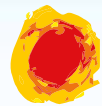


# SERVE LIKE MADIBA

## 2021 ANNUAL REPORT



Nelson Mandela  
CHILDREN'S FUND

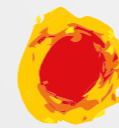


CHANGING THE WAY SOCIETY TREATS ITS CHILDREN AND YOUTH



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Nelson Mandela  
CHILDREN'S FUND



CHANGING THE WAY SOCIETY TREATS ITS CHILDREN AND YOUTH



# THE FUND'S VISION, MISSION AND VALUES

## VISION

Changing the way society treats its children and youth.

## MISSION

To give a voice and to provide dignity to the African child by building a rights-based movement.

## ORGANISATIONAL VALUES

### CHAMPION FOR CHILDREN AND YOUTH

- ★ Give voice and dignity to the African child
- ★ Putting the children and youth at top-of-mind as a first priority
- ★ Giving children and youth a voice: providing youth with a platform to lead
- ★ Listening to children and youth and allowing spaces of expression
- ★ Being knowledgeable about relevant issues facing children and youth
- ★ Expertise in intervention measures
- ★ Advocate the rights and interests of the child

### DIGNITY & RESPECT

- ★ Appreciating intrinsic value of children and youth as members of the human race
- ★ Safety and protection of children
- ★ Transparency
- ★ How we engage with each other and our stakeholders
- ★ Facilitate but not dictate

### FAMILY-CENTRIC APPROACH/ SYSTEMS CHANGE

- ★ No child is an island (they are part of a family and community)
- ★ Understanding root causes
- ★ Creating behaviour changes

### INNOVATION

- ★ New approaches to fundraising and communication (utilising digital platforms)
- ★ How to use Knowledge Management to generate insights and new ways of thinking about solutions
- ★ Utilise technology within programmes to increase efficiency
- ★ Utilising collaborative approaches to governance

### INTEGRATION AND COLLABORATION

- ★ Utilising partners to address challenges
- ★ Needs to be mutual accountability: clarity on responsibilities
- ★ Interdisciplinary approaches – holistic approaches to challenges facing children and youth
- ★ Utilise strategic partners (universities and research institutions) to drive innovative approaches to programme implementation

### SUSTAINABILITY

- ★ Building lasting solutions
- ★ Financial sustainability
- ★ Building lasting relationships
- ★ Making the most out of existing resources

## STRATEGIC OBJECTIVES OF NMCF

NMCF identified four strategic objectives which highlight how the organisation plans to “change the way society treats its children and youth”.

- ★ Empower families and communities to adequately care (healthcare, safety, nutrition, education, economic position, basic services) for their children and youth
- ★ Create platforms to amplify the voices of children and youth
- ★ Address and influence government shortfalls in relation to children and youth (advocacy and lobbying)
- ★ Create a collaborative environment to amplify the impact of NMCF on children and youth through strategic partnerships



## MESSAGE FROM THE FUND'S CHAIRPERSON

# UNYIELDING IN OUR MISSION TO #SERVELIKEMADIBA



**If last year was characterised by the Covid-19 pandemic, the current financial year has further revealed its devastating impact, unravelling challenges that will mark this period in history. It is in these challenging times that we must protect our most vulnerable citizens to mitigate against the devastating consequences presented by this global crisis.**

The 2020/2021 financial year coincided with the onset of a state of emergency declared by the national government followed by strict lockdown regulations in efforts to curb the spread of the Covid-19 pandemic.

Inevitably, this necessary step to preserve lives also resulted in an economic downturn and limitations on movement and social gatherings. For the Nelson Mandela Children's Fund (the Fund), this meant finding new ways of supporting our beneficiaries, many of whom are located in the remote areas of our country plagued by this new reality.

South Africa is still marked by grave levels of abuse against women and children with President Cyril Ramaphosa declaring the gender-based violence as the "second pandemic" facing our country. Poverty-alleviation also remained a key focus for communities whose livelihoods were stifled by the imposed limitations. Furthermore, the need for sustainable living, promoting safe communities for women and children and encouraging the thriving and development for children while advocating for the advancement of children's rights, remain a priority.

The Covid-19 pandemic has revealed how inequality is further exacerbated in developing economies already marked by rising levels of poverty and unemployment. It is therefore crucial that we ensure that investor markets supports emergency responses while taking a holistic approach to empowering communities towards self-sustainability.

This remains a core focus of the Fund, which through its strategic programmes aims to alleviate youth unemployment, poverty and improve housing and sanitation whilst also tackling issues of child abuse. Supported by advocacy and lobbying, this is work that must continue to improve legislation and the reality for many children on the ground.

A review of these programmes was conducted by Letsema Consulting and indicated that these focus areas are still relevant and must continue to inform the Fund's intervention in the short to medium term.

Efficacy has also been a focal point driven by the Board of Trustees. In this vein, a resolution by the Board of the Fund to reintegrate the Nelson Mandela Children's Hospital Trust (the Trust) has seen a seamless amalgamation of its staff and members of the Board of Trustees into the Fund as the ultimate founding organisation. Having achieved its mandate to realise Madiba's dream of providing a world-class dedicated hospital for all children, irrespective of socio-economic situation, the Trust will ultimately be dissolved.

This process is expected to be completed by the end of the next financial year with the Fund assuming some of the Fundraising, Communication and Marketing activities in support of the hospital.



While South Africa and the global community come to terms with a new norm, we are proud of the executive management and staff at the Fund as well as its valued donor community, partners and various stakeholders who have not allowed the current climate to deter our organisation from its vision. I would like to give special thanks to the Chief Executive Officer, Ms Konehali (Kone) Gugushe, who joined the Fund at the start of the pandemic and the current financial year. Kone has steered the Fund's direction with remarkable resilience and insight in a time of uncertainty.

I would be remiss to not acknowledge the tireless efforts of the Board of Trustees at Fund who continue to volunteer their time to provide strategic oversight for this legacy institution.

This year has also been marked by loss of colleagues, supporters and friends of the Fund. We honour their memory and their contributions which will forever remain etched in our hearts.

We salute the heroes who are often the silent drivers behind our success stories. As we build a path in uncharted territory, we remain steadfast on extending the challenge to each and every person and ask: How will you **#ServeLikeMadiba** to inspire our future leaders?

## "THERE CAN BE NO GREATER GIFT THAN THAT OF GIVING ONE'S TIME AND ENERGY TO HELPING OTHERS WITHOUT EXPECTING ANYTHING IN RETURN."

NELSON MANDELA



**Judge Yvonne Mokgoro**  
Chairperson  
Nelson Mandela Children's Fund

## MESSAGE FROM THE FUND'S CEO

# SERVING OUR CHILDREN AND YOUTH IN UNPRECEDENTED TIMES



In 2020, the Nelson Mandela Children's Fund (the Fund) adopted the **#ServeLikeMadiba** theme and messaging in all our marketing and communication campaigns. In the same way that our esteemed founder served humanity, so our call is for ordinary people and various stakeholders to show their support for our children and youth. This theme resonated strongly with the Fund's team who supported those communities, families, and young people whose lives have been impacted by the Covid-19 pandemic. It is with gratitude that we recognise the efforts of our loyal supporters and the public who have risen to the challenge and "Serve(d)LikeMadiba".

As the world moves into a second year of the Covid-19 pandemic, many organisations, including those within civil society, have had to adapt to a different type of reality. This meant that whilst the Fund had to ensure the continuation of humanitarian work within the boundaries of enforced restrictions, we also had to ensure the safety and well-being of our staff behind this important work. For the Fund, lockdown restrictions meant that our various teams had to orientate each other in a virtual world and to find appropriate alignment.

Operating under these conditions was unusual at times and yet our various teams managed to serve our children and youth with determination and commitment.

Furthermore, and much like many organisations in our sector, our fundraising efforts were impacted as the pandemic ravaged financial markets resulting in reduced returns. Some of the crowdfunding campaigns that had been planned for this financial year had to be postponed. As a result, the Fund needed to re-establish its position to respond to beneficiary needs presented by Covid-19 whilst rallying ongoing support for our strategic programmes.

Part of our focus was to reach out to international donors through our affiliate offices in the United Kingdom and the United States of America. This allowed the Fund to reach a wide range of stakeholders, partners, and donors who share our vision to promote the well-being of children and youth. As the pandemic continues to present challenges to the lives of our children, youth, and their families; our organisation must be agile. This requires us to foster collaborations across civil society, corporations, and government to yield sustainable results.

