

**MIET AFRICA TRUST**  
**(Master's Reference No : IT 1002/1996)**

**ANNUAL FINANCIAL STATEMENTS**

**31 DECEMBER 2018**

**MIET AFRICA TRUST****ANNUAL FINANCIAL STATEMENTS - 31 DECEMBER 2018**

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**GENERAL INFORMATION**

Business address	: 59 Henwood Road Morningside Durban 4001	
Trustees	: Prof J D Volmink Ms M Chaane Ms F Dada Mr R Jaravaza	Prof B Otlhogile Ms N Copley Mr L F Chachine
Postal address	: P O Box 37590 Overport 4067	
Preparer	: RSM SA Durban Chartered Accountants (SA) Registered Auditors	
Auditor	: BDO South Africa Incorporated Chartered Accountants (SA) Registered Auditors	

## MIET AFRICA TRUST

### TRUSTEES' RESPONSIBILITY STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Trust as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the accounting policies of the Trust. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the basis of accounting as disclosed in note 1 to the financial statements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the Trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Trust and all employees are required to maintain the highest ethical standards in ensuring the Trust's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Trust is on identifying, assessing, managing and monitoring all known forms of risk across the Trust. While operating risk cannot be fully eliminated, the trustees endeavour to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

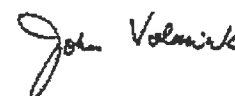
The trustees are satisfied that the Trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Trust's annual financial statements. The annual financial statements have been examined by the Trust's external auditors and their report is presented on pages 3 to 4.

The annual financial statements set out on pages 5 to 23, have been approved by the trustees and are signed on their behalf by:



M Chaane



J D Volmink

Durban

Date: 25 March 2019



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South Africa

## Independent Auditor's Report

*To the Trustees of MIET Africa Trust*

### **Opinion**

We have audited the financial statements of MIET Africa Trust set out on pages 5 to 23, which comprise the statement of financial position as at 31 December 2018, and the statement of profit or loss and other comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of MIET Africa Trust for the year ended 31 December 2018 are prepared, in all material respects, in accordance with the basis of accounting described in note 1 to the financial statements.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors (IRBA Code)* and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter - Basis of Accounting**

We draw attention to note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the Trust's own accounting policies to satisfy the financial information needs of the Trustees and Funders. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of the Trustees for the Financial Statements**

The Trustees are responsible for the preparation of the financial statements in accordance with the basis of accounting described in note 1, for determining that the basis of preparation is acceptable in the circumstances and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

BDO South Africa Incorporated  
Registration number: 1995/002310/21  
Practice number: 905526  
VAT number: 4910148685

National Executive: PR Badrick • HN Bhaga-Muljee • S Dansie • BJ de Wet • I Hashim • HCS Lopes • SM Somaroo (Durban Office Managing Partner) • Dr FD Schneider • ME Stewart (Chief Executive) • IM Scott • R Teixeira • MS Willimott

The company's principal place of business is at 22 Wellington Road, Parktown, Johannesburg where a list of directors' names is available for inspection. BDO South Africa Incorporated, a South African personal liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO South Africa Inc.*

BDO South Africa Incorporated  
Sally Jukes  
Director  
Registered Auditor  
27 March 2019

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La Lucia Ridge

**MIET AFRICA TRUST****STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2018**

	Note	2018 R	2017 R
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	2	3 403 644	3 458 706
<b>Current assets</b>			
Accounts receivable	3	2 365 587	3 499 941
Cash and cash equivalents	4	8 572 130	5 083 857
<b>Total assets</b>		<b>14 341 361</b>	<b>12 042 504</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Trust capital	5	100	100
Accumulated surplus		3 411 114	2 620 996
<b>Non-current liability</b>			
Borrowings	6	1 593 541	1 867 766
<b>Current liabilities</b>			
Borrowings	6	298 597	258 917
Accounts payable	7	1 149 866	906 683
Deferred contributions	8	7 888 143	6 388 042
<b>Total equity and liabilities</b>		<b>14 341 361</b>	<b>12 042 504</b>

