

2010 Annual Report

Opening the World to new possibilities...



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Message from the CEO

At the start of 2010, the Shuttleworth Foundation undertook the ambitious task of restructuring its operations. This was to ensure that it remains a truly global organisation that is able to be an effective change catalyst and harness the full intellectual capital of its Fellows.

To this end, the organisation was incorporated in the Isle of Man and changed its financial reporting year end to 31 December. Despite some teething problems, as the first full year of operation under this revised structure, 2010 was a very successful period for the Foundation.

Our proudly South African beginnings remain a vital part of our organisation. However, our enhanced international reach has given wings to our mission of being an innovative driver of sustainable social change. Not only has the number of Shuttleworth Foundation Fellows grown since the start of 2010, the ability of the organisation to have a positive impact on global society has been enhanced.

When Mark Shuttleworth started the Shuttleworth Foundation in 2001, he had a vision of testing and expanding the boundaries of society through innovation and open knowledge. In the decade since, this has been achieved through a unique philosophy of challenging the status quo and enabling change through innovative social investment.

With the restructuring of our organisation now firmly embedded, and our global reach ensured, we look forward to building on this solid foundation for many years to come.

Helen Turvey

CEO: Shuttleworth Foundation

Philosophy

At its core, the Shuttleworth Foundation is an experiment in open philanthropy. It uses alternative funding methodologies, new technologies and collaboration to support passionate and talented individuals. This is achieved through an innovative *Fellowship model with project funding*, rather than traditional funding, as the Foundation understands that people, not projects, are the true change agents in the world. Their belief in the change they want to see drives them to realise that change. So the Shuttleworth Foundation invests in this vision, and the individual who has the will to ensure its realisation.

At the same time, the Foundation actively collaborates with others, and we encourage our Fellows to do the same. Collaboration enables the sharing of ideas and resources, encourages innovative thinking, and creates an opportunity to challenge ideas as a means of improving them. This approach also removes competition for resources or the attention of policy makers or beneficiaries. Ultimately, working together is a smarter way to achieve results than working against each other will ever be.

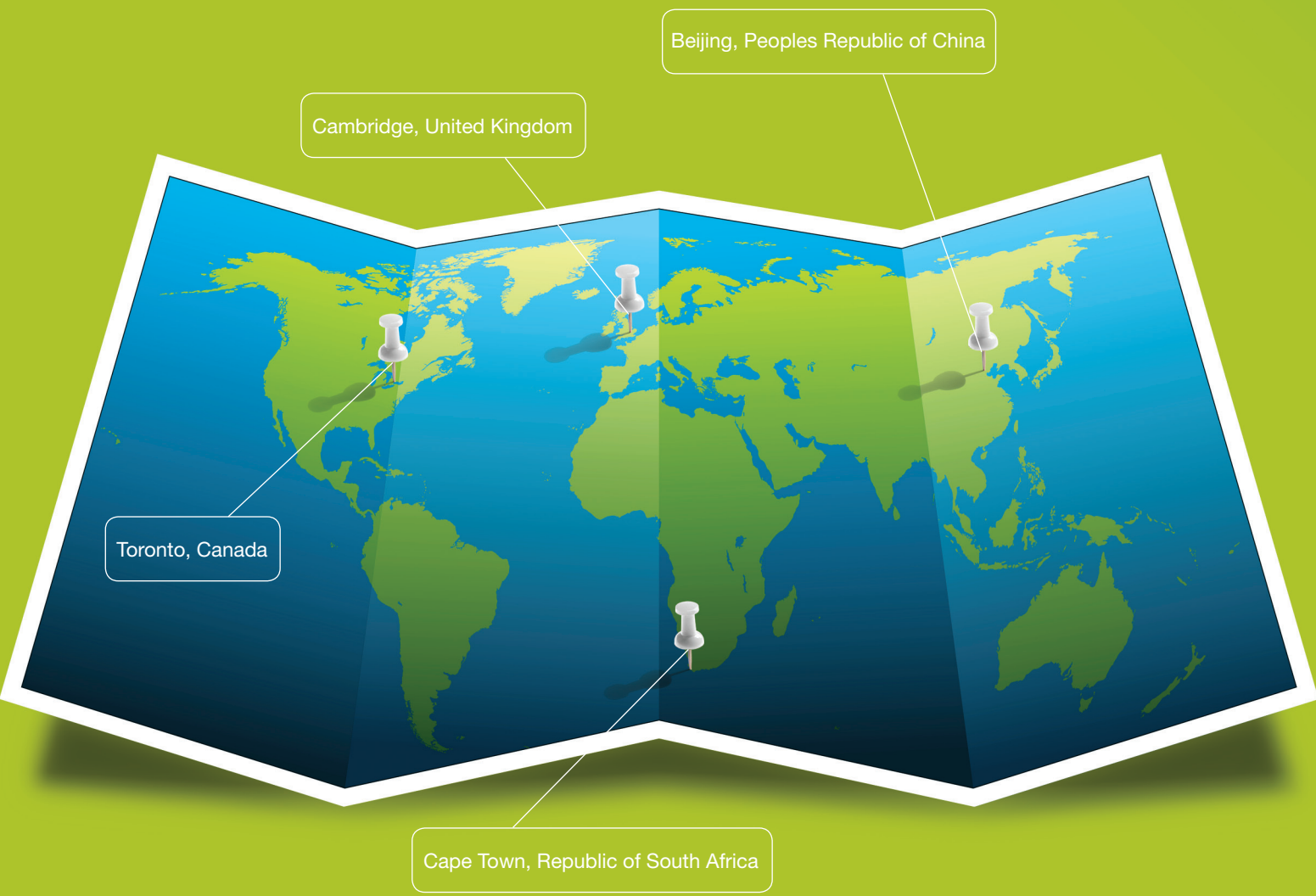
The Foundation is also committed to exposing this way of thinking and working together with the public and private sector organisations, project implementers, funders, policy makers, change agents, advocates and academics. In so doing, it hopes to open the door to increasing numbers of such effective, world-changing collaborations.

