



ANNUAL REPORT **2017/18**

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## REPORT FROM ARCHBISHOP THABO MAKGOBA



### *Dear Friends,*

This year the Archbishop Thabo Makgoba Development Trust (ATMDT) celebrated 5 years of service and existence. Thank you to our major benefactors, Wiphold (Pty) Ltd, Wiphold NGO Trust, Anglo American and Trinity Wall Street New York, Fred Robertson Trust, and other individuals who have donated not money but in kind for the work of the Trust.

The Trust continue to pursue our main strategic intents; education, food security and the Archbishop's Social Justice Ministries in church and society. On education, the Vuleka St Joseph's Archbishop Thabo Makgoba Boys School in Johannesburg continue to thrive and Maboee Archbishop High School in Lesotho needs more donations. The Ramoba High School in Tlhabane, rural Limpopo, continue to produce good results. Pholosho Junior Secondary School in Alexandra received 42 white boards replacing the old fashioned black boards. This year, 5 full time lay workers of the Anglican Church received Laity Bursaries to support their children's education.

The ATMDT endowed annual public lectures at 5 public universities in South Africa. These public lectures foster debate and dialogue on ethical leadership and promote commitment to acting together in ensuring a free and fair democratic South Africa. The speakers this year were Dr Makhosi Khoza, Former Member of Parliament for

THE TRUST CONTINUE TO PURSUE OUR MAIN STRATEGIC INTENTS; EDUCATION, FOOD SECURITY AND THE ARCHBISHOP'S SOCIAL JUSTICE MINISTRIES IN CHURCH AND SOCIETY.

THE TRUST ENDOWMENT  
FUND NOW HAS **GROWN**  
**SUBSTANTIALLY** OVER THIS  
PAST YEAR AND THIS WILL  
ENSURE THAT WE ARE  
SUSTAINABLE IN DOING  
OUR WORK.

Rhodes University, Minister Maite Nkoana-Mashabane at University of the Limpopo and Bishop Malusi Mpumlwana at University of Mpumalanga. These annual lectures are attended by the university community and business, political and religious leaders. This certainly increase the Trust's social impact on ethical leadership and values goal.

The Trust continue to support to both HOPE Africa and Tshwaranang Resource Centre in Queenstown on food security initiatives. It is our intension to extend this support to more diocesan programmes addressing food security.

The Public Policy Officer, Revd Canon Desmond Lambrechts, continue to coordinate the relationship between the church and the mining community. The PPO's report on Days of Courageous Conversations is also in this annual report. The revamping of the Trust website is currently underway and it will include the ereader project at Bishops court.

The Trust Endowment Fund now has grown substantially over this past year and this will ensure that we are sustainable in doing our work. This will also enable us to attain the establishment of Archbishop Thabo Makgoba Children's Hospital in Limpopo. I am particularly grateful to the Trustees for their continued support and generosity, Maropeng, Manala and to my PA at Bishops court. Thanks to Moss as we bid farewell to him as trustee. Louisa and Gloria as our teenage daughter says, you rock!!!. Le ka moso. Pula, Nala. Kgotso!



Archbishop Thabo Makgoba

## THE ARCHBISHOP THABO MAKGOBA DEVELOPMENT TRUST



*Report by: Tlou Royal Holding -  
Administrator*

### 1/ THE ADMINISTRATIVE OFFICE

Tlou Royal Holdings (TRH) continue to guide the Archbishop Thabo Makgoba Development Trust (ATMDT) in its strategic direction, overlooking its impact and changing direction as and when apt. The annual lectures being the key focus.

The office is mainly electronical and thanks to the decisions of the Trustees to have three focal areas. We scaled down a lot of paper and administration, especially by endowing the public lectures and the choice of the price winner at these public lectures. This admin work is rightfully done by the Universities themselves and they are doing a sterling work and the Trust is honoured to partner with esteemed universities and faculties. We are grateful to Lukhanyo Kwini and his team from St John's College who partnered with the Trust to gain community service. This fulfils one of the objectives in our Trust Deed of mentoring the young.

### 2/ MATTERS

I am happy to report that Wiphold, Anglo American, Fred Robertson continue to be major supporters of the Trust. We also increased our revenue through the Archbishop's Faith and Courage book sales. We will pursue potential benefactors by inviting them to visit projects that we support.

