-	-	-	-	-	-	-	-	-	102	-	-	-	11 051	-
MBD:Conf & Exhibition AEW	-	-	-	-	-	13 000	-	-	-	-	-	-	594	-	1 103	-	-	-
MBD:Conf & Exhibition OTC2009	3 349	-	5 947	-	33 315	-	3 000	-	-	-	-	-	-	-	-	-	-	-
MBD:Conf & Exhibition OTC2010	-	314 001	-	58 529	-	-39 084	-	-	243 987	-63 741	1 062	-	11 785	-	-	-	-	-
MBD:Conf & Exhibition OTC2011	-	-	-	-	-	-	-96 000	-	-	248 458	-	-	-	-	-	-	-	-
Human Skills Development																		
HR Dev: Skilled labour Stipends	29 003	39 578	95 314	62 640	60 121	67 320	252 960	45 360	194 767	21 600	259 915	4 950	263 311	3 000	240 738	2 500	154 394	16 900
HR Dev: Strategic skills development	52 167	-	64 553	-	-44 595	-	23 250	303	2 765	11 811	24 694	3 421	15 253	36 200	8 840	-	19 515	-
HRD SD: Training Providers	38 421	-	531 579	161 940	528 614	69 600	169 453	84 825	691 348	50 175	422 811	47 450	155 933	43 580	806 942	52 521	209 300	475 895
HRD SD: Up-Skilling Programme	209 964	-	182 443	158 556	432 255	-	502 069	7 793	-31 521	-	227 171	-	97 327	28 947	39 540	5 100	-	-
HRD SD: Up-Skilling Programme - Travel	-	-	-	-	-	-	-	-	-	-	-	-	-	49 689	-	2 017	-	-
Operating Expenses																		
Depreciation	8 115	3 801	8 115	3 801	8 115	3 801	8 115	3 801	8 115	3 801	8 115	3 801	8 115	3 801	8 115	3 801	8 115	3 801
Office Costs	5 457	3 318	1 415	1 993	3 360	12 825	2 755	4 305	9 575	5 407	10 605	6 426	5 891	3 230	2 995	3 310	6 498	1 231
Professional Services	17 547	14 361	40 069	6 839	7 756	52 573	34 153	39 950	349 842	17 274	18 030	6 164	10 813	5 432	14 069	13 024	11 306	18 757
Promo Direct Marketing & AGM	-	2 700	1 505	-	1 255	-	1 283	-	250	3 947	4 900	13 158	540	-	29 060	-	5 921	-
Rent & Utilities	38 105	46 655	41 781	42 597	39 704	48 292	44 065	79 205	48 937	49 876	45 655	52 101	40 651	51 643	42 826	51 379	42 935	53 437
Repairs & Maintenance NSF	309	391	309	356	313	356	924	356	319	406	309	-	309	-	309	1 067	309	356
Salaries & wages: Salaries	136 744	278 686	136 216	216 894	142 100	331 376	185 167	253 105	314 464	259 429	264 472	253 105	259 189	373 959	264 472	260 630	264 472	411 311
Performance Bonus	13 415	-	13 415	-	13 415	-	13 415	-	14 307	67 557	14 307	13 511	14 307	13 511	14 307	13 511	14 307	13 511
Annual Leave	9 151	-	9 151	-	9 151	-	9 151	-	9 151	95 890	9 151	19 178	9 151	19 178	9 151	19 178	9 151	19 178
Salaries & wages: COID	-	-	-	-	-	-	-	-	-	-	-	-	-	16 606	-	11 433	-	-
Staff Costs: Claims	655	1 558	3 081	99	3 243	3 447	4 916	1 080	5 256	1 971	2 603	-	3 974	931	5 452	3 373	3 643	323
Staff Costs: Bursaries	-	-	-	-	-	-	1 710	2 850	-	-	-	-	-	-	-	-	-	-
Staff Costs: Training & Development	-	-	-	-	-	-	702	-	-	-	-	-	5 697	-	-	-	-	-
Subscriptions - Other	-	-	-	-	3 855	1 167	-	-	-	-	-	-	-	-	-	-	-	-
Cape Ship Repair	-	-	-	-	-	-	68 528	-	-	-	-	-	-	-	-	-	-	-
Website etc: Database Dev/Web Maint	-	-	-	-	-	23 151	-	-	-	705	-	-	-	-	-	1 250	-	3 650
Website etc: Web Hosting Fee	173	484	327	131	327	151	127	280	617	272	279	816	552	1 000	283	423	322	1 116
Total Expenditure	612 696	765 145	1 186 383	727 852	1 287 799	594 786	1 372 224	445 665	1 943 692	814 573	1 654 440	444 751	964 723	661 701	1 490 726	453 058	761 566	1 036 739
Net Loss	-532 013	-616 394	-1 114 204	-441 185	-461 053	-546 976	-1 285 703	-413 914	-1 869 876	-785 396	-922 646	-156 333	-869 686	-575 227	2 102 930	4 484 858	-372 019	-995 584