FELLOWS

Fellows

The vision and work of the Shuttleworth Foundation is given effect through an approach that provides funding and support for dynamic thought leaders who are at the forefront of social change. We identify amazing people, who have already invested in their own vision, and support them through Fellowships.

In this way, the Shuttleworth Foundation enables the work of true social innovators. In 2010, these Shuttleworth Foundation Fellows were located across the globe. Not just driving change in their immediate communities and societies, but also helping to change the world in the process.



Active Fellows



Francois Grey

Project: *Citizen Cyberspace*

Base: *Beijing, Peoples Republic of China*

Blog: *www.billionbrainblog.com*

Francois is passionate about advancing Open Science, and the main vehicle through which he is doing this is Citizen Cyberscience. This diverse, grassroots movement is aimed at enabling ordinary citizens to participate in real scientific research via the Internet. Citizen Cyberscience is social networking with a purpose. It transforms science education into a highly motivating and participative activity. Currently, there are hundreds of thousands of Citizen Cyberscientists, mostly residing in Europe and North America. However, through the Shuttleworth Foundation Fellowship, Francois is working to grow this number to tens of millions and create a significant trend in the scientific community. In doing so, he is also helping scientists in the developing world whose research endeavours may otherwise have been negatively impacted by limited resources.

Francois is a physicist by training, with a background in nanotechnology and a strong interest in science communication.



Mark Horner

Project: *Siyavula*

Base: *Cape Town, Republic of South Africa*

Blog: *markhorner.net*

Mark's Fellowship has enabled him to launch, and work on, a number of projects in Open and Collaborative Resources. The most significant of these is the Siyavula project, which is aimed at developing a comprehensive set of Open Educational Resources (OER) in support of the South African National Curriculum. The success of Siyavula relies on the development of communities to create and support the OERs as well as the provision of platforms for development. Mark believes in the liberation of information as a key way of supporting education in South Africa. He is co-founder of the Free High School Science Texts project, which was also funded by the Foundation.

Mark has a PhD in physics from the University of Cape Town.

Active Fellows (continue)



Rufus Pollock

Project: *CKAN*

Base: *Cambridge, United Kingdom*

Blog: *rufuspollock.org*

Rufus works to promote Open Knowledge around the world. This includes any kind of content or data - from sonnets to statistics, genes to geodata - which is freely usable, sharable and reusable. His focus, however, is on promoting open knowledge in various domains such as governmental, scientific, economic and bibliographic. To achieve this he is working to build independent communities of advocates, practitioners and other professionals that create, use, and promote open data in their respective fields, thereby advancing open knowledge around the world. His work centres specifically on the development of CKAN, an open source registry for datasets. CKAN, which he helped initiate, is already being used by the UK in its official data catalogue and has community instances in many other countries around the world.

Rufus has a PhD in Economics from Cambridge University and is a director of the Open Knowledge Foundation, which he co-founded in 2004.