In 2019, the Boards of the Fund and Nelson Mandela Children's Hospital Trust (the Trust) decided that the role of the Trust should be reviewed. The initial purpose of setting up the Trust was to commission, build and equip the Nelson Mandela Children's Hospital (NMCH). Since this was achieved in 2017, the aim of this review was to transfer the post-capital campaign mandate of providing fundraising, communications, and marketing support to NMCH by the Trust (amongst others) to the Fund. This also required transferring the assets of the Trust between NMCH and the Fund.

Various implementation steps had to be undertaken to achieve this during the reporting period. One of these steps was the recomposition of the Fund's Board and the reconstitution of sub-committees with former trustees from the Board of Trustees at the Trust. The intent to reconstitute the Fund's Board and its sub-committees was announced at the Fund's AGM. We initiated a High-Level Organisational Strategy Review to inform us as we embark on this amalgamation process. This process was facilitated by Letsema Consulting.

The primary outcome of the review was to make recommendations regarding the structure of the Fund (post amalgamation with the Trust). The review kicked off with a workshop that was held with Trustees and staff in April 2020. Various other engagements were undertaken with important stakeholders during the year. Having gone through the evaluation of the ideal structure, we have narrowed down the most critical positions required which will give us operational efficiency and enable us to realise the strategic gains that we seek.

## "THE HERO SEES SOLUTIONS NO MATTER HOW GREAT THE CHALLENGE"

The findings relating to the Fund's Programmes revealed that the current focus areas of the Fund are still relevant in addressing the key issues affecting children in South Africa. This process will continue to review the Programmes Strategy as well as the outcomes of the 2016 - 2021 strategy to inform the Fund's operational strategy for the next few years.

The Fund continues to work within a collaborative ecosystem and we remain motivated by our teams and implementing partners. These are our heroes who have shown incredible commitment and have gone above and beyond to ensure that the needs of our children and their families are not neglected during this unprecedented period.

While this has meant having to limit gatherings and rely on virtual platforms, even in instances where there is a digital divide, we are encouraged by the support our teams continue to provide to reach some of the most remote areas of our country.

Our staff have shown resilience during the challenges of the previous year, and I would like to take this opportunity to thank them for their steadfastness and commitment to our mission to **#ServeLikeMadiba**. We also honour the memory of many partners, colleagues, and former trustees we have lost during the past year whose contribution will forever remain etched in the memory of our institution and the lives of our beneficiaries.

Covid-19 has highlighted that as an organisation we need to plan appropriately for the unexpected and shift our focus to sustainable approaches to mitigate the impact of such epidemics on the most vulnerable. As such, this will inform our Organisational Redesign and Skills Improvement Plan as well as advocacy efforts going forward.

As always, we will build on our past successes and improve areas that will fulfil the Fund's vision of changing the way society treats its children and youth. Overcoming today's challenges can create tomorrow's heroes.



**Konehali Gugushe**  
Chief Executive Officer  
Nelson Mandela Children's Fund



## NMCF FINANCIAL RESULTS AT A GLANCE AS AT MARCH 2021

R'000	1995-2014	2015	2016	2017	2018	2019	2020	2021	Cumulative
Income	772,880	37,534	26,935	34,715	15,369	22,150	24,985	13,868	<b>948,436</b>
Children's Hospital Project Income	30,899	-	-	-	-	-	-	-	<b>30,899</b>
Mott Foundation Endowment*	17,055	-	-	-	-	-	-	-	<b>17,055</b>
Investment Income / (Loss)	550,500	63,517	115,322	80,268	49,994	52,401	(32,114)	184,431	<b>550,500</b>
<b>Total Income</b>	<b>1,371,334</b>	<b>101,051</b>	<b>142,257</b>	<b>114,983</b>	<b>65,363</b>	<b>74,551</b>	<b>(7,129)</b>	<b>198,299</b>	<b>1,515,991</b>
<b>Less</b>									
Programme Development expenditure	(107,996)	(12,445)	(10,508)	(6,366)	(7,403)	(12,116)	(9,583)	(9,748)	<b>(176,165)</b>
Operation & Administration expenditure	(123,289)	(13,218)	(15,172)	(14,302)	(14,108)	(14,043)	(15,668)	(14,980)	<b>(224,780)</b>
Operation & Admin Recovery from Designated Funds	(23,834)	(554)	(396)	(15)	-	-	-	-	<b>(24,799)</b>
<b>Special Projects</b>	<b>(2,050)</b>								<b>(2,050)</b>
Annual Children's Celebration		(221)	(195)	(108)	(124)	(160)	(224)	-	<b>(1,032)</b>
Advancement of the Status of Women	(529)	-	-	-	-	-	-	-	<b>(529)</b>
Children's Hospital Project	(3,098)	-	(250,000)	-	-	-	-	-	<b>(253,098)</b>
Story of the Fund	(604)	-	(110)	-	-	-	-	-	<b>(714)</b>
Youth Parliaments	(2,673)	(598)	(335)	(36)	(90)	(170)	(543)	-	<b>(4,445)</b>
<b>Total Expenditure</b>	<b>(291,873)</b>	<b>(27,036)</b>	<b>(276,716)</b>	<b>(20,827)</b>	<b>(21,725)</b>	<b>(26,489)</b>	<b>(26,018)</b>	<b>(24,728)</b>	<b>(687,612)</b>
Grants Approved	(475,799)	(20,296)	(8,557)	(15,436)	(6,677)	(10,038)	(7,398)	(7,164)	<b>(551,365)</b>
<b>Net Funds Received</b>	<b>603,662</b>	<b>53,719</b>	<b>(143,016)</b>	<b>78,720</b>	<b>36,961</b>	<b>38,024</b>	<b>(40,545)</b>	<b>166,407</b>	<b>277,014</b>

### Donations Income vs Total Programme Expenses and Grants

R'000	1995 - 2014	2015	2016	2017	2018	2019	2020	2021	Total
Donations Income (incl. Children's Hospital Project Income and Mott Foundation Endowment)	820 834	37 534	26 935	34 715	15 369	22 150	24 985	13 868	<b>996 390</b>
Total Programme Expenses & Grants	592 145	33 560	269 595	21 946	14 294	22 484	17 748	16 912	<b>988 684</b>
<b>Grants &amp; Programme Expenses as a % of Donations Income</b>	<b>72%</b>	<b>89%</b>	<b>1001%</b>	<b>63%</b>	<b>93%</b>	<b>102%</b>	<b>71%</b>	<b>122%</b>	<b>99%</b>

## EXECUTIVE SUMMARY 2021 REPORTING YEAR

**P**resident Cyril Ramaphosa's State of the Nation Address was delivered on the 13th of February 2020. Six weeks later South Africans would be faced with strict lockdown regulations as the Government set out to safeguard its citizens from a global pandemic that was Covid-19. Without a doubt, the pandemic affected the Nelson Mandela Children's Fund (the Fund) during the reporting year. Various fundraising campaigns and social celebrations had to be either reduced or put on hold during this time. According to the President's address (SONA 2021), "the COVID-19 pandemic has wrought havoc on the South African economy, infected nearly 1.5-million people and killed more than 45 000 [people]". The President further stated that the economy was "6% smaller in the third quarter of 2020 compared with the last quarter of 2019". As a result, the Fund had to adjust its fundraising strategy as many donors were now facing their own financial hardships.

The reporting year also coincided with a change in the Fund's leadership. Sibongile Mkhabela retired at the end of March 2020 and Konehali Gugushe was appointed the Fund's Chief Executive Officer. These changes at the Fund occurred during a strict 35-day lockdown which limited business engagement and impacted communication with staff members. During the year, the country had to endure various lockdown levels, some less restrictive than others. It was during this time that the various programme managers had to adapt to a new way of working as well as communicating.

Despite the challenges of Covid-19 and various restrictions during the year, the Fund's income reflected a positive outcome (compared to the previous reporting year). Furthermore, expenditure was slightly reduced. Due to the financial restraints as a result of the decline

in South Africa's economy, the Fund focused on international offices and partners during fundraising campaigns. Moving into the next reporting year and as vaccinations in the UK and USA have grown, this should provide some benefit to the South African office and its beneficiaries.

The Fund's five programmes yielded positive results where some exceeded their targets. The Child Safety and Protection Programme (CSP) improved accessibility to educational support (37%) for its beneficiaries.