**MIET AFRICA TRUST****STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 R	2017 R
Donations and interest received and expended		57 860 411	56 839 059
Project allocations		(57 860 411)	(56 839 048)
<b>Net project income</b>		-	11
Other income	9	1 485 147	931 935
Operating expenses	10	(686 030)	(1 568 815)
<b>Operating surplus</b>		799 117	( 636 869)
Finance costs	11	( 114 401)	(99 792)
Interest received	12	105 402	136 777
<b>Surplus/(Loss) for the year</b>		790 118	(599 884)

**MIET AFRICA TRUST****STATEMENT OF CHANGES IN TRUST CAPITAL AND RESERVES  
FOR THE YEAR ENDED 31 DECEMBER 2018**


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	Trust capital R	Accumulated surplus R	Total R
Balance at 1 January 2017	100	3 220 880	3 220 980
Loss for the year	-	(599 884)	(599 884)
Balance at 1 January 2018	<u>100</u>	<u>2 620 996</u>	<u>2 621 096</u>
Surplus for the year	-	790 118	790 118
Balance at 31 December 2018	<u>100</u> Note 5	<u>3 411 114</u>	<u>3 411 214</u>



**MIET AFRICA TRUST****STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 R	2017 R
<b>Cash flows from operating activities</b>		4 087 789	(3 461 817)
Cash receipts from donors		60 390 064	56 496 130
Cash paid to suppliers and employees		(56 383 124)	(60 104 745)
Cash utilised	13	4 006 940	(3 608 615)
Interest received		195 250	246 590
Interest paid		(114 401)	(99 792)
<b>Cash flows from investing activities</b>		(364 971)	(342 837)
Acquisition of property and equipment	2	(376 152)	(342 837)
Proceeds on disposal of property and equipment		11 181	-
<b>Cash flows from financing activities</b>			
(Repayment)/ advance in mortgage loan		(234 545)	1 194 484
Net increase/(decrease) in cash and cash equivalents		3 488 273	(2 610 170)
Cash and cash equivalents at beginning of year		5 083 857	7 694 027
<b>Cash and cash equivalents at end of year</b>	4	8 572 130	5 083 857

## MIET AFRICA TRUST

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018

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#### 1 Accounting policies

The annual financial statements have been prepared in accordance with the Trust's accounting policies on the historical cost basis and incorporate the following principal accounting policies which are consistent with those of the previous year.

##### 1.1 Property and equipment

Property and equipment is recognised at cost and depreciated on the straight line basis at the following rates :

Land and Buildings	Indefinite useful life
Computer equipment	33,33% per annum
Furniture and fittings	20,00% per annum
Motor vehicles	20,00% per annum
Office equipment	20,00% per annum

Project assets are written off when purchased and are recorded in the fixed asset register at a nil value.

The depreciation charge includes amounts for project assets that have been written off in full.

The Trust does not apply residual values to property and equipment.

The land and buildings are not depreciated as the Trustees have assumed that the proceeds arising from the sale of the property will be greater than or equal to the cost of the building.

##### 1.2 Accounts payable

Accounts payable comprises amounts outstanding for accruals, salary advances and trade accounts payable. These amounts are held at cost.

##### 1.3 Accounts receivable

Accounts receivable are carried at cost. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year-end.

##### 1.4 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and cash at bank and are measured at cost.

##### 1.5 Expenditure

Expenses are recognised on the accrual basis and are allocated against projects by MIET Africa Trust.

##### 1.6 Operating leases

Operating lease charges and income are recognised on the accrual basis.

## MIET AFRICA TRUST

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018

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#### 1 Accounting policies (continued)

##### 1.7 Revenue recognition

The trust raises revenue from programme donations.

##### **Initial recognition**

Programme revenue is recorded on the accrual basis for all amounts that the Trust is entitled to receive in terms of the agreement with the donor exclusive of VAT.

##### **Subsequent measurement**

In the accounting records of MIET Africa Trust, programme revenue is recognised to the extent of expenditure incurred on donor programmes.

Programme revenue recognised in excess of expenses incurred on the project are recorded on the balance sheet as current liabilities, deferred contributions.

##### *Recoveries*

Recovery revenue consists of recoveries of overhead expenses against the relevant projects.

##### *Other income*

Other income is recognised on the accrual basis.

