

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

ANNUAL FINANCIAL STATEMENTS

31 DECEMBER 2019

MIET AFRICA TRUST**ANNUAL FINANCIAL STATEMENTS - 31 DECEMBER 2019**

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GENERAL INFORMATION

Business address	: 59 Henwood Road Morningside Durban 4001	
Trustees	: Prof J D Volmink Ms M Chaane Mr R Jaravaza Prof B Otlhogile Mr L F Chachine	Ms F Dada (Resigned) Ms N Copley (Resigned)
Postal address	: P O Box 37590 Overport 4067	
Preparer	: Baker Tilly Morrison Murray 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 2019

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.

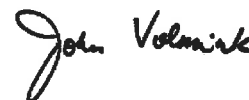
The Trustees are satisfied that the Trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

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 24, have been approved by the Trustees and are signed on their behalf by :



M Chaane



J D Volmink

Durban

Date: 25 March 2020

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 24, which comprise the statement of financial position as at 31 December 2019, and the statement of profit comprehensive income, statement of changes in trust capital and reserves and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of MIET Africa Trust as at 31 December 2019, and its financial performance and cash flow for the year then ended in accordance with 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 sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including International Independence Standards) respectively. 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 and fair presentation 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

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

National Executive: PR Badrick • HN Bhaga-Muljee • DF Botha • BJ de Wet • HCS Lopes • E Singh • SM Somaroo (Durban Office Managing Partner) • IM Scott • ME Stewart (Chief Executive) • MS Willimott

The company's principal place of business is at The Wanderers Office Park, 52 Corlett Drive, Illovo, 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.



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.

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 financial statements, including the disclosures, and whether the 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
Registered Auditors
Sally Jukes
Director
Registered Auditor

25 March 2020

5A Rydall Vale Office Park
38 Douglas Saunders Drive

La Lucia, 4051

MIET AFRICA TRUST**STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2019**

	Note	2019 R	2018 R
ASSETS			
Non-current assets			
Property and equipment	2	3 396 122	3 403 644
Current assets			
		25 582 219	10 937 717
Accounts receivable	3	2 975 269	2 365 587
Cash and cash equivalents	4	22 606 950	8 572 130
Total assets		28 978 341	14 341 361
EQUITY AND LIABILITIES			
Capital and reserves			
		4 472 544	3 411 214
Trust capital	5	100	100
Accumulated surplus		4 472 444	3 411 114
Non-current liability			
Borrowings	6	1 195 984	1 593 541
Current liabilities			
		23 309 813	9 336 606
Borrowings	6	303 499	298 597
Accounts payable	7	622 625	1 149 866
Deferred contributions	8	22 383 689	7 888 143
Total equity and liabilities		28 978 341	14 341 361

MIET AFRICA TRUST**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 R	2018 R
Donations and interest received and expended		44 189 869	57 860 411
Project allocations		(44 189 869)	(57 860 411)
Net project income		-	-
Other income	9	259 970	691 604
Operating income	10	508 749	107 513
Operating surplus		768 719	799 117
Finance costs	11	(39 809)	(114 401)
Interest received	12	332 420	105 402
Surplus for the year		<u>1 061 330</u>	<u>790 118</u>

MIET AFRICA TRUST**STATEMENT OF CHANGES IN TRUST CAPITAL AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Trust capital R	Accumulated surplus R	Total R
Balance at 1 January 2018	100	2 620 996	2 621 096
Surplus for the year	-	790 118	790 118
Balance at 1 January 2019	<u>100</u>	<u>3 411 114</u>	<u>3 411 214</u>
Surplus for the year	-	1 061 330	1 061 330
Balance at 31 December 2019	<u><u>100</u></u>	<u><u>4 472 444</u></u>	<u><u>4 472 544</u></u>
	Note 5		

MIET AFRICA TRUST**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 R	2018 R
Cash flows from operating activities		15 562 025	4 087 789
Cash receipts from donors		44 676 015	60 390 064
Cash paid to suppliers and employees		(29 963 300)	(56 383 124)
Cash generated	13	14 712 715	4 006 940
Interest received		889 119	195 250
Interest paid		(39 809)	(114 401)
Cash flows from investing activities		(1 134 550)	(364 971)
Acquisition of property and equipment	2	(1 134 550)	(376 152)
Proceeds on disposal of property and equipment		-	11 181
Cash flows from financing activities			
Repayment in mortgage loan		(392 655)	(234 545)
Net increase in cash and cash equivalents		14 034 820	3 488 273
Cash and cash equivalents at beginning of year		8 572 130	5 083 857
Cash and cash equivalents at end of year	4	22 606 950	8 572 130