Further achievements included providing children with the ability to know their rights (4%), increasing frontline workers (25%) as well as a record number of women and girls who accessed statutory and protective services.

The notable achievement for the Child Survival, Development and Thriving Programme was that 95% of mothers who are breastfeeding their babies did so exclusively for the first six months. The various other programmes also provided the necessary support for the children, youth, their families, and communities during this period. A few of the initiatives during this reporting included providing the support, skills and knowledge that saw the establishment of backyard food gardens, developing entrepreneurial skills and providing communities with opportunities to sell to local businesses.

During the reporting year, the Fund's organisational strategy was reviewed due to the integration of the Nelson Mandela Children's Trust into the Fund. The Fund will also be reviewing each programme to determine the implementation of the organisational strategy which will fall within the 2022 reporting year. The campaign **#ServeLikeMadiba** and **Give Like They're Yours** will remain the key message for the next reporting year.



# NELSON MANDELA CHILDREN'S FUND ORGANOGRAM



**CEO**  
Konehali Gugushe



**CONSULTANT: CEO'S OFFICE**  
Pat van der Merwe



**OFFICE ADMINISTRATION: CEO'S OFFICE**  
Eunice Motsepa



**MANAGER: CSDT**  
Shadi Nyokong



**MANAGER: CSP**  
Vacant



**MANAGER: SLP**  
Mapule Cheela



**MANAGER: YLP**  
Vacant



**MANAGER: SPECIAL PROJECTS**  
Pinky Mashigo



**CHIEF FINANCE OFFICER**  
Sibusiso Zwane



**DIRECTOR: BUSINESS DEVELOPMENT & RESOURCE MOBILISATION**  
Sydney Hadebe



**DIRECTOR: COMMS & MARKETING**  
Nomthi Mnisi



**HUMAN RESOURCE MANAGER**  
Mpumi Mabena



**CASS MANAGER**  
Tshidi Kwela



**PROJECT OFFICER**  
Eunice Seleke



**PROJECT OFFICER**  
Charity Nsah



**PROJECT OFFICER**  
Zandile Tshabalala



**PROJECT OFFICER**  
Chumani Nkwinti



**PROGRAMMES FINANCE MANAGER**  
Vincent Kgomo



**MANAGER: FUNDRAISING**  
Maeline Engelbrecht



**MANAGER: COMMS & MARKETING**  
Ayabulela Poro



**ADMIN OFFICER**  
Carol Motang



**ADMIN OFFICER**  
Geoginah Maine



**PROJECT OFFICER**  
Phumla Dyantyi



**PROJECT OFFICER**  
Bontle Lekgoathi



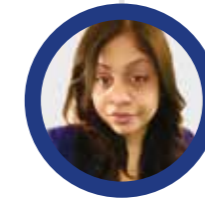
**PROJECT OFFICER**  
Zamajozi Sithole



**FINANCE OFFICER**  
Kholiswa Ramokadi



**CO-ORDINATOR: FUNDRAISING & VOLUNTEERS**  
Agnes Kambira



**DIGITAL MARKETING OFFICER**  
Thireshni Sanasy



**RECEPTIONIST**  
Martha Monare



**DRIVER**  
Solly Matlala



**DRIVER**  
Bongani Mbelle



**MONITORING & EVALUATION OFFICER**  
Tsietsi Lakajoe



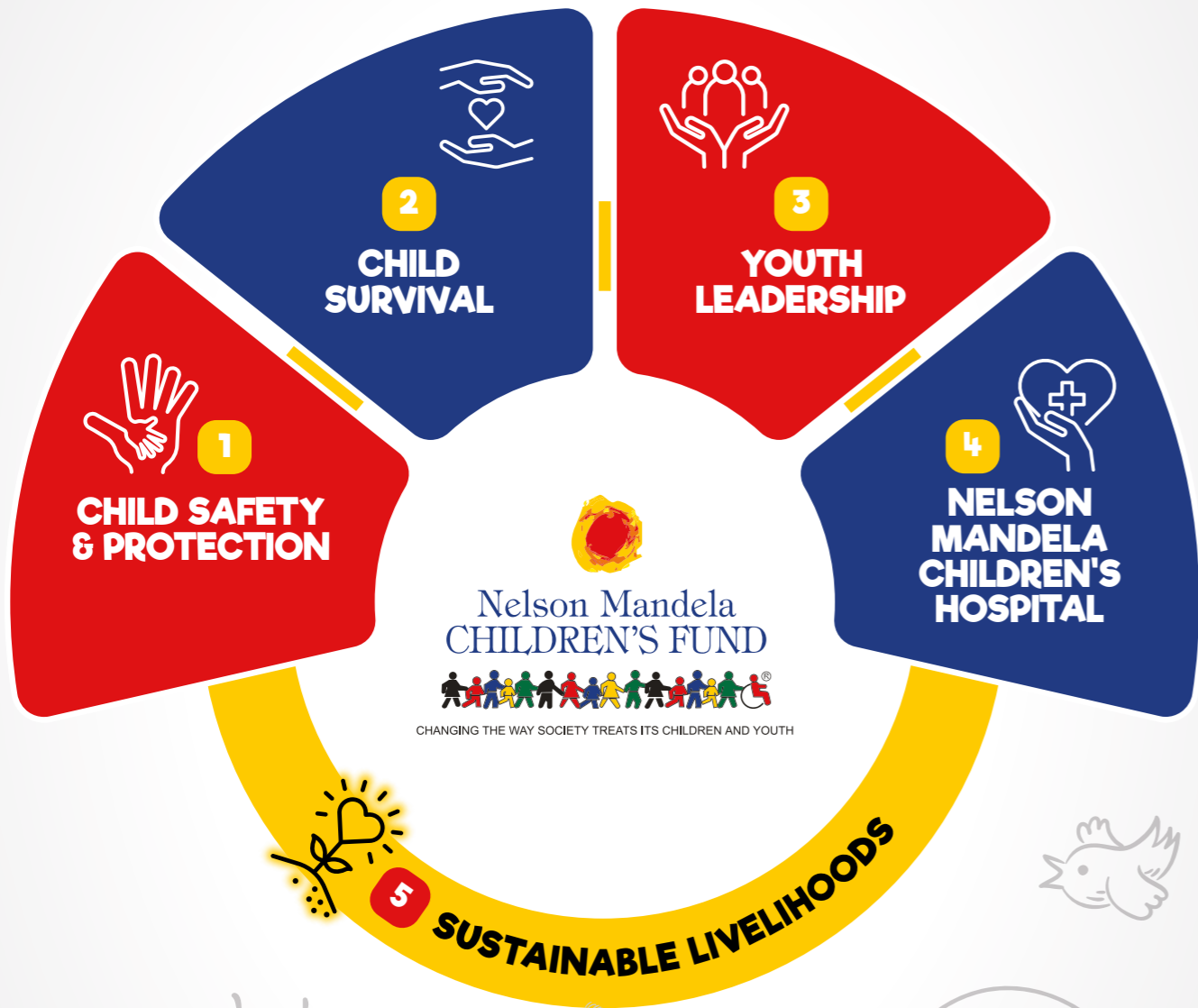
**FINANCE ADMINISTRATOR**  
Charity Xaba



**HOSPITALITY**  
Lebohang Maabe

# PROGRAMME HIGHLIGHTS

While much has been made about the disruption of the Covid-19 pandemic and lockdown, our programme managers, their teams as well as their implementing partners ensured that those impacted the most were not forgotten. There are many reasons to celebrate, no matter how big or small the achievement because each success is a small step towards changing the way society treats its children and youth.



## 1 THE CHILD SAFETY AND PROTECTION PROGRAMME (CSP)

The CSP focuses on decreasing sexual and gender-based violence amongst women and girls. The programme also works to reduce corporal punishment and the elimination of bullying in schools for both girls and boys.

13 Implementing partners in five provinces (Gauteng, Limpopo, KwaZulu-Natal, Eastern Cape and Western Cape)	Legal case training by National Prosecuting Authority (NPA) for 22 participants from 10 partners in four provinces (Gauteng, Limpopo, KwaZulu-Natal and Eastern Cape)	Psychosocial support training for 30 facilitators in Orlando East, to work with eight schools targeting 675 learners for 'Empowering Girls' and 'Peace is a Decision' for Boys'	Sustainable Livelihoods Training for 20 participants (elderly citizens, parents of beneficiaries and facilitators) to establish self-help groups that will help generate income	Programme beneficiaries: 6 172 children and youth, 284 parents and guardians, 156 educators, 2571 community members
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## 2 THE CHILD SURVIVAL, DEVELOPMENT, AND THRIVING PROGRAMME (CSDT)

The CSDT focuses on reducing child mortality and supporting pregnant mothers and their babies in the first 1000 days of the life of a child. This is achieved through family and community outreach programmes as well as strengthening health systems.