##### *Interest received*

Interest received is recognised on a time-proportion basis by reference to the principal outstanding and at the interest rate applicable.

##### *Distribution received*

Distribution income is recognised on the accrual basis.

##### 1.8 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

##### 1.9 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

##### **Critical judgements in applying accounting policies**

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

##### **Key sources of estimation uncertainty**

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

## MIET AFRICA TRUST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018

(continued)

## 2 Property and equipment

	2018			2017		
	Cost R	Accumulated depreciation R	Carrying value R	Cost R	Accumulated depreciation R	Carrying value R
Land and Buildings	3 218 006	-	3 218 006	3 218 006	-	3 218 006
Computer equipment	1 471 458	1 414 753	56 705	2 017 475	1 933 411	84 064
Furniture and fittings	593 986	510 053	83 933	619 815	526 542	93 273
Motor vehicles	2 567 342	2 567 342	-	2 567 342	2 567 342	-
Office equipment	188 522	143 522	45 000	1 587 397	1 524 034	63 363
	<u>8 039 314</u>	<u>4 635 670</u>	<u>3 403 644</u>	<u>10 010 035</u>	<u>6 551 329</u>	<u>3 458 706</u>

The carrying value of property and equipment can be reconciled as follows :- 2018

	Carrying value at beginning of year	Additions	Disposals	Depreciation	Carrying value at end of year
Land and Buildings	3 218 006	-	-	-	3 218 006
Computer equipment	84 064	235 236	(7 694)	(254 901)	56 705
Furniture and fittings	93 273	129 028	(3 052)	(135 316)	83 933
Motor vehicles	-	-	-	-	-
Office equipment	63 363	11 888	(435)	(29 816)	45 000
	<u>3 458 706</u>	<u>376 152</u>	<u>(11 181)</u>	<u>(420 033)</u>	<u>3 403 644</u>

The carrying value of property and equipment can be reconciled as follows :- 2017

	Carrying value at beginning of year	Additions	Adjustments	Disposals	Depreciation	Carrying value at end of year
Land and Buildings	3 218 006	-	-	-	-	3 218 006
Computer equipment	148 571	170 067	5 115	-	(239 689)	84 064
Furniture and fittings	41 906	131 298	39 887	-	(119 818)	93 273
Motor vehicles	-	-	-	-	-	-
Office equipment	68 876	41 472	5 996	-	(52 981)	63 363
	<u>3 477 359</u>	<u>342 837</u>	<u>50 998</u>	<u>-</u>	<u>(412 488)</u>	<u>3 458 706</u>

Project assets with a carrying value of Rnil, have a market value of R 1 971 634.

**MIET AFRICA TRUST****NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018**

(Continued)

	2018 R	2017 R
<b>2 Property and equipment (continued)</b>		
Land and buildings are more fully described as;		
Sectional Plan No. 1 as shown and more fully described on Section Plan No. SS 384/2007 in the scheme known as Inkanyezi House in respect of the land and buildings situated at Morningside, EThekwini Municipality of which section the floor area, according to the said Sectional Plan is 131 square metres in extent; and held by Deed of Transfer No 033897/2007 and,		
Sectional Plan No. 2 as shown and more fully described on Sectional Plan No SS 384/2007 in the scheme known as Inkanyezi House in respect of the land and buildings situated at Morningside, EThekwini Municipality of which section the floor area, according to the said Sectional plan is 178 square metres in extent; and held by Deed of Transfer No 34992/2013.		
Section 2, Inkanyezi House, at 59 Henwood Road, Durban is held as security over the Mortgage loan more fully described in note 6 to the annual financial statements.		
<b>3 Accounts receivable</b>		
Customer control account	693 110	187 048
Funders as debtors	1 283 559	2 367 663
Provisional advance	7 661	87 992
SA Revenue Service - Value added tax	121 835	468 403
Deposits	106 295	119 045
Prepayments	64 461	93 192
Other receivables	88 666	176 598
	<u>2 365 587</u>	<u>3 499 941</u>
<b>4 Cash and cash equivalents</b>		
Bank balances	8 555 267	5 078 640
Cash on hand	16 863	5 217
	<u>8 572 130</u>	<u>5 083 857</u>
<b>5 Trust Capital</b>		
Donation received in terms of trust deed dated 23 April 1996	<u>100</u>	<u>100</u>

