

BEE Status for Donations

This notice serves to confirm our status as a beneficiary under Code Series 700 (socio-economic development) of the Broad-based Black Economic Empowerment Codes of Good Practice (Gazette no 29617).

We hereby confirm that:

- 1) Our cause is designed to assist individuals in gaining sustainable access to the economy.
- 2) 75% of each contribution directly benefits black people (as per the definition contained in Gazette no 29617).

With regards to our own BEE status please note that paragraph 5 of Code 000 statement 004 (Scorecards for SPECIALISED Enterprises) states the following:

The status of Socio-Economic Development Contributions made to any of the types of entities in paragraph 1ⁱ and 2 under Code series 700ⁱⁱ is not dependent on such entity's scorecard result, but rather in the nature of the contribution itself and the identity of that contribution's beneficiaries.

Therefore our own BEE status as measured by a scorecard is not a requirement for contributions under this code. This is further corroborated by paragraph 6.5.2 of Code 500 (Preferential procurement) which lists as one of the exclusions in calculating preferential procurement as investments, loans or donations qualifying for recognition under any statement under Code series 600 or 700.

Beneficiary profile

For the Socio-Economic Development element you need proof of the percentage of qualifying black South African beneficiaries that we serve 307777 persons at 159 sites of which 17,782 are white equal to 5.8 % whilst black is currently equal to 94.2%.

TAX BENEFITS

18 A TAX CERTIFICATE

Donations made to us are deductible from taxable income. SARS recognises us as a public benefit organisation. Up to 10% of your taxable income can be deducted from such income.

Donations that qualify for tax certificates are:

- Financial contributions:
Cash, cheque, postal order, direct deposit

- Donations in kind:

Donations of goods causes a saving in the budget and can be taken into the books as income as income (e.g. Non-perishable food / toiletries)

Note: We do not assign a value to donations in kind. The onus is on the donor to keep a record of cost to submit to SARS.

We trust that you will find this document in order and look forward to developing a constructive partnership with your organisation in the near future.

Yours sincerely,

Pastor L. Sanabria
Director

ⁱ Companies limited by guarantee
Higher Education Institutions
Non-profit organisations
Public entities and other Enterprises wholly owned by the State
Public Benefit Schemes and
And section 21 companies
ⁱⁱ Socio-Economic development code