### 3/ MONITORING AND EVALUATION

Our monitoring and evaluation visits included our presence in all our partner Universities through annual lectures. The consultation with these Universities served as good platform for learning and networking purposes. We also went to Pholoshlo Junior Secondary School (Alexandra Township), Ramoba High School (Limpopo Province), and Vuleka School (the Archbishop's Boys School).

### 4/ FULLTIME ANGLICAN LAITY SUPPORT

The Trust support full time Anglican lay workers in select dioceses for education of their children. They are all very appreciative for this assistance.

This is a worthwhile investment and it is in line with the Trust object of promoting the work of the Anglican Church by supporting those who offer full time the administrative support to the church.

### 5/ FOOD SECURITY

Food security continues to be a permanent expenditure item in our financial year. It comprises of the expenditure on the farm at Makgobaskloof, support to Tshwaranang Resource Centre's school feeding programme in Queenstown and HOPE Africa's Food Security Programme.

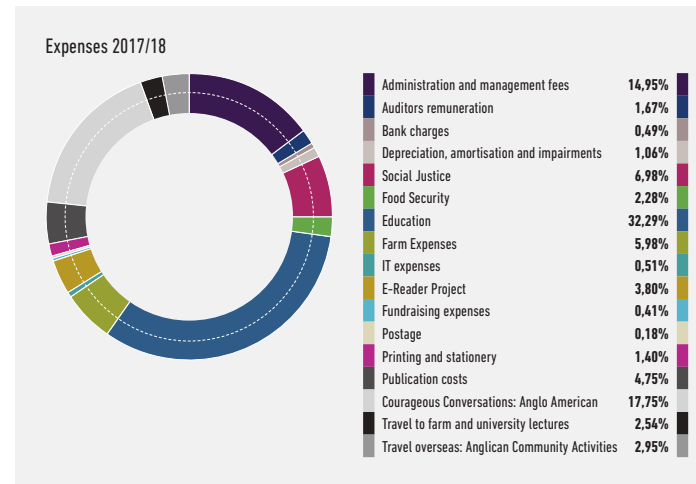
### 6/ ENDOWMENT FUND

The law makes provision for us to endow some of our income over a period of five years to ensure sustainability of the Trust and thereafter utilize the

total income from the endowment fund for the work of the Trust. We recently created a separate endowment fund to raise funds for the establishment of Archbishop Thabo Makgoba Children's Hospital.

## 7/ AUDIT FOR 2015-2016

Thanks to Maropeng for guiding the audit process. The audited financial statement are appended in this Annual Report. Our total income was R2 554 456 while our total expenses were R1 577 035. We are compliant with the tax regulation required for Trust expenditure. See a Pie Chart below of our expenses.



## 8/ GRATITUDE

I am grateful and thankful to Maropeng Moholoa and to the Chair as well as his PA at Bishops court, Revd Nobuntu Mageza, for assisting with all the practical arrangements.

Thank you fellow Trustees and to our chair. The Trust work is really humbling particularly when you encounter beneficiaries and hear their sense of gratitude.

**Lungi for Tlou Royal Holdings PTY LTD**

## THE ATMDT PROFILE

The Archbishop Thabo Makgoba Development Trust (ATMDT) started in 2012 and is a small grant-making Trust. It supports individuals, institutions and communities especially those in financial distress to pursue their educational and developmental goals. The Trust arose as a response to the number of people and community projects writing letters directly to the Archbishop or showing up at the gate of Bishops court requesting assistance. The founding Trustees set up the Trust to respond to these several needs which confronted the Archbishop daily. This has influenced the Trust's fundraising strategy and its choice of beneficiaries in grant-making.

The 3 legacy areas of the ATMDT are: **Education, Food Security and Social Justice**

## TRUSTEES OF THE ATMDT:

Archbishop Thabo Makgoba  
Louisa Mojela  
Gloria Serobe  
Lungi Makgoba

## FULL GOVERNANCE STRUCTURE OF THE TRUST

### Trustees

Trust Administrator - Tlou Royal Holdings  
Executive Assistant to the Chair - Maropeng Moholoa  
Volunteer 1 - Office Management/ Multi Media  
Volunteer 2 - Financial Systems

## EXECUTIVE ASSISTANT TO THE CHAIRMAN'S REPORT



I am really honoured and privileged to be part of the Archbishop Thabo Makgoba Development Trust (ATMDT).

