

THE NATIONAL BARGAINING COUNCIL FOR THE ROAD FREIGHT INDUSTRY
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2006

2. Fixed assets

	Cost / valuation	2006 Accumulated depreciation	Carrying value	2005 Accumulated depreciation	Carrying value
<i>Owned assets</i>					
Land and buildings	4,100,000	-	4,100,000	4,947,149	4,947,149
Motor vehicles	7,294,386	2,415,655	4,878,731	6,795,385	4,319,178
Furniture and fittings	1,325,197	575,856	749,341	1,236,982	416,523
Office equipment	1,868,526	726,153	1,142,373	1,918,526	820,459
Computer equipment	92,119	-	92,119	-	1,196,086
Computer software	162,961	-	162,961	-	-
	<u>14,843,189</u>	<u>3,717,664</u>	<u>11,125,525</u>	<u>14,898,042</u>	<u>3,615,170</u>
					<u>11,282,872</u>

The carrying amounts of fixed assets can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Impairments	Depreciation	Carrying value at end of year
2006						
<i>Owned assets</i>						
Land and buildings	4,947,149	80	-	(847,229)	-	4,100,000
Motor vehicles	4,319,178	2,603,732	(831,654)	-	(1,212,525)	4,878,731
Furniture and fittings	820,459	88,105	-	-	(159,223)	749,341
Office equipment	1,196,086	517,684	(283)	(201,381)	(369,733)	1,142,373
Computer equipment	-	92,119	-	-	-	92,119
Computer software	-	162,961	-	-	-	162,961
	<u>11,282,872</u>	<u>3,464,681</u>	<u>(831,937)</u>	<u>(1,048,610)</u>	<u>(1,741,481)</u>	<u>11,125,525</u>

Land and buildings, at cost

Ert 2915 Johannesburg, measuring 496 square meters with office building erected thereon.

	2006 R	2005 R
At cost		
Additions at cost	1,658,444	1,658,444
- 1992	14,004	14,004
- 1995	55,860	55,860
- 1997	44,947	44,947
- 2004	4,179	4,179
	<u>1,777,434</u>	<u>1,777,434</u>

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2. Fixed assets (continued) -

Portion 14 of the farm Varkensfontein, registered section IR Transvaal with building erected thereon.

At cost	-	106,956
Additions at cost	- 1996	18,599
- 2004	-	(103,124)
- 2005	-	(22,431)
		<u>-</u>

Ert 2914 Johannesburg, second portion.

At cost	1,514,211	2,514,211
Additions at cost	- 2004	1,655,504
		<u>3,169,715</u>
		4,169,715
		<u>5,947,149</u>
	<u>2006 R</u>	<u>2005 R</u>

3. Investments

Fixed deposits	26,006,000	15,000,000
Money market deposits	975,058	975,058
	<u>26,981,058</u>	<u>15,975,058</u>

4. Amounts owing by funds

Holiday fund	-	8,169,778
Leave pay fund	-	4,964,566
Sick pay fund	-	8,154,468
	<u>-</u>	<u>21,288,812</u>

5. Amounts owing to funds

Holiday fund	10,648,925	-
Leave pay fund	4,889,649	-
Sick pay fund	7,747,103	-
Provident Fund	20,132,741	10,944,644
Unallocated funds received	5,543,580	6,982,612
	<u>48,961,998</u>	<u>17,927,256</u>

6. Trust Account

The trust account includes wages held in trust at year end.



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7. Operating profit/(loss)

Operating profit/(loss) is stated after:

	2006 R	2005 R
Income		198,027
Profit on disposals of fixed assets	-	
Expenditure		
Auditors' remuneration		
▪ Audit fee	76,520	62,000
Depreciation		
▪ Fixed assets	1,741,481	1,230,180
Impairment losses		
▪ Fixed assets	1,048,610	8,714
Lease rentals		
▪ premises	711,729	1,073,197
Loss on disposals of fixed assets	11,081	-
	<u> </u>	<u> </u>

8. Administrators fees

Industrial Administrators (Pty) Ltd were the appointed administrators and secretaries of the Council, up until the 31st of August 2005 and were remunerated in accordance with a fixed agreement.