**MIET AFRICA TRUST****NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018**

	2018 R	2017 R
<b>6 Borrowings</b>		
<b>At Amortised Cost</b>		
Mortgage loan	1 892 138	2 126 683
Current portion	<u>(298 597)</u>	<u>(258 917)</u>
Long term portion	<u><u>1 593 541</u></u>	<u><u>1 867 766</u></u>

The loan of R 1 892 138 is held with Nedbank. Interest is charged at a current rate of 10%. The loan facility is payable by the 1 December 2023 in monthly installments of R39 592. Security is held over Section 2, Inkhanyezi House, at 59 Henwood Road, Durban.

<b>7 Accounts payable</b>		
Supplier control account	743 068	295 630
Accruals	406 798	611 053
	<u><u>1 149 866</u></u>	<u><u>906 683</u></u>

## MIET AFRICA TRUST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018

(continued)

	2018 R	2017 R
<b>8 Deferred contributions</b>		
<b>8.1 Embassy of the Kingdom of the Netherlands</b>		
<b>8.1.1 RHIVA Regional</b>		
Balance at the beginning of the year	-	1 007 131
Add Receipts	-	-
Interest & other income	-	21 463
Subtotal	-	1 028 594
Less: Funds paid to funder	-	1 028 594
Balance at end of year	-	-
<b>8.2 Swiss Agency for Development and Cooperation</b>		
<b>8.2.1 Care and Support for Teaching and Learning SADC Phase 2</b>		
Balance at beginning of year	3 171 595	-
Add Receipts	5 700 000	16 330 315
Interest and other income	26 672	106 253
Current funds due on project	1 277 722	-
Subtotal	10 175 989	16 436 568
Less Adjustment to interest: Negative cash on hand	-	-
Less Previous Funds due on the project	-	792 876
Less Expenses	10 175 989	12 472 097
<i>Objective 1</i>		
Focus area 1.1: Policy Harmonisation	202 933	903 409
Focus area 1.2: Implementation	592 521	604 985
Focus area 1.3: Partnerships	207 297	103 518
Focus area 1.4: Monitoring & Evaluation	421 709	436 897
Focus area 1.5: Knowledge Management	1 350 375	1 342 757
Focus area 1.6: Regional scale up	178 248	153 636
Technical support	710 774	1 008 875
<i>Objective 2</i>		
Focus Area	1 267 305	1 119 685
Technical support	705 473	1 008 875
<i>Objective 3</i>		
Focus Area	91 220	155 223
Technical support	673 942	1 008 874
Succession Planning	-	265 921
Programme governance & management	2 597 786	2 870 642
Overhead fee	899 958	1 098 329
Internal Monitoring & Evaluation	276 446	390 471
Balance at end of year	-	3 171 595

## MIET AFRICA TRUST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018

(continued)

	2018 R	2017 R
<b>8.3 AngloAmerican Chairman's Fund</b>		
<b>8.3.1 Maths 4 All - Year 1 2017</b>		
Balance at beginning of year	-	-
Add Receipts	-	500 000
Subtotal	-	500 000
Less Expenses	-	450 589
Balance at end of year	-	49 411
<b>8.3.2 Maths 4 All - Year 2 - 2018</b>		
Balance at beginning of year	549 411	-
Add Receipts	-	500 000
Subtotal	549 411	500 000
Less Expenses	549 411	-
Balance at end of year	-	500 000
<b>8.4 Africa action/ Deutschland e.V</b>		
<b>8.4.1 Education for all through holistic inclusive school development in the education district of Uthukela, province of KwaZulu-Natal in South Africa</b>		
Balance at the beginning of the year	-	-
Add Receipts	137 912	-
5.2.1 Contribution from private executing organisation	-	-
5.2.2 Counterpart contribution from project-execut	-	-
5.2.3 Other receipts/Interest	137 912	-
Subtotal	137 912	-
Less Expenses	112 949	-
Activity 1	6 437	-
Activity 2	14 418	-
Activity 3	14 895	-
Activity 4	-	-
Activity 5	13 578	-
Activity 6	28 621	-
Activity 7	21 023	-
Activity 8	3 213	-
Activity 9	10 218	-
Activity 10	546	-
Balance at end of year	24 962	-