MIET AFRICA TRUST

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019

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 in full 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 2019

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 2019**

(continued)

2 Property and equipment

	2019			2018		
	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	1 982 818	1 887 096	95 722	1 471 458	1 414 753	56 705
Furniture and fittings	757 098	717 715	39 383	593 986	510 053	83 933
Motor vehicles	679 569	679 569	-	2 567 342	2 567 342	-
Office equipment	237 197	194 186	43 011	188 522	143 522	45 000
	<u>6 874 688</u>	<u>3 478 566</u>	<u>3 396 122</u>	<u>8 039 314</u>	<u>4 635 670</u>	<u>3 403 644</u>

The carrying value of property and equipment can be reconciled as follows :- 2019

	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	56 705	904 385	-	(865 368)	95 722
Furniture and fittings	83 933	163 110	-	(207 660)	39 383
Motor vehicles	-	-	-	-	-
Office equipment	45 000	67 055	-	(69 044)	43 011
	<u>3 403 644</u>	<u>1 134 550</u>	<u>-</u>	<u>(1 142 072)</u>	<u>3 396 122</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>

Project assets with carrying value of Rnil, have a market value of R 1 030 624

MIET AFRICA TRUST**NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019**

(Continued)

	2019 R	2018 R
2 Property and equipment (continued)		
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.		
3 Accounts receivable		
Customer control account	454 764	693 110
Funders as debtors	1 740 860	1 283 559
Provisional advance	-	7 661
SA Revenue Service - Value added tax	283 874	121 835
Deposits	149 261	106 295
Prepayments	52 340	64 461
Other receivables	294 170	88 666
	<u>2 975 269</u>	<u>2 365 587</u>
4 Cash and cash equivalents		
Bank balances	22 601 550	8 555 267
Cash on hand	5 400	16 863
	<u>22 606 950</u>	<u>8 572 130</u>
5 Trust Capital		
Donation received in terms of trust deed dated 23 April 1996	<u>100</u>	<u>100</u>
6 Borrowings		
At Amortised Cost		
Mortgage loan	1 499 483	1 892 138
Current portion	<u>(303 499)</u>	<u>(298 597)</u>
Long term portion	<u>1 195 984</u>	<u>1 593 541</u>

The loan of R 1 499 483 is held with Nedbank. Interest is charged at a current rate of 9.5%. The loan facility is payable by the 1 February 2024 in monthly instalments of R36 175. Security is held over Section 2, Inkanyezi House, at 59 Henwood Road, Durban.

MIET AFRICA TRUST

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019

(continued)

		2019 R	2018 R
7	Accounts payable		
	Supplier control account	394 505	743 068
	Accruals	228 120	406 798
		<u>622 625</u>	<u>1 149 866</u>
8	Deferred contributions		
8.1	Swiss Agency for Development and Cooperation		
8.1.1	<i>Care and Support for Teaching and Learning SADC Phase 2</i>		
	Balance at beginning of year	-	3 171 595
	Add		
	Receipts	1 277 722	5 700 000
	Interest and other income	-	26 672
	Current funds due on project	-	1 277 722
	Subtotal	<u>1 277 722</u>	<u>10 175 989</u>
	Less		
	Adjustment to interest: Negative cash on hand	-	-
	Previous Funds due on the project	1 277 722	
	Less		
	Expenses	-	10 175 989
	<i>Objective 1</i>		
	Focus area 1.1: Policy Harmonisation	-	202 933
	Focus area 1.2: Implementation	-	592 521
	Focus area 1.3: Partnerships	-	207 297
	Focus area 1.4: Monitoring & Evaluation	-	421 709
	Focus area 1.5: Knowledge Management	-	1 350 375
	Focus area 1.6: Regional scale up	-	178 248
	Technical support	-	710 774
	<i>Objective 2</i>		
	Focus Area	-	1 267 305
	Technical support	-	705 473
	<i>Objective 3</i>		
	Focus Area	-	91 220
	Technical support	-	673 942
	Succession Planning	-	-
	Programme governance & management	-	2 597 786
	Overhead fee	-	899 958
	Internal Monitoring & Evaluation	-	276 446
	Balance at the end of the year	<u>-</u>	<u>-</u>