## BENEFICIARIES

We communicated with all our beneficiaries on a regular basis and ensured that they submit their application forms with all the relevant supporting documents back to us. We also get positive feedback on the administrative support that our beneficiaries enjoy from the Trust.

## ANNUAL REPORT

The 2016/17 Annual Report of the Trust was produced and distributed to our benefactors and beneficiaries. We use this tool to tell the story of the Trust. The electronic version of the annual report is also available on our website.

## UNIVERSITIES & SCHOOLS

We continue to facilitate the Archbishop's visits to schools as well as to our partner universities for Annual Lectures. The Archbishop's presence at Annual Lectures is deeply appreciated by universities. The partnership between the Trust, schools and universities is strengthened by these annual visits.

## MEDIA COVERAGE

The Trust continue to receive widespread media coverage ranging from community to national

newspapers as well as national TV channels. These we get through our partnership with universities and the work that we do in communities. Media coverage most certainly help to profile the Trust. We are also taking advantage of the various social media platforms to share the good work of the Trust

## TRUST MEETING

I organised the teleconference meeting of Trustees in August 2017. Prior to this meeting, I prepared board packs and couriered them to our Johannesburg based Trustees in time for the meeting. I took the minutes of the meeting and circulated to all Trustees.

## TRUST PAYMENTS

I was also responsible for all payments by the Trust. I loaded all the necessary payments with relevant supporting documents and requested the Trustees to authorise. All the financial commitments of the Trust were met. I also guided the audit process of the Trust.

In conclusion, I would like to thank all the Trustees for their leadership, continued mentoring and support, as well as our beneficiaries and service providers for their cooperation. My heartfelt gratitude also goes to the benefactors of the Trust for their unwavering support.

**Maropeng Moholoa**



*Vuleka School*



Lukhanyo Kwini and his friends from St John's College partnered with the Trust to donate play area and toys to Vuleka St Joseph's Archbishop Thabo Makgoba School for Boys.



*Ikamvelihle Development Trust (iKDT)*



The iKDT seeks to improve the quality of education outcomes of young people in rural areas to ensure a brighter future.

*Pholosho Junior Secondary School*



The ATMDT replaced old chalkboards with new white boards in all classrooms at Pholosho Junior Secondary School in Alexandra; this was lauded as a major development by teachers and learner alike.



*Holy Cross School*



Holy Cross School at the Monastery in Grahamstown



*Maboee Archbishop High School*



The Trust continues to support the school to meet its operational needs. The school is situated in the Diocese of Lesotho.

*Kwasa College*



The ATMDT supported the school's efforts of establishing scholarships in memory of Bishop David Beetge. The scholarship will benefit children from marginalised communities.



**ANGLICAN CHURCH LAITY FUND:**  
 THE TRUST SUPPORTED **5** FULL TIME LAY WORKERS  
 FOR THEIR CHILDREN'S EDUCATION IN **5** DIOCESES.

*Rhodes University*



Mme Graca Machel delivered the 3rd Annual Lecture on Value Based Leadership at Rhodes University. Photo: Stephen Penney (Grocott's Mail)

*College of the Transfiguration*



Dr Makhosi Khoza delivered the 4th lecture series on Value Based Leadership at Rhodes University.



The College encourages in students a serious engagement with disciplined learning, a critical understanding of the faith, and a passionate commitment to the transformation of God's world.



*University of Limpopo*



Mr Mlengana delivered the 3rd lecture on Skills Development and Rural Livelihood linking it to Agrarian Transformation System on behalf of Minister Gugile Nkwinti.



*University of Mpumalanga*



Prof Barney Pityana delivered the 2017 annual lecture under the theme "Human Development and an Ethical Life" at the University of Mpumalanga.

*University of the Western Cape*



Retired Justice Dikgang Moseneke delivered the inaugural lecture on Integrity and Leadership at the University of the Western Cape while former Finance Minister Trevor Manuel delivered the second annual lecture.



*University of Fort Hare*



Minister Thokozile Xasa delivered the inaugural lecture on Leadership in Local Economic Development at the University of Fort Hare.





*UNCSW61 (2017)*



Delegates attending the UN Commission on the Status of Women in New York. The discussions were around "women's economic empowerment in the changing world of work" while an emerging issue was "the empowerment of indigenous women".