**MIET AFRICA TRUST****NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018**

(continued)

	2018 R	2017 R
<b>8 Deferred contributions (continued)</b>		
<b>8.5 Tshikululu Social Investments for FirstRand Foundation</b>		
8.5.1 <i>Schools for All</i>		
Balance at the beginning of the year	63 651	63 651
Add Receipts	-	-
Subtotal	<u>63 651</u>	<u>63 651</u>
Less Expenses	-	-
Balance at end of year	<u><u>63 651</u></u>	<u><u>63 651</u></u>
<b>8.6 National Lottery Distribution Trust Fund (NLDTF)</b>		
8.6.1 <i>Reviving Arts &amp; Culture in Schools</i>		
Balance at the beginning of the year	-	-
Add Receipts	1 300 000	-
Add Interest	29 884	-
Subtotal	<u>1 329 884</u>	-
Less Expenses	56 003	-
Balance at end of year	<u><u>1 273 881</u></u>	<u><u>-</u></u>
<b>8.7 Networking AIDS Community of South Africa (NACOSA)</b>		
8.7.1 <i>NACOSA for Global Fund - Young Women &amp; Girls Programme</i>		
Balance at the beginning of the year	59 531	298 667
Add Receipts	21 355 327	20 578 870
Subtotal	<u>21 414 858</u>	<u>20 877 536</u>
Less Expenses	21 167 406	20 818 006
Balance at end of year	<u><u>247 452</u></u>	<u><u>59 531</u></u>

## MIET AFRICA TRUST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018

(continued)

	2018 R	2017 R
<b>8 Deferred contributions (continued)</b>		
<b>8.7.2 NACOSA for USAID Southern Africa - Service Delivery &amp; Support for OVC Families (ReACH) Project</b>		
Balance at the beginning of the year	-	-
Add Receipts	-	6 225 964
Add Current funds due on project	-	-
Subtotal	<u>-</u>	<u>6 225 964</u>
Less Previous funds due on the project	-	250 781
Less Expenses	<u>-</u>	<u>5 975 183</u>
Balance at the end of the year	<u>-</u>	<u>-</u>
<b>8.7.3 NACOSA for USAID Southern Africa - Service Delivery &amp; Support for OVC Families (ReACH) Project</b>		
Balance at the beginning of the year	579 095	-
Add Receipts	<u>3 275 129</u>	<u>1 438 736</u>
Subtotal	3 854 224	1 438 736
Less Expenses	3 745 332	859 641
Less Funds returned to funder	<u>108 893</u>	<u>-</u>
Balance at end of year	<u>-</u>	<u>579 095</u>
<b>8.8 UNICEF</b>		
<b>8.8.1 Care and Support for Teaching &amp; Learning Mpumalanga</b>		
Balance at the beginning of the year	1 364 277	-
Add Receipts	1 195 273	5 349 174
Add Current funds due on project	-	-
Subtotal	<u>2 559 549</u>	<u>5 349 174</u>
Less Expenses	2 400 510	23 437
Less Funds transferred to Boys Vulnerability study	<u>159 039</u>	<u>3 961 461</u>
Balance at end of year	<u>-</u>	<u>1 364 277</u>

## MIET AFRICA TRUST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018

(continued)