12 Implementing partners in 8 provinces	10 000 Copies of Covid-19 information distributed to families	174 Community Health Workers (CHWs) received tablets for electronic data collection	200 Household vegetable gardens have been established. New mothers are preparing homemade baby food using vegetables from their own gardens	4536 Primary caregivers capacitated to mentally stimulate their children at home
	8 306 Children were reached through various services provided during the first 1000 days of life	2 514 Pregnant women supported through pre-natal care	1 403 New mothers supported through post-natal care	



**"IT ALWAYS SEEMS IMPOSSIBLE UNTIL IT IS DONE"**

**NELSON MANDELA**

# PROGRAMME HIGHLIGHTS

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## YOUTH LEADERSHIP PROGRAMME (YLP)

The YLP provides the youth from all walks of life with a platform that enables them to lead and become agents of their own change through the Efeng Bacha Youth Advisory board, Youth Legacy, and Children's Parliament.

Youth Leadership Programme conducted an audit of existing programme to enhance youth participation

2 Candidates from 2020 Youth Leadership Programme internship were integrated into the Fund from November 2020 and the other two have found employment in non-profit organisations

New cohort of 30 members of Efeng Bacha was chosen from 100 applicants

The Programme implemented new programmes including a Legacy Academy, an alumni platform for previous Efeng Bacha members

The Nelson Mandela Children's Parliament (NMCP) celebrates its 10-year anniversary

4



## NELSON MANDELA CHILDREN'S HOSPITAL (NMCH)

The vision of the Nelson Mandela Children's Hospital (NMCH) was established to give every child a chance to live and thrive. Inspired by Nelson Mandela's love for children, the hospital was completed in 2017 and has been operating independently as the second dedicated paediatric hospital in South Africa.

Fourth year of operation

Frontline workers continued to provide services during Covid-19 pandemic

First kidney transplant on-site in May 2020

The following critical care units are operational: Inpatient and Outpatient Services, Paediatric & Neonatal ICU, Nephrology, Cardiology, Cardiothoracic Surgery, General Paediatric Surgery, Neurosurgery, Ear Nose & Throat (ENT)

5



## THE SUSTAINABLE LIVELIHOODS PROGRAMME (SLP)

Designed to strengthen families economically, socially, and otherwise so that they are armed with the necessary skills to deal with the vulnerability of children and youth through Self-Help Groups.

Self-Help groups have increased to 31 newly formed groups

13 Youth groups participated in entrepreneurship, filming, and documentation

50 Households in the Free State and KZN have started backyard food gardens

A small subsistence farm was established in Ga-Ramokoka in North West Province

32 Cooperatives were established to run independently without close supervision from Community Facilitators as part of the programme's exit plan



## CHILD SAFETY AND PROTECTION PROGRAMME SAFEGUARDING OUR FUTURE

**OUR CHILDREN ARE OUR GREATEST TREASURE. THEY ARE OUR FUTURE. THOSE WHO ABUSE THEM TEAR AT THE FABRIC OF OUR SOCIETY AND WEAKEN OUR NATION.**

**NELSON MANDELA**

### RISING TO THE CHALLENGE IMPACT OF COVID-19



When the President declared a national lockdown on the 17th of March 2020 due to the Covid-19 pandemic, the Child Safety and Protection Programme (CSP) ensured that they delivered on their mandate by embracing technology and held virtual meetings. Knowing that many of our young beneficiaries and their families would be impacted by the lockdown, team members also assisted with the distribution of food parcels and personal protective equipment (PPE) amongst communities.

The negative impact of Covid-19 and lockdown on the mental health of our children and youth was highlighted by two tragic incidents. In the Western Cape, a 12-year-old boy committed suicide, while in Limpopo, a young girl in the care of a helper, was raped. Her mother, who was away at work when the incident took place, was unable to secure a travel permit in time to support her daughter after the incident. The CSP supported and counselled the family, once again demonstrating the CSP's invaluable work in unprecedented times.

A Youth Dialogue was held virtually on the 17th of June 2020. The event hosted 27 young participants who conveyed insightful messages especially about the way the Coronavirus pandemic has changed their lives. Some of the concerns these young people conveyed included: being scared about going back to school as well as losing a large part of the academic year. One fear that prompted work on the ground concerned sexual violence cases not being attended to because police stations were closed during the lockdown. As a result, the Fund undertook measures to support children and their families through partners interventions on the ground by linking the survivors to temporary shelters, access to emergency medical treatment, counselling services as well as continuous court support.



### TODAY A READER, TOMORROW A LEADER

Educational support continued for our learners to improve their academic skills. Other life skills included teaching learners about their life purpose, personal vision, goal setting, career guidance, job preparation and relationship building. Learners in Manguzi (KZN) attended a workshop held at Tholulwazi Uzivikele. In collaboration with the Department of Home Affairs, learners were assisted to acquire their birth certificates and identity documents.

**Duduzile Mkhonto: awarded best student due to her excellent performance and behaviour during training**



### GETTING MEN INVOLVED IN COMBATTING GBV

Gender-based violence (GBV) escalated during the lockdown. The support and development meetings provided by CSP focused on providing access to protection services for affected children. Successful community-led campaigns in Limpopo resulted in a marked decrease in sexual violence and behavioural change.

This was a direct result of a Men's Forum being formed in one of the communities. However, community readiness to deal with GBV requires a long-term commitment from key stakeholders, traditional leaders, and faith-based leaders.

**ANOTHER HIGHLIGHT WAS THE ELECTION OF TWO WOMEN INTO THE TRADITIONAL COUNCIL IN LIMPOPO BY THE LOCAL TRADITIONAL LEADER WHO IS ALSO A MEMBER OF THE MEN'S FORUM.**



Picture drawn by Urban Young Men - Mr Dominic Moitsi of A child in Silence

### CSP INITIATIVES

Some notable achievements this year:

- The multi-purpose centre that women built on the land offered to them by the Tribal Council is used for meetings, facilitating activities, and storage.
- Tholulwazi Uzivikele supported savings group in KwaZulu-Natal where 15 groups have been trained (active members = 125).
- Groups' savings assist with food security, school fees, school uniform provision, house improvement and establishing businesses.
- During Mandela Month, CSP worked with learners living with disabilities. KG Maluleke Disability Memorial Institute (KGOMANO) in Limpopo has been able to work with 15 direct learners and eight special feeders and placements schools. The organisation was able to distribute sanitary towels, adult diapers and food parcels to beneficiaries.
- Leadership and mental wellness training camps were provided to help young women to make better decisions about their life.

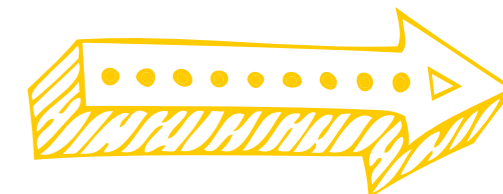
"A lot has changed for me because I am a very short-tempered girl, so the sessions made me realise that there are many life challenges and I can't solve them by making big, stupid mistakes. I have learnt that I can love everyone but not trust them all. I realised who am I and I found answers referring to the topic of self-awareness; identified with a fixed mindset way of thinking. I also learnt not to do things because other people are doing them, I must follow my heart and make good decisions for myself without any regrets, I must not do things to impress others. I also learned that my problems can't be solved if I solve them using violence but talking politely to my trusted one can help."

Grade Eleven (11) learner, Orlando East - Maphefo Moamogwa



### MOVING FORWARD

The current reporting year focused on the implementation of leadership skills, psychosocial support ensuring access to statutory and protective services, and providing economic empowerment to our beneficiaries. This will continue to be our focus. There were a few key lessons learnt by the CSP team. Firstly, educators who have been trained on positive discipline and classroom management stop using corporal punishment. Secondly, to maintain safe classrooms and school environments, it is critical for parents, school management teams, and governing bodies to be fully involved. The CSP has positively impacted the lives of children and youth who were previously faced with challenges like rape, assault, violence, bullying and abuse. The commitment of the CSP implementing partner, who assisted by responding to the safety and protection of our children and youth, is part of our continued success.