*Synod of Bishops - Gender Sensitisation workshop*



The ATMDT bought the ENOF T-shirts for all Bishops in the Anglican Church of Southern Africa during the Gender Sensitisation workshop that was facilitated by HOPE Africa.



*Global Interfaith WASH Alliance (GIWA)*



"When Religions become one, it's called Humanity". The Global Interfaith WASH Alliance (GIWA) advocates for clean water, sanitation and hygiene for all globally.



*Ghana Visit*



Lungi Makgoba with the children in a village in Ghana promoting Anglican Christian faith and social justice work.



*3rd Spirit of Humanity Forum*



Lungi Makgoba taking part in the Spirit of Humanity Forum in Iceland. The forum strive to reset the compass towards Core Human Values.

*India*



Lungi Makgoba in conversation with interfaith leaders.

*Courageous Conversation with the Mining Communities*





*ATMDT Farm*



We recently excavated all the old avocado trees. The plan is to prepare the land and plant the new avocado trees. The farm seeks to support rural livelihood programme in Makgobaskloof area.

William Ramalobela and Thomas Makgoba look after the farm as general workers



*Tshwaranang Resource Centre*



Tshwaranang feeds over 250 children through their school feeding programme in Queenstown

*Vuleka School*

The opening of the Archbishop Thabo Makgoba Boys School has been a blessing to the Vuleka Group. The administration office is fortunate to operate a stone away from the school. On a daily basis we get an opportunity to interact with the boys. There is a little boy named Tsego who was timid and did not say a word in the first term. By the second term we saw a lot of improvement. He is able to communicate with everyone and is “out of his shell”. The boys generally love their school and they are doing well in their academics.

*Tshwaranang Resource Centre*

The investment by the Trust on food gardens has positively addressed rural households’ challenges of inadequate access to food and income which are fundamentally outcomes of poverty. It has broken down the cycle of chronic food insecurity. The dietary patterns of particularly HIV affected households have improved and thus contributing to families’ healthy status, self-esteem and better standard of living.

*Revd Lutz Ackermann*

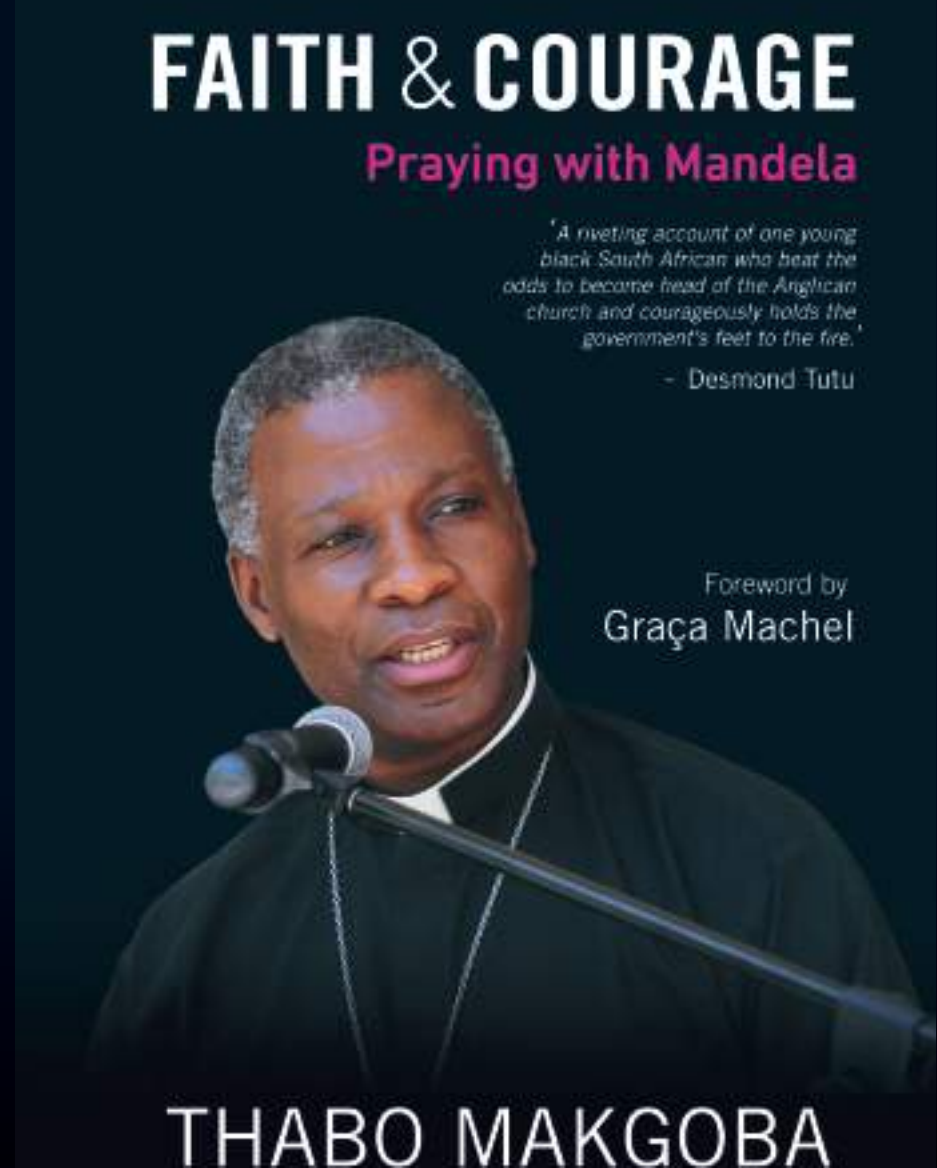
Thank you for your kind words, my archbishop! For me, it has been a tremendous intercultural learning experience to minister to Anglicans (and others) in this Diocese and in the Province. And I would like to thank you for your visits to this region, especially to the University of Limpopo. Sponsoring the annual lecture, your educational trust makes an important contribution to what our country needs so much: a deep and lasting transformation of all areas of life, including education at all levels.