MIET AFRICA TRUST

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019

(continued)

		2019 R	2018 R
Future Life-Now! Opening Credit and Credit			
8.1.2	<i>Future life-now! Opening credit and credit</i>		
	Balance at beginning of year	-	-
	Add Receipts: Opening Credit Contract	1 700 000	-
	Add Receipts Credit Contract	22 627 737	-
	Interest	332 094	-
	Add Current Funds Due on Opening Credit Contract	106 443	-
	Subtotal	24 766 274	-
	Less Expenses (opening credit and credit contract)	10 842 651	-
	<i>Preparation Phase</i>	2 076 077	-
	Regional Objective 1:		
	Regional strategy 1.1: Domestication of the SADC Policy Framework	438 442	-
	Regional strategy 1.2: Strengthened education sector HIV/SRHR policies implemented	186 444	-
	Regional strategy 1.3: Knowledge Development	107 373	-
	Regional strategy 1.4: Regional Governance	-	-
	Regional Objective 2:		
	Regional strategy 2.1: Strengthened CSE implemented by Ministries of Education	100 079	-
	Regional strategy 2.2: CSE integrated into pre-service training in selected Member States	1 555	-
	Member State Objective 1:	1 277 708	-
	Member State Objective 2:	147 502	-
	Member State Objective 3:	60	-
	Programme management and governance	433 000	-
	Management and advocacy meetings	4 882	-
	Technical Support	4 279 314	-
	Monitoring & Evaluation @ 5%	884 971	-
	Overhead Fee @ 10%	905 244	-
	Balance at the end of the year	<u>13 923 623</u>	<u>-</u>

MIET AFRICA TRUST

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019

(continued)

		2019 R	2018 R
8.2	AngloAmerican Chairman's Fund		
8.2.1	<i>Maths 4 All - Year 2 - 2018</i>		
	Balance at beginning of year	-	549 411
	Add Receipts	-	-
	Subtotal	-	549 411
	Less Expenses	-	549 411
	Balance at end of year	-	-
8.2.2	<i>Maths 4 All - Year 3 - 2019</i>		
	Balance at beginning of year	-	-
	Add Receipts	500 000	-
	Subtotal	500 000	-
	Less Expenses	473 245	-
	Balance at the end of the year	26 755	-
8.3	Africa action/ Deutschland e.V		
8.3.1	<i>Education for all through holistic inclusive school development in the education district of Uthukela, province of KwaZulu-Natal in South Africa</i>		
	Balance at the beginning of the year	24 963	-
	Add Receipts	110 908	137 912
5.2.1	Contribution from private executing organisation	-	-
5.2.2	Counterpart Contribution from project-executing agency	-	-
5.2.3	Other receipts/Interest	110 908	137 912
	Subtotal	135 871	137 912
	Less Expenses	107 111	112 949
	Activity 1	6 350	6 437
	Activity 2	14 046	14 418
	Activity 3	24 118	14 895
	Activity 4	3 162	-
	Activity 5	10 546	13 578
	Activity 6	13 046	28 621
	Activity 7	7 903	21 023
	Activity 8	17 660	3 213
	Overheads	9 737	10 218
	Bank Charges	543	546
	Balance at the end of the year	28 760	24 963

MIET AFRICA TRUST**NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019**

(continued)

	2019 R	2018 R
8 Deferred contributions (continued)		
8.3.2 Implementation of the White Paper 6 on holistic education in Umgungundlovu		
Balance at the beginning of the year		
Add Receipts: 1.2.1 BMZ grant and financial contribution from private executing organisation	1 398 075	-
1.2.2. Contribution from project executing agent, target group and/or other source in developing country	-	-
1.2.3 Additional resources eg Interest	-	-
Less : Previous Funds due on project	-	-
Subtotal	1 398 075	-
Less : Expenses	461 468	-
For operating expenses		
1.2.1 Identification and support of learners	16 631	-
1.2.2 Awareness raising	-	-
1.2.3 Establishment of multi-sectoral networks	34	-
1.2.4 Travel costs	32 616	-
1.2.5 Cell phone and Internet Connectivity	2 342	-
1.2.6 Monitoring and Evaluation Activities	-	-
1.2.7 Office costs	128 473	-
1.2.8 Chartered Accountant	40 475	-
For personnel expenses		
1.3.1 Programme management	60 557	-
1.3.2 Project Co-Ordinator	119 282	-
1.3.3 LSA's	-	-
1.3.4 Finance/Administration	46 441	-
1.3.5 Research, M&E	14 617	-
For evaluation or study		
Travel Accommodation & connectivity	-	-
Reserve funds for unavoidable overspending	-	-
Balance at the end of the year	<u>936 607</u>	<u>-</u>