## THE CHILD SURVIVAL, DEVELOPMENT AND THRIVING PROGRAMME

# BUILDING THE FOUNDATIONS SO THAT OUR CHILDREN CAN THRIVE

**EACH OF US, AS CITIZENS, HAS A ROLE TO PLAY IN CREATING A BETTER WORLD FOR OUR CHILDREN.**

**NELSON MANDELA**

### Developing beyond challenges

Reflecting on the activities of the programme during the Covid-19 global pandemic it can be agreed that this was a challenging year for community-based interventions. Financial constraints and other social challenges that the Child Survival, Development, and Thriving Programme (CSDT) team and their implementing partners had to navigate included parents who were afraid that they would be infected by the Coronavirus if they took their babies to the clinic. This meant a reduction in vaccinations for children under the age of five years. To provide a safe environment, the Fund provided budget allocation for PPE, sanitisers, and masks. This led the CSDT to provide Covid-19 community education as part of the programme. Training material was developed and Covid-19 preventative messages were adapted to include home-based safety practices. This was followed by training community healthcare workers (CHWs) to deliver messages via text messages/WhatsApp from mobile devices in the absence of home visits. Furthermore, a four-page Covid-19 handbill was developed, summarising information used by CHWs to educate families about the Coronavirus. The Fund was encouraged by reports that immunisation continued to be promoted, food parcels were distributed and community health workers were a beacon of hope for many families.



### Grassroots implementation for child survival

Reports are showing progress in child health outcomes such as improvement in child nutrition and uptake in immunisations. The lesson is that focus and priority should be on family support, community involvement and on increasing performance of health infrastructure. These focus areas improve the coverage of basic child health services to rural communities and result in improvements in household knowledge and practices related to child health.

### Success Story

**A story in Eastern Cape Province shows the types of issues that the CHWs are dealing with.**

A 31-year-old mother from the Eastern Cape experienced challenges with her second pregnancy; her baby was not growing according to gestational age. The CHW provided her with information about the importance of nutrition during her pregnancy. They requested help with food parcels to improve her nutritional status and the mother was encouraged to start a vegetable garden to complement her diet. She learnt how to puree vegetables to provide nutritious and inexpensive food when her baby started eating solids after exclusive breastfeeding for six months. The wellbeing of the mother improved and she gave birth to a healthy baby weighing 2,5kg. The baby thrived well on breastmilk and was introduced to solid foods at six months. The CHW is continuing with education and monitoring of the mother and child health. The baby is now nine months old, weighing 7,5kg, and thriving.

### Nutrition in the first 1000 days of life

Nutrition plays a role in building the foundation for the child's development and in her/his ability to thrive. In Mpumalanga, the Fund supported an initiative called breastfeeding buddies. The project started with 706 mothers who were given health education with emphasis on exclusive breastfeeding. From the education and support of community field workers, 665 were reported to have exclusively breastfed their babies. There was an increase in more babies being breastfed, with almost 95% of the babies being exclusively breastfed for the first six (6) months.

**SUPPORT GIVEN TO PREGNANT WOMEN AND BREASTFEEDING MOTHERS CONTRIBUTES TO THE SUCCESS OF EXCLUSIVE BREASTFEEDING. THIS IS ACHIEVED THROUGH A BREASTFEEDING BUDDY (FRIEND/PARTNER/FAMILY MEMBER) WHO WILL KEEP PROVIDING ENCOURAGEMENT. THE PRESENCE OF A BUDDY ALSO ENCOURAGES SUPPORT FROM FAMILY MEMBERS ESPECIALLY FATHERS.**

### Early childhood development and child health

One of the factors under review during the reporting period is the role of early learning and stimulation in the first 1 000 days of the life of a child. The support helped to standardise and formalise the link between early childhood development and child health. Caregivers were empowered with information on the importance of early childhood development (ECD) with emphasis on access and quality of ECD services. One major achievement was the expansion of the project to three sites in Ekurhuleni, by providing ECD practitioners, families, FCMs, and child-minders with basic ECD skills. The purpose was to build a strong foundation that will result in quality services. In Western Cape and North West where the programme was first implemented for three years, work on ECD and child health is continuing to improve development and quality of life of children under the age of five. This has resulted in a strong and consistent integrated responses to children developmental needs, skilled ECD practitioners and primary caregivers who are knowledgeable about development of their children. This has helped standardise the skills programme for early childhood practitioners.

### Institutional building (capacity building)

Community Health Workers (CHWs) are provided with continuous development so that they can contribute efficiently to the work of the nurses at local clinics and where possible, provide support that reduce the workload of the nurses. Currently the CHWs training is being rolled out in the Northern Cape Province.

**THE 174 CHWs PLAY AN IMPORTANT ROLE SUPPORTING MOTHERS AND FAMILIES WITH EXCLUSIVE BREASTFEEDING, IMPROVED HYGIENE PRACTICES, EARLY STIMULATION, THE IMPORTANCE OF IMMUNISATION OF THE CHILD AND OVERALL ASPECTS OF CHILD HEALTH AND SURVIVAL.**



### CSDT success through documentation, knowledge and learning management (M&E)

The CSDT digital monitoring and evaluation framework is finally active with over 10 000 entries quarterly. Data is being captured according to seven data sources that have been developed to assist with management of information. Eventually, the electronic data system will help the CSDT programme to analyse data from different sources.

Analysis will be done for the overall programme and by important disaggregation variables such as reporting period (year, quarter, or month), IP, province, etc. The Fund will be able to produce periodic M&E reports, download customised data, for different internal and external stakeholders.

**SOCIAL INTERVENTION PLAYS A CRITICAL ROLE IN DEALING WITH HEALTH CHALLENGES. THE FOCUS DURING THIS REPORTING PERIOD HAS BEEN ON DOCUMENTING THESE INTERVENTIONS TO HIGHLIGHT LESSONS AND EXPERIENCES.**

### Looking forward

The CSDT focuses on behaviour change and ultimately influencing the way a community relates to its children. Documenting different activities and collating data has built confidence for the CSDT programme. Since 2016, reports confirm that social interventions do provide solutions to child health challenges. The plan is to continue to strengthen the care system for children under the age of five, by emphasising health, nutrition, education, and awareness.

The strategy will include extension and expansion of programme including and the strengthening of collaboration with relevant social partners.

Pre- and post-natal care, early childhood development, growth monitoring, exclusive breastfeeding, maternal mental health, community education on child health and development of community healthcare workers are the critical elements of the CSDT programme.

# SUSTAINABLE LIVELIHOODS PROGRAMME

## PEOPLE DOING IT FOR THEMSELVES

**"HEROES ARE ORDINARY PEOPLE WHO MAKE THEMSELVES EXTRAORDINARY."**

**GERARD WAY**

The key objective of the Sustainable Livelihoods Programme (SLP) is to ensure that communities participate in decision-making issues that will impact the lives of children and their families. This active role is gaining popularity among community members that the Fund has targeted. During the 2021 reporting year, the SLP has been instrumental in assisting families and communities to rise above the Covid-19 lockdown challenges. This support has equipped families to deal with vulnerable situations so that they could provide a stable and healthy environment for their children. Through the active participation of Self-Help groups, SLP community facilitators, coordinators, and managers from partner organisations, the SLP was able to achieve our objectives for this programme.

The year 2020 was not on our side. Like South Africa at large, the SLP felt the enormous impact of Covid-19 and its lockdown restrictions. This is because our Self-Help Groups were unable to attend their regular meetings, field visits could not be conducted, and engagement of partner consultations suffered too. Conducting

virtual meetings were difficult because of the lack of technology. Despite these challenges, the commitment of our field managers, coordinators, and community facilitators to deliver this programme on the ground, meant that Self-Help groups expanded in numbers.

Adversity provides opportunity through innovation, adaptation, and collaboration. Through a fruitful partnership between our implementing partners, Arise & Shine, and the Department of Health, our North-West SLP community facilitators were trained to screen community members for the Coronavirus. Local businesses offered opportunities for our sewing groups by contracting them to produce face masks during the lockdown.

Many of the Self-Help groups participated in agricultural activities during the lockdown. As an immediate response to a difficult situation, various groups distributed food parcels to families affected by the pandemic. Self-Help Groups in the Free State mobilised the local hotel, Naledi Sun, to provide groceries to form food parcels. Many groups produced great results from their harvest which they supplied to local supermarkets. This initiative as well as various others led to several Self-Help groups diversifying their businesses to supply local businesses thus expanding their entrepreneurial skills.