9. Commitments

Operating lease commitments

Operating lease charges

Future minimum rentals payable under operating leases are as follows as of 28 February:

Within one year	440,990	356,286
After one year but not more than five	294,437	735,427
	<u>735,427</u>	<u>1,091,713</u>

10. Financial instruments

Financial risk

As part of the process of managing the Council only deposits cash surpluses with major banks of high quality and credit standing. Therefore there is little market risk on investments which are stated at their fair values.

THE NATIONAL BARGAINING COUNCIL FOR THE ROAD FREIGHT INDUSTRY
DETAILED INCOME STATEMENT
for the year ended 28 February 2006



	2006 R	2005 R
Gross revenue	40,672,924	32,697,649
Administration fees received	17,583,033	12,611,680
Levies received	22,771,948	19,344,290
Rent received	250,659	741,679
Sale of logbooks	67,284	-
Other income	8,142,811	7,861,528
Forfeitures	4,156,302	3,811,263
Interest received	3,741,676	3,439,725
Profit on disposal of fixed assets	-	198,027
Hire of equipment	160,130	338,648
Sundry income	84,703	73,865
Total income	<u>48,815,735</u>	<u>40,559,177</u>
Expenditure (Refer to page 11)	42,061,073	38,068,304
Profit	6,754,662	2,490,873
General fund at beginning of year	22,894,221	20,403,348
General fund at end of year	<u>29,648,883</u>	<u>22,894,221</u>



THE NATIONAL BARGAINING COUNCIL FOR THE ROAD FREIGHT INDUSTRY
DETAILED INCOME STATEMENT
for the year ended 28 February 2006

	2006 R	2005 R
Expenditure	42,061,073	38,068,304
31 De Korte Street Property	299,800	325,338
Administration fees	8,626,906	15,167,647
Advertising	411,119	1,844,834
Arbitration expenses - net recoveries	1,854,224	774,685
Assessment rates and municipal charges	7,021	24,739
Attendance fees	1,449,506	898,873
Auditors' remuneration	76,520	62,000
Bad debts	-	73,102
Bank charges	828,687	699,239
Bursary expenses	268,383	260,994
Cleaning	94	-
Cost of logbooks	15,482	-
Communication Expenses	789,707	249,666
Computer expenses	233,819	-
Consulting fees	110,350	447,096
Councillors' training	92,875	2,790
Delivery expenses	102,434	-
Depreciation	1,741,481	1,230,180
Electricity & water	(15,234)	9,373
General expenses	570,510	795,468
Grants	300,037	-
Hire of equipment	237,995	178,578
Impairment losses	1,048,610	8,714
Independent Body Fees	598,096	245,128
Industry extension expenses	3,337,515	2,739,620
Insurance	836,498	575,447
Lease rentals	711,729	1,073,197
Legal expenses	269,465	1,039,148
Loss on disposal of fixed assets	11,081	-
Motor vehicle expenses	6,334	-
Postage	68,663	-
Printing and stationery	540,600	-
Promotions	1,000	-
Expensed assets	22,796	-
Publications	27,052	(6,576)
RSC and Skills development levies	213,552	132,864
Relocation expenses	-	5,309
Repairs and maintenance	406,299	403,858
Salaries & related expenses	12,581,320	6,676,327
Security	257,831	242,783
Staff recruitment	244,579	32,149
Staff welfare	89,452	-
Training	300,461	54,933
Travel and subsistence	2,354,105	1,718,482
Wages	132,319	82,324



NBCRF
'Your Road Freight Partner'



11. Contact Details

Head Office
31 De Korte Street
Braamfontein
2017
Tel: 011 403 9990

Regional Offices:

CAPE TOWN	(021)	930 7720
DURBAN	(031)	307 6070
PORT ELIZABETH	(041)	582 5104

Branches:

BLOEMFONTEIN	(051)	448 9422
EAST LONDON	(043)	743 6111
GEORGE	(044)	874 3098
KIMBERLEY	(053)	831 6352
KLERKSDORP	(018)	462 8311
NELSPRUIT	(013)	752 7420
NEWCASTLE	(034)	315 1207
PIETERMARITZBURG	(033)	342 1761
POLOKWANE	(015)	291 1533
PRETORIA	(012)	440 8454
RICHARDS BAY	(035)	789 3847
WITBANK	(013)	656 1503
RUSTENBURG	(014)	597 1320





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