*Revd Darcy Dlamini*

It is such an honour for me to be able to finally communicate with you. This is to say how much I am grateful for the support I received from you and your foundation as I embarked on my journey of post grad. The financial support I received laid a foundation in my studies and I can safely say I have received my Masters degree in Practical Theology from the University of Pretoria. I have already enrolled for PhD this academic year with the same University. Yours in the Lord.



The Chair authored the book – Faith & Courage: Praying with Mandela.  
The proceeds from the book sales have gone into the ATMDT Social Justice line item.



## FINANCIAL STATEMENTS

### The Archbishop Thabo Makgoba Development Trust

(Registration number IT734/2012)

Annual Financial Statements for the year ended 28 February 2018

#### TRUSTEES' RESPONSIBILITIES AND APPROVAL

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 International Financial Reporting Standard for Small and Medium-sized Entities. 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 International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

In addition to this, the trust conforms to the requirements of section 30 of the Income Tax Act No. 58 of 1962 as it is a registered Public Benefit Organisation (PBO). The Act requires that the PBO conducts its activities in a non-profit manner and with an altruistic or philanthropic intent. Furthermore, the activities conducted by the PBO cannot directly enhance the economic self-interest of any person acting in a fiduciary capacity for the PBO, except in the form of reasonable remuneration payable to that fiduciary for the services rendered.

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 of trustees sets 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 trust endeavours 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 Archbishop Thabo Makgoba Development Trust**

(Registration number IT734/2012)

Annual Financial Statements for the year ended 28 February 2018

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 have reviewed the trust's cash flow forecast for the year to 28 February 2019 and, in the light of this review and the current financial position, they 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 4 to 6.

The annual financial statements set out on page 9 to 16, which have been prepared on the going concern basis, were approved by the board of trustees on 20 September 2018 and were signed on its behalf by:

**By Order of the Board**

**Archbishop TC Makgoba Cape Town****25 September 2018**

**Mrs LM Nojela****SNG Grant Thornton**

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**INDEPENDENT AUDITORS' REPORT****To the Trustees of The Archbishop Thabo Makgoba Development Trust****Opinion**

We have audited the annual financial statements The Archbishop Thabo Makgoba Development Trust as set out on pages 9 to 17, which comprise statement of financial position as at 28 February 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity 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 annual financial statements present fairly, in all material respects, the financial position of The Archbishop Thabo Makgoba Development Trust as at 28 February 2018, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium Enterprises and the requirements of Section 30 of the Income Tax Act which deals specifically with public benefit organisations.

**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 Annual Financial Statements section of our report. We are independent of the entity 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.

