

Strate Charity Shares donates R400 000 to welfare organisations

Four worthy causes recently received a donation of R100 000 each from Strate Charity Shares (SCS), an innovative scheme designed to get rid of unwanted odd-lots of JSE-listed shares.



To date, SCS has raised over R2 million and donated it to a range of charities. Beneficiaries of the current contribution are African Children's Feeding Scheme, Bethany House Trust, Child Welfare SA, and Child Welfare Tshwane.

"We experience much gratification from each payment we are able to make from SCS," says Monica Singer, CEO of Strate, South Africa's Central Securities Depository. The funds contributed to SCS are derived from share donations by investors, usually in the form of odd-lot paper share certificates, which SCS then aggregates, dematerialises and sells. Lost share certificates and unclaimed dividends may also be donated. Donations can be deducted from taxable income, as the scheme is registered under section 18A of the Income Tax Act.

Full value of shares

Tom Wixley, SCS chairman, explains the motivation: "The cost of selling such shares frequently exceeds their value, but because of the generosity of Strate, Computershare, PSG and others, we are able to get the full value free of cost. Hence, by donating those odd-lots to charity, investors not only rid themselves of assets that are little more than nuisance value but they contribute toward the upliftment of the nation's less fortunate.

"The win-win situation presented by SCS is raising substantial sums of money, thereby offering charitable bodies a source of funds that would not otherwise have been available to them. The co-operation of all Central Securities Depository participants, brokers and transfer secretaries in assisting in the donation processing is greatly appreciated, as is the pivotal role that Strate has played in running the scheme," says Wixley.

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