Philipp Schmidt

Project: *Peer 2 Peer University*

Base: *Cape Town, Republic of South Africa*

Blog: *bokaap.net*

(Jan) Philipp Schmidt is a self-confessed open education 'geek' who is passionate about helping to improve the future of higher education. He is a co-founder of Peer 2 Peer University (P2PU), a project that uses open educational resources to create high quality learning communities for self learners. The development of P2PU came on the back of Philipp's work as an IT consultant and researcher. It was also inspired by his involvement in open education activities at the University of the Western Cape and the United Nations University MERIT through which he recognised the value of open education in enhancing the reach and standards of higher education.

Phillip has a background in computer science and economics. He writes and speaks widely on free software in Africa, open technology standards, collaborative peer production, and open education.

Active Fellows (continue)



Steve Song

Project: *Village Telco*

Base: *Cape Town, Republic of South Africa*

Blog: *manypossibilities.net*

Steve Song is a Shuttleworth Foundation Connectedness Fellow. He provides thought leadership on the impact of access to communications infrastructure on social and economic innovation and growth. Steve has led a number of knowledge management strategic planning missions and organised workshops throughout Africa and Asia. He has also worked in the area of ICTs and development since 1991 and was involved in the early development of the Internet for the non-profit community in South Africa. His Village Telco project is aimed at developing a low-cost, scalable Wi-Fi telephone toolkit using open source software and open hardware. The toolkit represents a sustainable business opportunity for entrepreneurs to provide voice services in areas with limited or no telecommunications access.

Steve studied Cognitive Science and Artificial Intelligence at the University of Toronto.



Steve Vosloo

Project: *M4lit; mLearning Africa*

Base: *Cape Town, Republic of South Africa*

Blog: *vosloo.net*

Steve Vosloo is 21st Century Learning Fellow at the Shuttleworth Foundation. He is focused on helping to tackle the many education challenges that face South Africa, particularly through the use of mobile phones as a means of literacy development. Steve was the Design and Usability Team Leader at the Centre for e-Innovation for the Provincial Government of the Western Cape. He helped ensure that the award-winning Cape Gateway portal was as usable and accessible to as many citizens of the Western Cape as possible. He has also presented at numerous UN conferences on e-government, local digital content and youth and ICTs.

Steve has a Masters degree in Information Systems from the University of Cape Town and completed a one-year Research Fellowship at Stanford University.

Alumni



Andrew Rens

Base: *Cape Town, Republic of South Africa*

Blog: www.aliquidnovi.org

Andrew Rens was Intellectual Property Fellow for the Shuttleworth Foundation from 2007 to 2010. He is also Legal Lead for Creative Commons South Africa, a co-founder and director of The African Commons Project, charter member of Freedom to Innovate South Africa and a research associate at the LINK Centre.



Mark Surman

Base: *Toronto, Canada*

Blog: <http://commonsplace.wordpress.com>

Mark was Open Philanthropy Fellow for the Shuttleworth Foundation in 2007 and 2008. He provided support and thought leadership on how community, networks and all things 'open' can increase the impact of the social innovations supported by the Shuttleworth Foundation. A community technology activist for almost 20 years, Mark is currently the executive director of the Mozilla Foundation. He focuses on inventing new ways to promote openness and opportunity on the Internet.

CONSOLIDATED FINANCIAL STATEMENTS

Shuttleworth Foundation Trust Group
Consolidated Financial Statements
for the period ended 31 December 2010

Trust Information

for the period ended 31 December 2010

Settlor	Mr M R Shuttleworth
Established	7 January 2010
Trustee	Orbital Administration Limited
Initial Trust Funds	GB£10
Business Address	Standard Bank House One Circular Road Douglas IM1 1SB

Trust Information

for the period ended 31 December 2010

Statement of Trustees' responsibilities

The trustees are responsible for preparing the consolidated financial statements which give a true and fair view of the state of affairs of the trust and of its profit or loss for the year then ended.

In preparing these consolidated financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in business.

The trustees are responsible for keeping adequate records that are sufficient to show and explain the trust's transactions and disclose with reasonable accuracy at any time the financial position of the trust. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of Orbital Administration Limited

Dated: 18 August 2011

Authorised Signatory

for Standard Bank Trust Company (Isle of Man) Limited

Authorised Signatory

Independent Auditors' Report to the Trustees of Shuttleworth Foundation Trust Group

for the period ended 31 December 2010

We have audited the consolidated financial statements of the Shuttleworth Foundation Trust Group for the period ended 31 December 2010 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, consolidated capital account, consolidated income account and related notes on pages 13 to 25. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) as adopted by the European Union.