MIET AFRICA TRUST**NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019**

(continued)

8.4 Tshikululu Social Investments for FirstRand Foundation**8.4.1 Schools for All**

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 the end of the year	<u><u>63 651</u></u>	<u><u>63 651</u></u>

8.5 National Lottery Distribution Trust Fund (NLDTF)**8.5.1 Reviving Arts & Culture in Schools**

Balance at the beginning of the year	1 273 881	-
Add Receipts	389 500	1 300 000
Add Interest	18 953	29 884
Subtotal	<u>1 682 334</u>	<u>1 329 884</u>
Less Expenses	<u>1 254 875</u>	<u>56 003</u>
Balance at the end of the year	<u><u>427 459</u></u>	<u><u>1 273 881</u></u>

8.6 Networking AIDS Community of South Africa (NACOSA)**8.6.1 NACOSA for Global Fund - Young Women & Girls Programme**

Balance at the beginning of the year	247 452	59 531
Add Receipts	4 845 937	21 355 327
Add Adjustment to closing balance	57	-
Subtotal	<u>5 093 446</u>	<u>21 414 858</u>
Less Expenses	<u>4 847 441</u>	<u>21 167 406</u>
Less Funds returned to Funders	<u>246 005</u>	<u>-</u>
Balance at the end of the year	<u><u>-</u></u>	<u><u>247 452</u></u>

8.6.2 NACOSA for Global Fund - Adolescent Girls and Young Women

Balance at the beginning of the year	-	-
Add Receipts	4 852 747	-
Add Interest	10 134	-
Subtotal	<u>4 862 881</u>	<u>-</u>
Less Expenses	<u>4 157 687</u>	<u>-</u>
Funds returned to Funder	<u>-</u>	<u>-</u>
Balance at the end of the year	<u><u>705 194</u></u>	<u><u>-</u></u>

MIET AFRICA TRUST**NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019**

(continued)

	2019 R	2018 R
8 Deferred contributions (continued)		
8.6.3 <i>NACOSA for USAID Southern Africa - Service Delivery & Support for OVC Families (ReACH) Project</i>		
Balance at the beginning of the year	-	579 095
Add Receipts	-	3 275 129
Subtotal	-	3 854 224
Less Expenses	-	3 745 332
Less Funds returned to funder	-	108 892
Balance at the end of the year	-	-
8.7 AIDS Foundation South Africa		
8.7.1 <i>AFSA for Global Fund- Adolescent Girls and Young Women</i>		
Balance at the beginning of the year	-	-
Add: Receipts	3 448 086	-
Add: Interest	6 798	-
Subtotal	3 454 884	-
Less Expenses	3 268 293	-
Funds returned to Funder	-	-
Balance at the end of the year	186 591	-
8.8 Beyond Zero		
8.8.1 <i>Beyond Zero for Global Fund- Adolescent Girls and Young Women</i>		
Balance at the beginning of the year	-	-
Add: Receipts	3 399 360	-
Add: Current funds due on the project	999 541	-
Subtotal	4 398 901	-
Less Expenses	4 398 901	-
Funds returned to Funder	-	-
Balance at the end of the year	-	-
8.9 UNICEF		
8.9.1 <i>Care and Support for Teaching & Learning Mpumalanga</i>		
Balance at the beginning of the year	-	1 364 277
Add Receipts	-	1 195 273
Add Current funds due on project	-	-
Subtotal	-	2 559 550
Less Expenses	-	2 400 510
Less Funds transferred to Boys Vulnerability study	-	159 040
Balance at the end of the year	-	-

MIET AFRICA TRUST**NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019**

(continued)