	2018 R	2017 R
<b>8 Deferred contributions (continued)</b>		
8.8.2 <i>Strengthening school-based health, education and nutrition systems to improve education outcomes: SRHR, MHM, WASH and nutrition</i>		
Balance at the beginning of the year	-	-
Add Receipts	-	-
Add Current funds due on the project	5 837	-
Subtotal	5 837	-
Less Expenses	5 837	-
Balance at the end of the year	-	-
<b>8.9 National Education Collaboration Trust - NECT</b>		
8.9.1 <i>Technical Support</i>		
Balance at the beginning of the year	65 320	-
Add Receipts invoices as outstanding customers	-	221 220
Subtotal	65 320	221 220
Less Expenses	65 320	155 900
Balance at the end of the year	-	65 320
<b>8.10 Human Dynamics</b>		
8.10.1 <i>Technical Support</i>		
Balance at the beginning of the year	-	-
Add Receipts	414 336	27 867
Add Adjustment to previous funds due on the project	-	20 289
Add Current funds due on project	-	155 271
Subtotal	414 336	203 427
Less Previous funds due on the project	155 271	47 627
Less Expenses	259 066	155 800
Balance at the end of the year	-	-
<b>8.11 Education Above All Foundation - Educate a Child Programme (EAC)</b>		
8.11.1 <i>Education: My Right! My Future! In South Africa</i>		
Balance at the beginning of the year	-	3 057 000
Add Receipts	10 395 093	-
Current funds due on project	-	2 149 689
Subtotal	10 395 093	5 206 689
Less Previous funds due on project	2 149 689	-
Expenses	6 542 261	5 206 689
Balance at the end of the year	1 703 142	-

## MIET AFRICA TRUST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018

(continued)

	2018	2017
<b>8 Deferred contributions (continued)</b>		
<b>8.12 The British Council</b>		
8.12.1 <i>Teaching for all</i>		
Balance at the beginning of the year	-	-
Add Receipts invoices	717 416	91 823
Current funds due on project	-	62 703
Subtotal	<u>717 416</u>	<u>154 526</u>
Less Precious funds due on the project	62 703	15 798
Less Expenses	463 538	138 728
Balance at the end of the year	<u><u>191 175</u></u>	<u><u>-</u></u>
8.12.2 <i>Technical Support Training</i>		
Balance at the beginning of the year	-	-
Add Receipts	-	13 986
Subtotal	<u>-</u>	<u>13 986</u>
Less Expenses	-	13 986
Balance at the end of the year	<u><u>-</u></u>	<u><u>-</u></u>
<b>8.13 The Sanlam Foundation</b>		
8.13.1 <i>Teacher and Learner Mathematics Enchancements Programme</i>		
Balance at the beginning of the year	472 153	-
Add Receipts	3 464 464	1 655 393
Subtotal	<u>3 936 617</u>	<u>1 655 393</u>
Less Expenses	2 935 122	1 183 240
Balance at the end of the year	<u><u>1 001 495</u></u>	<u><u>472 153</u></u>
<b>8.14 Technical Support: Various</b>		
8.14.1 <i>Technical Support</i>		
Balance at the beginning of the year	-	-
Add Receipts	234 800	189 208
Various Funders	-	78 768
Graca Machel Trust	-	63 000
Matthew Goniwe School of Leadership	-	47 440
Zenex Foundation	100 000	-
NACOSA	34 000	-
Tile Africa	100 800	-
Subtotal	<u>234 800</u>	<u>189 208</u>
Less Technical Support	95 066	189 208
Balance at the end of the year	<u><u>139 734</u></u>	<u><u>-</u></u>

## MIET AFRICA TRUST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018

(continued)

	2018	2017
<b>8 Deferred contributions (continued)</b>		
<b>8.15 Save the Children International</b>		
<b>8.15.1 FoRCESA Frontiers of Resistance - championing children's rights across ESA</b>		
Balance at the beginning of the year	63 011	-
Add Receipts	1 118 738	586 993
Interest	3 384	-
Subtotal	<u>1 185 133</u>	<u>586 993</u>
Less Expenses	<u>1 078 855</u>	<u>523 982</u>
Balance at the end of the year	<u><u>106 278</u></u>	<u><u>63 011</u></u>
<b>8.16 Children in Harmony (CiH)</b>		
<b>8.16.1 Amani Project</b>		
Balance at the beginning of the year	-	-
Add Receipts	<u>524 763</u>	-
Subtotal	<u>524 763</u>	-
Less Expenses	<u>524 763</u>	-
Balance at the end of the year	<u><u>-</u></u>	<u><u>-</u></u>
<b>8.17 Various</b>		
<b>8.17.1 Boys Vulnerability Study</b>		
Balance at the beginning of the year	-	-
Add Receipts	674 905	-
Swiss Agency for Development and Co-operation	449 945	-
Unicef	159 039	-
Kheth'Impilo	65 920	-
Subtotal	<u>674 905</u>	-
Less Expenses	362 514	-
Swiss Agency for Development and Co-operation	306 345	-
Unicef	56 169	-
Kheth'Impilo	-	-
Balance at the end of the year	<u><u>312 391</u></u>	<u><u>-</u></u>