The SLP is working toward enhancing relations between groups and local businesses so that they can support one another in securing and selling good quality products. They have also identified further training needs for coordinators and community facilitators to help them navigate the current situation. If Self-Help groups work with business-skills training providers, it will ensure the group's sustainability because they would enhance their business skills, and subsequently improve management of their income-generating activities. In addition, FinHealth was contracted to assist strengthen the Savings Mobilisation Programme among our groups. FinHealth introduced the Post Office bank to our groups in the North-West, Free State and KwaZulu-Natal. This led to groups opening bank accounts with the Post Office Bank.

We are also proud of the Thaba Nchu Men's Forum which is growing from strength to strength. We attended their CSDT Programme awareness campaign that was held in a local early childhood centre. This

campaign was well attended by young mothers, retired nurses, grannies, and men from the local area. This campaign emphasised the health of pregnant mothers, newborn babies as well as the importance of vaccinations and the role of the father in the family.

The SLP has managed to build trust over time with its communities. Partnerships with Community-Based Organisations, Non-Governmental Organisations, and key stakeholders have been bolstered. Despite the challenges of Covid-19, Self-Help Groups demonstrated strength in solidarity – especially when they fed needy families. We have laid a good foundation by ensuring communities can manage their socio-economic issues and combat vulnerability amongst their communities. Other community structures, including government participation, appreciate the Fund's work and have expressed the desire to collaborate in the future.

These achievements provide the necessary support for strengthening families economically.

**NEW MIND MADE INNOVATION, OUR SELF-HELP YOUTH GROUP IN VIDEO AND DOCUMENTARY PRODUCTION, HAS BEEN SHORTLISTED BY BARLOWORLD IN AUGUST 2020 IN FILMING AND DOCUMENTING COMMUNITY STORIES WHICH WAS USED TO SECURE A GRANT.**

### SLP OBJECTIVES



**THE MASAKHANE GROUP IN ESHOWE, PRODUCERS OF BUILDING BLOCKS, NOW PRODUCE MUSHROOMS THAT ARE SUPPLIED TO A LOCAL CHINESE RESTAURANT IN NKWALINI. THE MAKHUNE YOUTH GROUP SUPPLY EGGS TO SPUR RESTAURANTS IN ESHOWE AND ANOTHER RESTAURANT IN RICHARDS BAY AND HAVE STARTED A GOAT FARMING PROJECT.**



We will continue trying to get support for our groups, wherever possible. Our commitment is to ensure that the programme remains a pillar of hope among our targeted communities, and our efforts to equip them with the tools to fight poverty and vulnerability will remain. It is with pride and honour that we thank our SLP implementing partners for the achievements made during this difficult time. Although the year 2020 was not an easy one for our country and its people, we ensured our focus was on supporting our beneficiaries to find working solutions.

**Programme Manager:  
Mapule Cheela**

# YOUTH LEADERSHIP PROGRAMME BY THE YOUTH, FOR THE YOUTH

"A GENERATION OF GLOBAL LEADERS LIVING NELSON MANDELA'S VALUES." YLP

## Elders learning from the youth

The Fund has worked directly with South African youth for the past 22 years through different programmes and youth-led initiatives that have empowered young people to be leaders in their own communities. However, a gap existed between the Fund's various programmes and hearing the voices of the youth. Previous participants in the Fund's youth-led initiatives felt that there was a need for synergy between the free energy of youth and the Fund's structured approach to their suggestions. Efeng Bach, meaning 'give it to the youth' established in 2002 was growing but lacked support, direction, and leadership. Following problem-solving discussions, it was agreed to establish the NMCF Youth Leadership Secretariat (YLS), a "semi-independent, child- and youth-led" initiative, which would reside under the Fund's brand. It was proposed that this initiative would be led by a team of two young people to provide a platform for new ideas at grassroots level.

## Champions from the Fund's internship

In response to improving the youth programme, the Fund provided a stepping-stone for young people to work in the reporting year. Four dynamic ladies were selected for the YLS internship: Unathi Mabukane, Bonolo Pule, Chumani Nkwinti, and Zamajozi Sithole.

At the end of the year-long internship, two of these recruits found employment at other non-profit organisations and two young people were recruited into the Fund: Chumani Nkwinti and Zamajozi Sithole. These alumni are tasked to guide future Fund initiatives and serve as a platform for networking and personal development opportunities.

YLP champions, Chumani and Zama are both passionate about children and youth-related matters and bring invaluable skills and fresh ideas to support the children and youth.

Zama graduated cum laude with a BA Psych degree from NMMU and Chumani holds an Honours degree in BA Psychology degree from Rhodes University.



Chumani and Covi(d)



Zama

## What we do

The Youth Leadership Programme was designed to incorporate Madiba's values and find youthful innovative solutions to issues affecting society and social justice. As agents of change, they are well-positioned to focus on advocacy and lobbying, with an emphasis on mobilising children and youth to drive positive social change. The YLP focuses on three initiatives: Nelson Mandela Children's Parliament (NMCP), Efeng Bacha and the Legacy Academy. The children's parliament, established in 2011, is an annual event that engages children about politics, while simultaneously allowing them to lobby and advocate their issues in a safe environment. This event links children to the legislature that aims to fulfil Madiba's vision of creating a better world for children. The NMCP is made possible by partnering with various organisations such as the Department of Social Development, Department of Basic Education, UNICEF as well as the National Parliament of South Africa.



The Efeng Bacha two-year initiative was restructured to provide skills for young people through a two-year programme consisting of workshops, training, and hands-on experience; designed to prepare participants to develop and implement their own action plan. A robust recruitment process is implemented at the beginning of the year with a call for applications in February followed by interviews with applicants. Thirty young people are recruited who then attend orientation, training and an induction process delivered by various facilitators and subject-matter experts. Being the first employment opportunity for many members, the induction is structured to focus on training the participants with entrepreneurial skills such as problem-solving, marketing and branding, as well as basic computer skills; skills that they can use in future employment.



## YLP Initiatives that are making a difference Moving forward

In response to the effect that the global pandemic has had on young people in South Africa, a Youth Dialogue was held virtually. The event conveyed insightful messages especially about the way the Coronavirus pandemic has changed the lives of children and the youth. Some of the concerns included: being scared about going back to school as well as losing a large part of the academic year. In response to this event, the Fund provided the tools for these young people to manage their lives.

The Covid-19 and lockdown restrictions also meant that the NMCP was unable to take place during the financial reporting year. It was decided that the NMCP would be hosted virtually with the possibility for 45 child parliamentarians to be allowed to attend the children's parliament in Cape Town.

The YLP has been refining its programme and implementation when engaging with South Africa's youth. They will continue to work with the NMCF team and external stakeholders as they focus on developing the three initiatives. The Fund also engaged the services of Ms Refilwe Ledwaba as a volunteer contractor to fill the role of Youth Programmes Manager for six months. Ms Ledwaba has extensive experience in the social enterprise space and is a board member of multiple non-profit organisations and government departments. The Fund's team feel proud of, and confident that the YLP will continue to #ServeLikeMadiba and inspire future generations of leaders.

## THE YLP AIMS TO



EFENG BACHA IS A YOUTH THINK TANK FOR YOUNG PEOPLE BETWEEN THE AGES OF 12 AND 22 WHO ARE PASSIONATE ABOUT SOCIAL CHANGE AND SOCIAL JUSTICE IN THEIR COMMUNITIES.

# NELSON MANDELA CHILDREN'S HOSPITAL SPECIALISED HEALTHCARE IN A CHILD'S WORLD

The NMCH was the realisation of Madiba's dream to give every child a chance to live and thrive.

Zonke Mtshololo gave birth to her son, Luminjalo, in August 2020, but her joy was short-lived when three days later, he was struggling to breathe. The trauma of seeing her son ill was augmented by the difficulty of finding specialist care for her newborn. The hospital where her son was born began the search to find a hospital with relevant skills to save the ailing Luminjalo.

*"After checking five different hospitals, the doctors were able to find a space for him at the Nelson Mandela Children's Hospital," explains Zonke.*

The Nelson Mandela Children's Hospital is one of only two specialist paediatric hospitals in South Africa. Their vision to give every child a chance to live and thrive was emphasised when Luminjalo received the best medical care despite Zonke not having the benefits of private medical aid.