	2019 R	2018 R
8 Deferred contributions (continued)		
8.9.2 <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	2 777 892	-
Add Current funds due on the project	316 716	5 837
Subtotal	3 094 608	5 837
Less Expenses	3 088 771	5 837
Less Previous funds due on the project	5 837	-
Balance at the end of the year	-	-
8.10 National Education Collaboration Trust - NECT		
8.10.1 <i>Technical Support</i>		
Balance at the beginning of the year	-	65 320
Add Receipts invoices as outstanding customers	-	-
Subtotal	-	65 320
Less Expenses	-	65 320
Balance at the end of the year	-	-
8.11 Human Dynamics		
8.11.1 <i>Technical Support</i>		
Balance at the beginning of the year	-	-
Add Receipts	169 005	414 336
Add Adjustment to previous funds due on the project	-	-
Add Current funds due on project	-	-
Subtotal	169 005	414 336
Less Previous funds due on the project	-	155 271
Less Expenses	169 005	259 065
Balance at the end of the year	-	-

MIET AFRICA TRUST**NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019**

(continued)

	2019	2018
8 Deferred contributions (continued)		
8.12 Education Above All Foundation - Educate a Child Programme (EAC)		
8.12.1 Education: My Right! My Future! In South Africa		
Balance at the beginning of the year	1 703 141	-
Add Receipts	2 953 180	10 395 093
Add Difference in exchange	10 090	-
Subtotal	<u>4 666 411</u>	<u>10 395 093</u>
Less Expenses	3 118 688	2 149 689
Less Funds returned to funder	1 547 723	6 542 262
Balance at the end of the year	<u>-</u>	<u>1 703 141</u>
8.13 The British Council		
8.13.1 Teaching for all		
Balance at the beginning of the year	191 175	-
Add Receipts invoices	419 052	717 416
Current funds due on project	-	-
Subtotal	<u>610 227</u>	<u>717 416</u>
Less Precious funds due on the project	-	62 703
Less Expenses	610 227	463 538
Balance at the end of the year	<u>-</u>	<u>191 175</u>
8.14 The Sanlam Foundation		
8.14.1 Teacher and Learner Mathematics Enchancements Programme		
Balance at the beginning of the year	1 001 495	472 153
Add Receipts	3 515 337	3 464 464
Subtotal	<u>4 516 832</u>	<u>3 936 617</u>
Less Expenses	3 081 433	2 935 122
Balance at the end of the year	<u>1 435 399</u>	<u>1 001 495</u>
8.15 Technical Support: Various		
8.15.1 Technical Support		
Balance at the beginning of the year	139 734	-
Add Receipts	285 214	234 800
Toyota Teach	28 301	-
Unitar	156 917	-
Unesco	99 996	-
Zenex Foundation	-	100 000
NACOSA	-	34 000
Tile Africa	-	100 800
Subtotal	<u>424 948</u>	<u>234 800</u>
Less Technical Support	424 948	95 066
Balance at the end of the year	<u>-</u>	<u>139 734</u>

MIET AFRICA TRUST**NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019**

(continued)

	2019	2018
8 Deferred contributions (continued)		
8.16 Save the Children International		
8.16.1 <i>ForCESA Frontiers of Resistance - championing children's rights across ESA</i>		
Balance at the beginning of the year	106 278	63 011
Add Receipts	991 087	1 118 738
Add Interest	3 898	3 384
Subtotal	<u>1 101 263</u>	<u>1 185 133</u>
Less Expenses	<u>953 238</u>	<u>1 078 855</u>
Balance at the end of the year	<u>148 025</u>	<u>106 278</u>
8.17 Children in Harmony (CiH)		
8.17.1 <i>Amani Project</i>		
Balance at the beginning of the year	-	-
Add Receipts	<u>1 494 271</u>	<u>524 763</u>
Subtotal	<u>1 494 271</u>	<u>524 763</u>
Less Expenses	<u>1 072 705</u>	<u>524 763</u>
Balance at the end of the year	<u>421 566</u>	<u>-</u>
8.18 Victor Daitz Foundation		
8.18.1 <i>UBANTU Development at the Mandla Mthethwa School of Excellence</i>		
Balance at the beginning of the year	2 817 982	-
Add Receipts	-	2 935 859
Interest	<u>184 883</u>	<u>29 908</u>
Subtotal	<u>3 002 865</u>	<u>2 965 767</u>
Less Expenses	<u>277 717</u>	<u>147 785</u>
Balance at the end of the year	<u>2 725 148</u>	<u>2 817 982</u>