**Other information**

The Trustees are responsible for the other information. The other information comprises the Trustee's Report as set out on page 4. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial



statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Trustees Responsibility for the Annual Financial Statements

The Trustees are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards for Small and Medium Enterprises and the requirements of Section 30 of the Income Tax Act which deals specifically with public benefit organisations, and for such internal control as the Trustees determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the Trustees are responsible for assessing the entity'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.

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

Our objectives are to obtain reasonable assurance about whether the annual 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 annual 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 management.
- Conclude on the appropriateness of management's 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 entity'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 annual 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 entity 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 those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**SizweNtsalubaGobodo Grant Thornton Inc.**

**Director: Natalie Arendse**

**Registered Auditor**

Date: 25 September 2018

2nd Floor, Block A, Century Falls,  
32 Century Boulevard, Century City  
7441

Victor Sekese [Chief Executive]

A comprehensive list of all Directors is available at the company offices or registered office

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**The Archbishop Thabo Makgoba Development Trust**

(Registration number IT734/2012)

Annual Financial Statements for the year ended 28 February 2018

The trustees have pleasure in submitting their report on the annual financial statements of The Archbishop Thabo Makgoba Development Trust for the year ended 28 February 2018.

**1. NATURE OF BUSINESS**

The trust was incorporated on 15 March 2012 in the Republic of South Africa. In terms of the Trust Deed, the objective of the trust is to promote and improve the social, economic and educational wellbeing of the beneficiaries provided that the activities of the trust shall be limited to the Public Benefit Activities.

The objective of the trust includes:

- Economic and entrepreneurial development in Southern Africa
- Increasing social impact through Education and Health Enterprises
- Capacity building and the promotion of community based sustainable co-operatives
- Provision of bursary and scholarships to individuals and institutions
- Financial assistance to programmes and activities undertaken by the Anglican Church in advancing and preserving the practice of Christianity in Southern Africa
- Development of ethical and moral leadership in Southern Africa.

There have been no material changes to the nature of the trust's business from the prior year.

**2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES**

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. The accounting policies have been applied consistently compared to the prior year.

**3. TRUSTEES**

The trustees in office at the date of this report are as follows:

**Trustees**

Archbishop TC Makgoba

Mrs LM Mojela

Mrs LN Makgoba

Mrs GT Serobe

**4. EVENTS AFTER THE REPORTING PERIOD**

The trustees are not aware of any other material event which occurred after the reporting date and up to the date of this report.

**5. GOING CONCERN**

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the trust.

**6. DATE OF AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS**

The annual financial statements have been authorised for issue by the trustees on 25 September 2018. No authority was given to anyone to amend the financial statements after the date of issue.

**7. DONATION INCOME**

The Trust received donations from the following organisations/persons:

**Donors**

The Wiphold NGO Trust	2 000 000	4 000 000
Fred Robertson Foundation	20 000	25 000
Anglo American Courageous Conversations	534 456	400 000
Trinity Parish, Rector and Wardens (NY) – Restricted For Pholoshlo Junior Secondary	-	280 706
Stipend Tithing	-	12 136
	<b>2 554 456</b>	<b>4 717 842</b>



**The Archbishop Thabo Makgoba Development Trust**

(Registration number IT734/2012)

Annual Financial Statements for the year ended 28 February 2018

**STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2018**

	Note(s)	2018 R	2017 R
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	2	1 146 287	1 132 581
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	8 282 160	7 211 476
<b>Total Assets</b>		<b>9 428 447</b>	<b>8 344 057</b>
<b>FUNDS AND LIABILITIES</b>			
<b>FUNDS</b>			
Accumulated Funds		9 428 447	8 344 057
<b>Total Funds and Liabilities</b>		<b>9 428 447</b>	<b>8 344 057</b>

**STATEMENT OF COMPREHENSIVE INCOME**

	Note(s)	2018 R	2017 R
Revenue	4	2 582 456	4 717 842
Operating expenses		(1 577 035)	(1 401 066)
<b>Operating surplus</b>		<b>1 005 421</b>	<b>3 316 776</b>
Investment revenue		78 969	92 857
<b>Surplus for the year</b>		<b>1 084 390</b>	<b>3 409 633</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>1 084 390</b>	<b>3 409 633</b>

**The Archbishop Thabo Makgoba Development Trust**

(Registration number IT734/2012)