Luminjalo, mom Zonke Mtsholo and Dr Pinky Chirwa

## Covid-19 provided frontline staff an opportunity to #ServeLikeMadiba



The NMCH, like most organisations, was challenged by the global Covid-19 pandemic and had to adjust to the 'new normal'. The pandemic restricted movement and funding but with unique leadership skills, the hospital was able to continue providing our children with a high level of care irrelevant of socio-economic background. The Nelson Mandela Children's Fund CEO, Kone Gugushe explains that *"We had to adapt very quickly before we could move on and as a team, we learned that it is very important during the pandemic to continuously improve our processes, policies, and even our thinking and learning."*

It is worthwhile remembering that organisations are made up of individuals and based on Gugushe's emphasis on treating individuals first, various fundraising campaigns were initiated based on the key message to 'give like they're yours'. Similar sentiments are echoed by interim CEO, Dr Nonkululeko Boikhutso, *"The public has really shown us their much-valued support in the past by dropping off items at the hospital and supporting our patients and families during this period."*

A culture of learning and continuous improvement is the foundation of the hospital and the pandemic ensured that the Fund and the hospital trust had to learn quickly to manage the unknown.



**ANY PARENT WILL TELL YOU HOW DISTRESSING IT IS WHEN A CHILD IS NOT WELL. HOPES ARE CRUSHED WHEN THEY DO NOT KNOW WHERE TO GET HELP. CIVIL SOCIETY PLAYS A CRITICAL ROLE IN HELPING SAVE THE LIVES OF CHILDREN AND IMPROVING THE LIVES OF THEIR PARENTS. NMCH IS ONE OF MANY EXAMPLES OF HOW THEY CONTRIBUTE TO THE BETTERMENT OF PEOPLE. THE NMCH CONTINUES SAVING THE LIVES OF CHILDREN THROUGH THE SUPPORT OF DONORS AND MULTIPLE ORGANISATIONS.**



## 9-YEAR-OLD NKOSFEZILE NGUBANE SHARING A SPECIAL MOMENT WITH SPECIALIST ENT, DR LAMOLA

### Appreciation for the heroes

The Fund with the hospital leadership will work together to ensure that the facility continues to treat children with surgical and life-saving interventions owing to complex illnesses with a high level of care. We would be remiss in our duty if we didn't take this opportunity to thank the Hospital leadership and clinical teams for their continued work in managing not only the challenges of the previous year but also bringing hope and quality to the lives of our children and their families. We salute you as the heroes who continue to #ServeLikeMadiba.

## REALISING THE DREAM

<b>2007</b>	<b>2009</b>	<b>2012</b>	<b>2014</b>	<b>2016</b>	<b>2017</b>	<b>2020</b>
Feasibility study of the hospital commenced	Nelson Mandela Children's Hospital Trust registered	Business case completed, and fundraising campaign begins	Construction of NMCH began	Construction concluded	Welcomed first patients	The Nelson Mandela Children's Hospital Trust's work is done and is invited to join the Fund

## IMPROVING EFFICIENCY THE ALIGNMENT OF NMCF AND NMCHT

In 2019, the boards of NMCF (the Fund) and NMCHT (the Trust), decided that the role of the Trust should be reviewed. The initial purpose of setting up the Trust was to commission and build the Nelson Mandela Children's Hospital. When the hospital doors opened in 2017 to admit its first patient, the Trust had achieved its mandate. The review was aimed at winding up the Trust and have the Fund assume responsibilities of the Trust.

Following advice received from Bowman Gillfilan Inc, a Joint Working Group, comprising representatives from both the Fund and the Trust boards, was formed. The final recommendation was to enter into a Sale of Business Agreement, whereby the business of the Trust would be sold to both the NMCH NPC (a non-profit company) and the NMCF in different components.

The Sale of Business was concluded, effective from 30 March 2021. In terms of the Sale of Business Agreement, the NMCF assumed the fundraising mandate of the Trust on behalf of the hospital, as well as managing the funding assets, i.e., bank accounts and endowment of the Trust, and art. The staff of the Trust have also subsequently been absorbed into the Fund.

NMCF is now the sole member of the NMCH NPC, giving it a direct link with the NPC. While there is no real financial liability that is likely to emerge because of this transaction, the mandate of the Fund has expanded to include responsibility for the hospital as a beneficiary. The changes in the Fund's trust deed have been amended to incorporate this expanded mandate.

There are various implementation steps underway, including the re-composition of the Board of NMCF, and the reconstitution of committees.



Clinical staff in action

In respect of the reconstitution of the Boards of Trustees, letters have been sent to NMCHT Trustees, inviting them to join the NMCF Board. The Fund has received positive responses from all the invited trustees, and will now be proceeding with the registration process at the Master's Office. We anticipate this will be finalised and take effect in the new financial year.

In the interim, both the NMCF and NMCHT teams have been operating jointly, giving effect to the alignment process. As part of these changes, the Hospital will now become one of the Projects operated by the Fund, and as such, will provide reports in terms of Developmental Outcomes at the Hospital.

### Give Like They're Yours

Nelson Mandela Children's Fund (NMCF) and Nelson Mandela Children's Hospital Trust (NMCHT), with the pro bono services of the SickKids Foundation and a television production team in Canada developed a poignant public service announcement - **Give Like They're Yours**. The campaign was launched in February 2021 and will form part of the next financial year's fundraising focus. However, the true heroes are often the silent providers in communities and the NMCH staff have provided inspiration for the campaign by donating money from their pockets to ensure that the mothers are fed.

During the reporting year the NMCH, like any other hospital, had to put measures in place to control the spread of COVID-19. When patients and their caregivers or parents are admitted for a procedure, they are tested for Covid-19. Until the test results are concluded, these patients, together with their parents or caregivers, are treated as Persons Under Investigation (PUI). This means that they are required to stay a minimum of two to four days while waiting for their results and their movements in the hospital are restricted. As they are not residents, the hospital can only feed the child and not the parent/caregiver according to budget restrictions. It was for this reason that the hospital staff, and the public showed the true spirit of the **Give Like They're Yours** campaign. The hospital received PPE, monetary and in-kind donations as well as food for those waiting for their test results. These highlighted the true spirit of the campaign.

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

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### GENERAL INFORMATION

<b>COUNTRY OF INCORPORATION AND DOMICILE</b>	South Africa
<b>REGISTRATION NUMBER</b>	IT2801/95
<b>NPO REGISTRATION NUMBER</b>	004-638-NPO
<b>NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES</b>	The non-profit organisation Nelson Mandela Children's Fund (the Fund) is a discretionary intervivos trust and is registered in terms of the Non-Profit Organisations Act, 1997 (Act 71 of 1997). The primary aim of the Fund is to change the way society treats its children and youth.
<b>TRUSTEES</b>	Dion Basson Warren Clewlow Michael Katz Johann Kriegler Shirley Mabusela Graca Machel Nana Magomola Kashan Maharaj Paul Mpho Makwana Barbara Masekela Moses Mashishi Sakhile Masuku Joseph Maswanganyi Owen Maubane Sibongile Mkhabela Jacob Modise Marumo Moerane Yvonne Mokgoro Lulama Mokhobo Onkgodisitse Mokonyane Kgomotso Moroka Barbara Nell Victor Nosi Sizwe Nzimande Charles Priesbatch Maseda Ratshikuni Kathleen Satchwell Gabu Tugwana
<b>CHIEF EXECUTIVE OFFICER</b>	Konehali Gugushe

### GENERAL INFORMATION

<b>REGISTERED OFFICE</b>	21 Eastwold Way Saxonwold Johannesburg 2196
<b>BUSINESS ADDRESS</b>	21 Eastwold Way Saxonwold Johannesburg 2196
<b>POSTAL ADDRESS</b>	PO Box 797 Highlands North 2037
<b>BANKERS</b>	Standard Bank Nedbank
<b>TAX NUMBER</b>	0720/090/84/4
<b>VALUE ADDED TAX NUMBER</b>	4110179175
<b>SECTION 18A PBP REGISTRATION NUMBER</b>	18/11/13/694
<b>AUDITORS</b>	PriceWaterhouseCoopers INC. Johannesburg

### TRUSTEES' RESPONSIBILITIES AND APPROVAL

The trustees are required by the Non-profit Organisation Act of South Africa 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 satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the non-profit organisation, and explain the transactions and financial position of the business of the non-profit organisation at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the non-profit organisation 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 non-profit organisation and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the trustees 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 non-profit organisation and all employees are required to maintain the highest ethical standards in ensuring the non-profit organisation's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the non-profit organisation is on identifying, assessing, managing and monitoring all known forms of risk across the non-profit organisation. While operating risk cannot be fully eliminated, the non-profit organisation 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the trustees have no reason to believe that the non-profit organisation will not be a going concern in the foreseeable future. The financial statements support the viability of the non-profit organisation.