MIET AFRICA TRUST**NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019**

(continued)

8 Deferred contributions (continued)**8.19 Western Cape Provisional Sports Council****8.19.1 Development of Education Sector Policy for Co-Curricular and Enrichment**

Balance at the beginning of the year	6 000	-
Add Receipts	-	60 000
Subtotal	6 000	60 000
Less Expenses	6 000	54 000
Balance at the end of the year	-	6 000

8.20 Various**8.20.1 Boys Vulnerability Study**

Balance at the beginning of the year	312 391	-
Add Receipts	142 359	674 905
Swiss Agency for Development and Co-operation	43 479	449 945
Unicef	-	159 039
Kheth'Impilo	98 880	65 921
Add Interest	3 835	-
Subtotal	458 585	674 905
Less Expenses	458 585	362 514
Swiss Agency for Development and Co-operation	190 914	306 345
Unicef	102 870	56 169
Kheth'Impilo	164 801	-
Balance at the end of the year	-	312 391

8.20.2 Technical support

Balance at the beginning of the year	-	-
Add Receipts	1 972 027	-
INFRAS	298 954	-
Human Sciences Research Council (HSRC)	1 354 913	-
Current funds due to project: INFRAS	163 272	-
Current funds due to project: EBP Schweiz AG	154 888	-
Subtotal	1 972 027	-
Less Expenses	617 115	-
INFRAS	462 227	-
EBP Schweiz AG	154 888	-
Balance at the end of the year	1 354 912	-
Total deferred Contributions	22 383 689	7 888 143

MIET AFRICA TRUST**NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019**

(continued)

	2019 R	2018 R
9 Other income		
Income from disposal of assets	(12 346)	(38 405)
Employment Tax Incentive - SARS	(214 989)	(594 631)
Sundry income	<u>(32 635)</u>	<u>(58 568)</u>
	<u>(259 970)</u>	<u>(691 604)</u>
10 Operating income		
Management income	(4 470 771)	(3 650 810)
Head office expenses	<u>3 962 022</u>	<u>3 543 297</u>
	<u>(508 749)</u>	<u>(107 513)</u>
11 Finance cost		
Mortgage bond	<u>39 809</u>	<u>114 401</u>
12 Interest received		
Bank	<u>332 420</u>	<u>105 402</u>
13 Cash utilised by operations		
Operating surplus for the year	1 061 330	790 118
Adjustments :		
Interest received	(889 119)	(195 250)
Interest paid	39 809	114 401
Depreciation	1 142 072	420 033
Adjusted for movements in current assets and liabilities		
(Increase)/ Decrease in accounts receivable	(609 682)	1 134 354
(Decrease)/ Increase in accounts payable	(527 241)	243 183
Increase in deferred contributions	<u>14 495 546</u>	<u>1 500 101</u>
Cash flows from operating activities	<u>14 712 715</u>	<u>4 006 940</u>

MIET AFRICA TRUST**NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019**

(continued)

	2019 R	2018 R
14 Commitments		
The future aggregate minimum lease payments under non-cancellable operating leases are as follows :-		
Not later than 1 year	645 632	416 319
Later than 1 year and not later than 5 years	<u>326 902</u>	<u>55 500</u>
	<u>972 534</u>	<u>471 819</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 Contingent liability

In terms of the "Future life-now!" project as disclosed in note 8.1.2, the Trust has committed to provide counterpart funding equivalent to that of the donor. The Trust intends to obtain additional funding to meet the Trusts commitment in terms of the contract, which can be in the form of "In-Kind" contributions from partners.

The balance of the funds that the Trust is still to secure through other funders or "In-Kind" contributions, by 31/12/2022, amounts to R102 915 730.

Workings:

Full counterpart funding for the whole contract - R115 615 861

2019 period as reported: - R11 345 219

Additional in kind per note 8.20.2: - R1 354 912

17 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.

18 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.

The MIET Africa Training (Pty) Ltd is a related entity to MIET Africa Trust. During the year, there were no significant transactions between MIET Africa Training (Pty) Ltd and MIET Africa Trust.

19 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.