**MIET AFRICA TRUST****NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018**

(continued)

	2018 R	2017 R
<b>8 Deferred contributions (continued)</b>		
<b>8.18 Victor Daitz Foundation</b>		
8.18.1 <i>UBANTU Development at the Mandla Mthethwa School of Excellence</i>		
Balance at the beginning of the year	-	-
Add Receipts	2 935 859	-
Interest	29 908	-
Subtotal	<u>2 965 767</u>	-
Less Expenses:	<u>147 786</u>	-
Balance at the end of the year	<u><u>2 817 981</u></u>	<u><u>-</u></u>
<b>8.19 Western Cape Provisional Sports Council</b>		
8.19.1 <i>Development of Education Sector Policy for Co-Curricular and Enrichment</i>		
Balance at the beginning of the year	-	-
Add Receipts	60 000	-
Subtotal	<u>60 000</u>	-
Less Expenses	<u>54 000</u>	-
Balance at the end of the year	<u><u>6 000</u></u>	<u><u>-</u></u>
<b>Total deferred Contributions</b>	<u><u><b>7 888 143</b></u></u>	<u><u><b>6 388 042</b></u></u>

**MIET AFRICA TRUST****NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018**

(continued)

	2018 R	2017 R
<b>9 Other income</b>		
Gain on revaluation of assets	-	( 50 998)
Income from disposal of assets	( 38 405)	( 45 231)
Employment Tax Incentive - SARS	( 594 631)	( 759 775)
Sundry income	( 58 568)	( 75 931)
Revenue from recoveries	( 793 543)	-
	<u>(1 485 147)</u>	<u>( 931 935)</u>
<b>10 Operating expenses</b>		
Management income	(2 857 267)	(2 384 483)
Head office expenses	3 543 297	3 953 298
	<u>686 030</u>	<u>1 568 815</u>
<b>11 Finance cost</b>		
Mortgage bond	<u>114 401</u>	<u>99 792</u>
<b>12 Interest received</b>		
Bank	<u>105 402</u>	<u>136 777</u>
<b>13 Cash utilised by operations</b>		
Operating surplus / (loss) for the year	790 118	(599 884)
Adjustments :		
Interest received	(195 250)	(246 590)
Interest paid	114 401	99 792
Depreciation	420 033	412 488
Gain on revaluation of assets	-	(50 998)
Adjusted for movements in current assets and liabilities		
Decrease/ (Increase) in accounts receivable	1 134 354	(1 165 051)
Increase/ (Decrease) in accounts payable	243 183	(3 462 271)
Increase in deferred contributions	1 500 101	1 403 899
Cash flows from operating activities	<u>4 006 940</u>	<u>(3 608 615)</u>

**MIET AFRICA TRUST****NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2018**

(continued)

**14 Commitments**

The future aggregate minimum lease payments under non-cancellable operating leases are as follows :-

Not later than 1 year	416 319	634 160
Later than 1 year and not later than 5 years	55 500	89 466
	<u>471 819</u>	<u>723 626</u>

**15 Taxation**

No provision for taxation has been made as the Trust qualifies for exempt status in terms of Section 10(1)(cN) of the Income Tax Act.

**16 Going Concern**

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

**17 Related Parties**

The MIET Africa Mthandeni Trust is a related entity to MIET Africa Trust. During the year, there were no significant transactions between MIET Africa Mthandeni Trust and MIET Africa Trust.

**18 Events after the reporting period**

The Trustee's are not aware of any material matters or circumstances arising since the end of the financial year, not otherwise dealt with in this report or the financial statements, which significantly affects the financial position of the Trust or the results of its operations to the date of this report.

**19 Comparative note**

Certain comparative figures have been reclassified, based on the nature of the expenses to reflect an accurate allocation between projects and the trust overheads

Expenditure	-	(58 407 863)
Operating expenses	-	1 568 815
Project allocations	-	56 839 048
	<u>-</u>	<u>-</u>