Annual Financial Statements for the year ended 28 February 2018

**STATEMENT OF CHANGES IN FUNDS**

	Accumulated Funds R	Total funds R
<b>Balance at 01 March 2016</b>	<b>4 934 424</b>	<b>4 934 424</b>
Surplus for the year	3 409 633	3 409 633
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>3 409 633</b>	<b>3 409 633</b>
<b>Balance at 01 March 2017</b>	<b>8 344 057</b>	<b>8 344 057</b>
Surplus for the year	1 084 390	1 084 390
Other comprehensive income	-	-
Total comprehensive income for the year	<b>1 084 390</b>	<b>1 084 390</b>
<b>Balance at 28 February 2018</b>	<b>9 428 447</b>	<b>9 428 447</b>

**STATEMENT OF CASH FLOWS**

	Note(s)	2018 R	2017 R
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	8	1 022 207	3 323 398
Interest income		78 969	92 857
<b>Net cash from operating activities</b>		<b>1 101 176</b>	<b>3 416 255</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	2	(30 492)	(9 456)
<b>Total cash movement for the year</b>		<b>1 070 684</b>	<b>3 406 799</b>
Cash at the beginning of the year		7 211 476	3 804 677
<b>Total cash at end of the year</b>	3	<b>8 282 160</b>	<b>7 211 476</b>



**The Archbishop Thabo Makgoba Development Trust**

(Registration number IT734/2012)

Annual Financial Statements for the year ended 28 February 2018

**ACCOUNTING POLICIES****1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS**

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

**1.1 PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to or replace part of it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	50 years
IT equipment	Straight line	3 years

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

Land is not depreciated

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

**1.2 FINANCIAL INSTRUMENTS****Initial measurement**

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit)

unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

**Financial instruments at cost**

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment.

**Financial instruments at fair value**

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, are measured at fair value through surplus and deficit.

**1.3 IMPAIRMENT OF ASSETS**

The trust assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus and deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in surplus and deficit.

**1.4 REVENUE**

Interest is recognised, in surplus and deficit, using the effective interest rate method.

Donation income is recognised when received or receivable only if there is an irrevocable contract in place.

**The Archbishop Thabo Makgoba Development Trust**

(Registration number IT734/2012)

Annual Financial Statements for the year ended 28 February 2018

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS****2. PROPERTY, PLANT AND EQUIPMENT**

	2018			2017		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	851 568	-	851 568	851 568	-	851 568
Buildings	293 312	(18 921)	274 391	293 312	(12 299)	281 013
IT equipment	30 492	(10 164)	20 328	-	-	-
<b>Total</b>	<b>1 175 372</b>	<b>(29 085)</b>	<b>1 146 287</b>	<b>1 144 880</b>	<b>(12 299)</b>	<b>1 132 581</b>

**Reconciliation of property, plant and equipment – 2018**

	Opening balance	Additions	Depreciation	Total
Land	851 568	-	-	851 568
Buildings	281 013	-	(6 622)	274 391
IT equipment	-	30 492	(10 164)	20 328
	<b>1 132 581</b>	<b>30 492</b>	<b>(16 786)</b>	<b>1 146 287</b>

**Reconciliation of property, plant and equipment – 2017**

Land	851 568	-	-	851 568
Buildings	278 179	9 456	(6 622)	281 013
	<b>1 129 747</b>	<b>9 456</b>	<b>(6 622)</b>	<b>1 132 581</b>

**3. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of:

Bank balances

Short-term deposits

**4. REVENUE**

Donations Income

Book Sales: Faith and Courage Book Sales, N Zulu

**5. DEPRECIATION, AMORTISATION AND IMPAIRMENTS**

The following items are included within depreciation, amortisation and impairments:

**Depreciation**

Property, plant and equipment

**6. TAXATION**

No provision has been made for 2018 tax as the trust is exempt from tax in accordance with section 10(1)(cN) of the Income

Tax Act read together with section 30.