CASH FLOW STATEMENT ENDED 31 DECEMBER 2010

	Apr-09	Apr-10	May-09	May-10	Jun-09	Jun-10	Jul-09	Jul-10	Aug-09	Aug-10	Sep-09	Sep-10	Oct-09	Oct-10	Nov-09	Nov-10	Dec-09	Dec-10
Cash Flow from Operating Activities																		
Loss Before Taxation	-591 316	-658 102	-1 185 383	-472 501	-518 642	-576 687	-1 329 813	-440 292	-1 910 168	-810 205	-950 532	-178 934	-883 127	-594 480	2 091 008	4 466 204	-391 868	-1 014 213
Adjustment for:																		
Depreciation	8 115	3 801	8 115	3 801	8 115	3 801	8 115	3 801	8 115	3 802	8 115	3 802	8 115	3 801	8 115	3 801	8 115	3 801
Interest Received	59 304	41 709	71 179	31 316	57 589	29 710	44 110	26 378	40 292	24 809	27 886	22 601	13 440	19 253	11 922	18 654	19 849	18 629
Finance costs		-		-		-		-		-		-		-		-		-
Changes in Working Capital																		
Trade & Other Receivables (In)/Decrease	-131 970	60 678	-103 837	118 485	67 392	68 572	204 575	-54 497	-92 886	96 512	-638 368	47 700	-136 485	49 558	979 575	-366 711	-311 970	221 197
Trade & Other Payables (De)/Increase	-767 561	-215 034	-52 827	71 551	31 319	-175 320	-580 261	-85 295	32 045	216 109	-269 926	124 286	399 188	86 903	-78 368	-42 080	-117 641	68 006
Net Cash from Operating Activities	-1 423 429	-766 949	-1 262 752	-247 349	-354 226	-649 924	-1 653 273	-549 906	-1 922 601	-468 973	-1 822 814	19 454	-598 888	-434 965	3 012 253	4 079 866	-793 514	-702 580
Cash Flow from Investing Activities																		
Purchase of Fixed Assets	-1 963	-	-	-	-	-	-	-	-	-	-	2 290	-	4 031	-	4 975	-	3 245
Sale of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash From Investing Activities	-1 963	-	-	-	-	-	-	-	-	-	-	2 290	-	4 031	-	4 975	-	3 245
Cash Flow from Financing Activities																		
Issue of Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash from Financing Activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Movements for the year	-1 425 392	-766 949	-1 262 752	-247 349	-354 226	-649 924	-1 653 273	-549 906	-1 922 601	-468 973	-1 822 814	21 744	-598 888	-438 996	3 012 253	4 074 891	-793 514	-705 825
Cash at the beginning of the year	10 817 373	7 237 951	9 391 981	6 471 001	8 129 229	6 223 652	7 775 003	5 573 729	6 121 730	5 023 823	4 199 129	4 554 850	2 376 315	4 576 593	1 777 427	4 137 598	4 789 680	8 212 489
Total Cash at the end of year	9 391 981	6 471 002	8 129 229	6 223 652	7 775 003	5 573 729	6 121 730	5 023 823	4 199 129	4 554 850	2 376 315	4 576 593	1 777 427	4 137 598	4 789 680	8 212 489	3 996 167	7 506 664

3.1 Membership Income



APPENDIX A – Skills Programme Achievements

	OCT'10	NOV'10	DEC'10
Offshore Survival	3	5	5
Rope Access	1	3	2
Train the Trainer	4		
Visual Inspection Level 1		13	
Welding Inspection Level 2		17	
Life Skills	30		