This report is made solely to the trustees, as a body. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees are responsible for the preparation of consolidated financial statements that give a true and fair view.

Our responsibility is to audit, and express an opinion on, the consolidated financial statements in accordance with applicable law and International Standards on Auditing. Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the consolidated financial statements

An audit involves obtaining evidence about the amounts and disclosures in the consolidated financial statements sufficient to give reasonable assurance that the consolidated financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on the consolidated financial statements

In our opinion the consolidated financial statements:

- give a true and fair view of the state of the trust's affairs as at 31 December 2010 and of its result for the period then ended;
- have been properly prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities; and
- have been properly prepared in accordance with applicable law.



Auditmann LLC
16 Hope Street
Douglas
Isle of Man

1 September 2011

Consolidated Statement of Comprehensive Income

for the period ended 31 December 2010

	Notes	2010 USD
Operating expenses		(1 556 548)
Fellowship grants		(485 967)
Fellowship project expenses		(689 026)
Fellowship management expenses		(332 182)
Trust management & administration expenses		(24 771)
Company management & administration expenses		(24 602)
Loss from operations		(1 556 548)
Net finance income	5	17 734
Share of profit of associate		2 531
Loss before taxation		(1 536 283)
Taxation	6	-
Loss for the period		(1 536 283)
Other comprehensive income		-
Total comprehensive loss for the period		(1 536 283)

The notes on pages 19 to 25 form part of these accounts.

Consolidated Statement of Financial Position

as at 31 December 2010

	Notes	2010 USD
ASSETS		
Non-current assets		
Fixed assets	7	24 396
Investment in associate	8	2 561
Loans receivable	8	3 059
		<u>30 016</u>
Current assets		
Prepayments and other receivables	9	5 014
Bank balance and cash	10	731 408
		<u>736 422</u>
TOTAL ASSETS		<u><u>766 438</u></u>
EQUITY AND LIABILITIES		
Equity		
Capital account	14	646 022
Income account	15	2 711
		<u>648 733</u>
Current liabilities		
Trade and other payables	11	109 921
Leave pay provision	12	7 120
Operating lease accrual		664
TOTAL EQUITY AND LIABILITIES		<u><u>766 438</u></u>

Approved by the Trustees on 18 August 2011.

Authorised Signatory

for Standard Bank Trust Company (Isle of Man) Limited

Authorised Signatory*The notes on pages 19 to 25 form part of these accounts.*

Consolidated Statement of Cash Flows

for the period ended 31 December 2010

	2010 USD
Cash flow from operating activities	
Income account balance	2 711
Capital account balance	646 022
	<hr/> 648 733
Adjustments for:	
Depreciation	4 408
Share of profit of associate	(2 531)
Increase in creditors	117 705
Increase in debtors	(5 014)
<i>Net cash flow from operating activities</i>	<hr/> 763 301
Cash flows from investing activities	
Purchase of tangible fixed assets	(28 804)
Purchase of non-current investments	(30)
Loan to non-current investment	(3 059)
<i>Net cash flow after investing activities</i>	<hr/> (31 893)
Net increase in cash and cash equivalents	731 408
Cash and cash equivalents at the beginning of the period	<hr/> –
Cash and cash equivalents at the end of the period	<hr/> <hr/> 731 408

The notes on pages 19 to 25 form part of these accounts.

Consolidated Statement of Changes in Equity

for the period ended 31 December 2010

	Capital account USD	Income account USD	2010 Total USD
At 7 January 2010	–	–	–
Initial settled funds	16	–	16
Additional funds settled during the period	2 185 000	–	2 185 000
Allocation of (deficit)/surplus for the period	(1 538 994)	2 711	(1 536 283)
Other comprehensive income	–	–	–
At 31 December 2010	646 022	2 711	648 733

The notes on pages 19 to 25 form part of these accounts.

Consolidated Capital Account

for the period ended 31 December 2010

	Notes	2010 USD
Initial settled funds		16
Additions to capital		
Cash settled		2 185 000
		<hr/> 2 185 016
Expenses		(1 556 548)
Fellowship grants		(485 967)
Fellowship project expenses		(689 026)
Fellowship management expenses		(332 182)
Trust management & administration expenses		(24 771)
Company management & administration expenses		(24 602)
		<hr/> 628 468
Share of profit of associate		2 531
Foreign exchange gains	5	15 023
Balance carried forward	14	<hr/> <hr/> 646 022

The notes on pages 19 to 25 form part of these accounts.