**7. AUDITOR'S REMUNERATION**

Fees

**8. CASH GENERATED FROM OPERATIONS**

Surplus before taxation

**Adjustments for:**

Depreciation and amortisation

Interest received

	2018 R	2017 R
<b>3. CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents consist of:		
Bank balances	4 359 014	4 067 301
Short-term deposits	3 923 147	3 144 175
	<b>8 282 161</b>	<b>7 211 476</b>
<b>4. REVENUE</b>		
Donations Income	2 554 456	4 717 842
Book Sales: Faith and Courage Book Sales, N Zulu	28 000	-
	<b>2 582 456</b>	<b>4 717 842</b>
<b>5. DEPRECIATION, AMORTISATION AND IMPAIRMENTS</b>		
The following items are included within depreciation, amortisation and impairments:		
<b>Depreciation</b>		
Property, plant and equipment	16 786	6 622
<b>6. TAXATION</b>		
No provision has been made for 2018 tax as the trust is exempt from tax in accordance with section 10(1)(cN) of the Income Tax Act read together with section 30.		
<b>7. AUDITOR'S REMUNERATION</b>		
Fees	26 300	18 753
<b>8. CASH GENERATED FROM OPERATIONS</b>		
Surplus before taxation	1 084 390	3 409 633
<b>Adjustments for:</b>		
Depreciation and amortisation	16 786	6 622
Interest received	(78 969)	(92 857)
	<b>1 022 207</b>	<b>3 323 398</b>



**The Archbishop Thabo Makgoba Development Trust**

(Registration number IT734/2012)

Annual Financial Statements for the year ended 28 February 2018

**DETAILED INCOME STATEMENT**

	Note(s)	2018 R	2017 R
<b>REVENUE</b>			
Donations Income		2 554 456	4 717 842
Book Sales: Faith and Courage Book Sales, N Zulu		28 000	-
	4	<b>2 582 456</b>	<b>4 717 842</b>
<b>OTHER INCOME</b>			
Interest received		78 969	92 857
Expenses (Refer to page 18)		<b>(1 577 035)</b>	<b>(1 401 066)</b>
Surplus for the year		<b>1 084 390</b>	<b>3 409 633</b>

The supplementary information presented does not form part of the annual financial statements and is unaudited

**DETAILED INCOME STATEMENT**

	Note(s)	2018 R	2017 R
<b>OPERATING EXPENSES</b>			
Administration and management fees		(235 842)	(180 834)
Auditors remuneration	7	(26 300)	(18 753)
Bank charges		(7 700)	(7 538)
Depreciation, amortisation and impairments		(16 786)	(6 622)
Entertainment		-	(17 456)
Social Justice		(110 121)	(102 694)
Food Security		(36 000)	(20 000)
Education		(509 174)	(410 000)
Investment Portfolio Charges		-	(7 681)
Farm Expenses		(94 323)	(155 318)
IT expenses		(8 063)	(3 942)
E-Reader Project		(60 000)	-
Fundraising expenses		(6 434)	-
Postage		(2 774)	(29 150)
Printing and stationery		(22 124)	(44 167)
Publication costs		(74 894)	-
Courageous Conversations: Anglo American		(280 000)	(320 000)
Travel to farm and university lectures		(40 000)	(76 911)
Travel overseas: Anglican Community Activities		(46 500)	-
		<b>(1 577 035)</b>	<b>(1 401 066)</b>

The supplementary information presented does not form part of the annual financial statements and is unaudited

## PLEDGE FORM

## CONTACT US

### *Pledge in five easy steps to the ATMDT*

1. Choose the legacy you wish to support
2. Fill in the amount you would like to donate
3. Indicate if these will be monthly or once-off donation
4. Complete the donor information below
5. Return via fax 021 797 1298 or email [lungi@archmakgobadevtrust.com](mailto:lungi@archmakgobadevtrust.com) with your payment

<b>3</b> <b>LEGACY AREAS TO SUPPORT</b>	<b>EDUCATION</b>	Amount	Monthly/ Once-off
	<b>FOOD SECURITY</b>		
	<b>DEVELOPMENT</b>		
<b>OR</b> <b>SUPPORT THE E-READER PROJECT (ELECTRONIC LIBRARY)</b>			

### *Thank you for supporting the activities of the trust*

Donor Information (needed for tax certificate)

Name: \_\_\_\_\_

Postal Address: \_\_\_\_\_

Contact No.: \_\_\_\_\_

Email: \_\_\_\_\_

Signature: \_\_\_\_\_

### *ATMDT Banking Details*

The Archbishop Thabo Makgoba Development Trust

Account No.: 1043696474 | Branch Code: 145405 | Bank: NEDBANK | SWIFT CODE: NEDSZAJJ

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