Consolidated Income Account

for the period ended 31 December 2010

	Notes	2010 USD
Income		
Bank interest	5	2 711
		<hr/> 2 711
Expenses		
Administration expenses		-
Balance carried forward	15	<hr/> <hr/> 2 711

The notes on pages 19 to 25 form part of these accounts.

Notes to the Consolidated Financial Statements

for the period ended 31 December 2010

1 General

Shuttleworth Foundation Trust (the "Trust") was established with the trust deed dated 7 January 2010.

The consolidated financial statements were approved by the trustees on 18 August 2011.

2 Summary of significant accounting policies

2.1 Basis of preparation of the financial statements

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board. They are presented in the currency units of the United States.

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on management's best judgement at the date of the consolidated financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

Investments in associates

Investments in associates are accounted for at cost adjusted to reflect the profit or loss and other comprehensive income. Distributions from investments in associates are recognised when the Group's right to receive payment has been established. They are deducted from the carrying amount of the investment.

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following revenue recognition criteria must also be met before revenue is recognised.

Foreign currency translation

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. All differences are taken to the statement of comprehensive income.

Finance income

Revenue is recognised as interest accrues (using the effective interest rate method that is the rate that exactly discounts the future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

2.3 Property, plant and equipment

Property, plant and equipment are stated at cost, excluding the cost of day to day services, less accumulated depreciation and accumulated impairment. Such cost includes all costs directly attributable to bringing the assets into working condition for their intended use and the cost of replacing part of the asset if the recognition criteria are met.

Property, plant and equipment are depreciated on the straight-line basis over the estimated useful lives of the assets to their expected residual values. The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date.

Notes to the Consolidated Financial Statements

for the period ended 31 December 2010

2.3 Property, plant and equipment (continued)

The depreciation rates of fixed assets are as follows:

Leasehold improvements	33.33%
Computer equipment	33.33%
Furniture and fittings	16.67%
Office equipment	20.00%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflect the current market assessment of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognised in the statement of comprehensive income in the year that the impairment arises.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of comprehensive income in the year the asset is derecognised.

2.4 Financial instruments

Trade and other receivables

Trade and other receivables, which generally have 30 days' terms, are recognised and carried at amortised cost using the effective interest rate method less an allowance for impairment. Provision is made when there is objective evidence that the Group will not be able to collect the debts. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant difficulty or defaulting on payments. Bad debts are recognised in the statement of comprehensive income when identified.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and time, call and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. This definition is also used for the statement of cash flows.

Trade and other payables

Trade and other payables are earned at amortised cost using the effective interest rate method. On initial recognition the invoice value equates to amortised cost.

Impairment

All financial assets are reviewed (individually or collectively) for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Where the carrying value of these instruments exceeds the recoverable amount, the asset is written down to the recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

Notes to the Consolidated Financial Statements

for the period ended 31 December 2010

2.4 Financial instruments (continued)

Derecognition of financial assets and liabilities

Financial assets

A financial asset is derecognised where:

- The contractual rights to receive cash flows from the asset have expired, or are settled; or
- The Group transfers to another party all of the significant risks and rewards relating to the financial asset; or
- The Group, despite having retained some significant risks and rewards relating to the financial asset, has transferred control of the asset to another party and that other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2.5 Provisions

Provisions are recognised where there is a present legal or constructive obligation as a result of a past event, a reliable estimate of the obligation can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

2.6 Taxes

Income taxes include all taxes based upon the taxable profits of the Group.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

2.7 Fair values

Fair value is the amount for which a financial asset, liability or instrument could be exchanged between knowledgeable and willing parties in an arm's length transaction. It is determined by reference to quoted market prices adjusted for estimated transaction costs that would be incurred in an actual transaction, or by the use of established estimation techniques. The fair values at the end of the reporting period are approximately in line with their reported carrying values unless specifically mentioned in the notes to the financial statements.

2.8 Borrowings

Borrowings are classified as originated loans and are recognised initially at an amount equal to the proceeds received, net of transaction costs incurred. In subsequent periods, they are stated at amortised cost using the effective yield method: any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings.

Notes to the Consolidated Financial Statements

for the period ended 31 December 2010

3 Significant accounting judgements and estimates

Judgements

In the process of applying the accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are discussed below.

Going concern

In the process of preparing the financial statements, the Trustees agreed that the Group was a going concern due to the following reasons:

- there is no intention to cease the operations of the Group;
- should the Group require additional funding to continue operating, the funding would be provided by the ultimate controlling party (see note 20).

	2010 USD
4 Auditors remuneration	
Fees payable for the audit of the Group's annual accounts	37 128
	2010 USD
5 Net finance income	
Profit on foreign exchange	15 023
Bank interest	2 711
	17 734
	2010 USD
6 Taxation	
Domestic current year tax	-
Isle of Man tax at 0%	-
Current tax charge	-

In the opinion of the Trustees, the Group has no direct liability for taxation in the Isle of Man or Jersey.

Notes to the Consolidated Financial Statements

for the period ended 31 December 2010

	Furniture & fittings USD	Office equipment USD	Computer equipment USD	Leasehold improvements USD	Total USD
7 Fixed assets					
Cost:					
As at 7 January 2010	-	-	-	-	-
Additions	12 959	1 454	7 010	7 381	28 804
As at 31 December 2010	12 959	1 454	7 010	7 381	28 804
Depreciation:					
As at 7 January 2010	-	-	-	-	-
Depreciation charge	(1 030)	(134)	(1 944)	(1 300)	(4 408)
As at 31 December 2010	(1 030)	(134)	(1 944)	(1 300)	(4 408)
Impairment:					
As at 7 January 2010	-	-	-	-	-
Impairment	-	-	-	-	-
As at 31 December 2010	-	-	-	-	-
Net book value:					
As at 7 January 2010	-	-	-	-	-
As at 31 December 2010	11 929	1 320	5 066	6 081	24 396

2010
USD

8 Investment in associate				
Cost:				
Investment in associate at cost				30
Share of profit of associate				2 531
				2 561
Loans carried at amortised cost				
Loans receivable from associate				3 059

The above represents a 30% interest in Village Telco Limited, a company incorporated in Mauritius.

2010
USD

9 Prepayments and other receivables		
Prepayments		2 575
Other receivables		2 439
		5 014

Prepayments and other receivables are non-interest bearing and are generally subject to 30 day settlement terms.

Notes to the Consolidated Financial Statements

for the period ended 31 December 2010

	2010 USD
10 Bank balance and cash	
Cash at bank and on hand	719 944
Short-term deposits	11 464
	<u>731 408</u>

Cash at bank and on hand earns interest at floating rates based on daily bank deposit rates. Short-term deposits earn interest at the respective short-term deposit rates. The fair value of cash and cash equivalents equates to the values disclosed above.

	2010 USD
11 Trade and other payables	
Trade and other payables	109 921
	<u>109 921</u>

Trade and other payables are non-interest bearing and are generally subject to 30 day settlement terms.

	2010 USD
12 Leave pay provision	
As at 7 January 2010	-
Provided during the period	7 120
	<u>7 120</u>

	2010 USD
13 Operating lease	
Premises rental	20 800
	<u>20 800</u>

SF Advisors South Africa (Pty) Limited lease premises from a third party. This lease is for a three year period.

Future minimum rentals payable under the non-cancellable operating lease as at 31 December 2010 are as follows:

	2010 USD
Within one year	29 257
After one year but not more than five years	48 522
More than five years	-
	<u>77 779</u>

Notes to the Consolidated Financial Statements

for the period ended 31 December 2010

	2010 USD
14 Capital account	
Initial settled funds	16
Capital contributions	2 185 000
Capital income and expenditure	(1 538 994)
Balance as at 31 December 2010	<u>646 022</u>

	2010 USD
15 Income account	
As at 7 January 2010	–
Surplus of income	2 711
Balance as at 31 December 2010	<u>2 711</u>

16 Financial instruments risk management**Credit risk management**

The Group only deposits cash surpluses with major banks of high-quality standing.

Liquidity risk management

The Group has minimised its liquidity risk by obtaining funds and support from the controlling party (see note 20).

17 Contingent liabilities

There were no known contingent liabilities as at 31 December 2010.

18 Capital commitments

There were no major capital commitments as at 31 December 2010.

19 Financial instruments risk management*Credit risk management*

The Group only deposits cash surpluses with major banks of high-quality standing.

Liquidity risk management

The Group has minimised its liquidity risk by obtaining funds and support from its controlling party.

20 Control relationships

The ultimate controlling party is Mr M R Shuttleworth.

Website:
www.shuttleworthfoundation.org

General enquiries:
info@shuttleworthfoundation.org

Fellowship applications:
fellowships@shuttleworthfoundation.org