The external auditors are responsible for independently auditing and reporting on the nonprofit organisation's annual financial statements. The annual financial statements have been examined by the nonprofit organisation's external auditors and their unqualified audit report is presented on pages 36 to 37.

The annual financial statements set out on pages 38 to 61 which have been prepared on the going concern basis, were approved by the trustees and were signed on 12 November 2021 on their behalf by:



Yvonne Mokgoro



Konehali Gugushe

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

### TRUSTEES' REPORT

The trustees present their report for the year ended 31 March 2021.

#### 1. Review of financial results and activities

##### Main business and operations

The non-profit organisation Nelson Mandela Children's Fund (the Fund) is a discretionary intervivos trust and is registered in terms of the Non-Profit Organisations Act, 1997 (Act 71 of 1997). The primary aim of the Fund is to change the way society treats its children and youth. There were no major changes herein during the year. For additional detail, please expand this grouping.

The non-profit organisation generated a surplus after tax for the year ended 31 March 2021 of R166.4m (31 March 2020: R -40.5m).

The non-profit organisation's revenue increased from R- 7,1m in the prior year to R 198.3m for the year ended 31 March 2021.

#### 2. 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.

The trustees believe that the non-profit organisation 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 are not aware of any new material changes that may adversely impact the non-profit organisation. 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 non-profit organisation.

#### 3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

Subsequent to the year ending 31 March 2021, the Fund acquired the business, fundraising and investment mandates of the Nelson Mandela Children's Hospital Trust (the Trust). The operating assets of the Trust were either sold or donated to the Nelson Mandela Children's Hospital NPC.

The trustees are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the non-profit organisation.

#### Impact of COVID-19

COVID-19 existed globally at the reporting date. COVID-19 in itself is not an event; however, the National State of Emergency and Lockdown are events, which occurred after the reporting date as a result of COVID-19. It was concluded that the declaration of COVID-19 as a pandemic is such a non-adjusting event. The impact of COVID-19 on accounting standards that require the use of forward-looking information (expected credit losses and goodwill impairment) was assessed based on information available as at 30 July 2021.

As the pandemic increases in both magnitude and duration, entities are experiencing conditions often associated with a general economic downturn, including, but not limited to, financial market volatility and erosion, deteriorating credit, liquidity concerns, further increases in government intervention, increasing unemployment, broad declines in consumer discretionary spending, increasing inventory levels, reductions in production because of decreased demand, layoffs and furloughs, and other restructuring activities. The continuation of these circumstances could result in an even broader economic downturn that could have a prolonged negative impact on an entity's financial results.

Management has considered the potential impacts on the non-profit organisation by taking a number of factors into consideration, including the macro-economic impact as well as the future revenue of the non-profit organisation. Consideration was given to the cost structure of the non-profit organisation and restructuring activities have commenced in order to decrease the cost base. The non-profit organisation forecasts were stress tested. Further detail around the three scenarios management investigated can be found in note 22.

Government intervention appears to be slowing the spread of COVID-19 at different speeds in different countries. The severity will be influenced by the lockdown period and the easing thereof. It is anticipated that the COVID-19 pandemic may have a substantial impact on revenue countered by material reduction in expenses and therefore the residual impact on profitability for the year ending 31 March 2021 is not expected to be significant. It is, however, not possible to make an accurate estimate of its full financial effect for the year ahead as the virus's infection rate and impact on macro-economic conditions is still uncertain.

#### 4. Donation

No donation was declared or paid to the founder during the year.

#### 5. Trustees

The trustees of the non-profit organisation during the year and up to the date of this report are as follows:

Dion Basson  
Warren Clewlow  
Michael Katz  
Johann Kriegler  
Shirley Mabusela  
Graça Machel  
Nana Magomola  
Kashan Maharaj  
Paul Mpho Makwana  
Barbara Masekela  
Moses Mashishi  
Sakhile Masuku  
Joseph Maswanganyi  
Owen Maubane  
Sibongile Mkhabela  
Jacob Modise  
Marumo Moerane  
Yvonne Mokgoro  
Lulama Mokhobo  
Onkgodisitse Mokonyane  
Kgomotso Moroka  
Barbara Nell  
Victor Nosi  
Sizwe Nzimande  
Charles Priesbatch  
Maseda Ratshikuni  
Kathleen Satchwell  
Gabu Tugwana

#### 6. Founder

There have been no changes in ownership during the current financial year.

#### 7. Independent Auditors

PriceWaterhouseCoopers Inc. were the Independent auditors for the Nelson Mandela Children's Fund.

# INDEPENDENT AUDITORS REPORT

## TO THE TRUSTEES OF NELSON MANDELA CHILDREN'S FUND



### Independent auditor's report

To the Trustees of Nelson Mandela Children's Fund

#### Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Nelson Mandela Children's Fund (the Trust) as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### What we have audited

Nelson Mandela Children's Fund financial statements set out on pages 38 to 61 comprise:

- the statement of financial position as at 31 March 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in reserves for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

#### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "Nelson Mandela Children's Fund 2021 Annual Report". The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the 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.

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Private Bag X36, Sunninghill, 2157, South Africa  
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

Chief Executive Officer: L S Machaba

The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.  
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

#### 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 International Financial Reporting Standards 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.

#### 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.

*PricewaterhouseCoopers Inc.*

PricewaterhouseCoopers Inc.  
Director: M Mokone  
Registered Auditor  
Johannesburg  
12 November 2021

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

### STATEMENT OF FINANCIAL POSITION

Figures in R `000

	Notes	2021	2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
		900,542	724,823
Property, plant and equipment	3	6,690	4,573
Financial Assets at fair value through profit or loss (FVPL)	4	893,852	720,250
<b>Current assets</b>			
		74,533	68,072
Inventories	15	292	-
Trade and other receivables	6	463	1,092
Receivables due from related parties	7	479	127
Cash and cash equivalents	9	73,299	66,853
<b>Total assets</b>		<b>975,075</b>	<b>792,895</b>
<b>RESERVES AND LIABILITIES</b>			
<b>Reserves</b>			
		947,956	775,807
Income resources		920,642	754,235
Mott endowment reserves	11	27,314	21,572
<b>Current liabilities</b>			
		27,119	17,088
Trade and other payables	10	3,455	3,448
Grants Payable	12	5,591	3,897
Unutilised designated programme funding	14	18,073	9,743
<b>Total liabilities</b>		<b>27,119</b>	<b>17,088</b>
<b>Total equity and liabilities</b>		<b>975,075</b>	<b>792,895</b>

### STATEMENT OF COMPREHENSIVE INCOME

Figures in R `000

	Notes	2021	2020
<b>Donations</b>			
Programme Designated Funds		19,648	17,383
Unutilised prior year funds		9,743	9,716
Recognised from prior year funds		(1,622)	-
Funds received during the year		11,527	7,667
Programme designated funds carried forward to the following year	13	(18,073)	(9,743)
Designated programme funds		1,575	7,640
Non - designated funds		6,495	6,254
<b>Net donations received</b>		<b>8,070</b>	<b>13,894</b>
<b>Investment income</b>			
Finance income on cash and cash equivalents		2,075	3,296
Finance income on financial assets at FVPL	5	24,331	27,952
Fair value gains on financial assets at FVPL	5	141,894	(78,853)
Realised surplus/(losses) on financial assets at FVPL	5	4,121	5,112
Dividends received	5	12,010	10,379
		<b>184,431</b>	<b>(32,114)</b>
<b>Other income</b>			
Fundraising income		5,798	11,091
<b>Total income resources /(loss)</b>		<b>198,299</b>	<b>(7,129)</b>
<b>Resources utilised</b>			
Operating and administration expenses		(14,980)	(15,668)
Grants made		(7,164)	(7,398)
Programme development expenses		(9,748)	(10,126)
Social projects		-	(224)
<b>Total resources utilised</b>		<b>(31,892)</b>	<b>(33,416)</b>
<b>Surplus / (deficit) from operating activities</b>		<b>166,407</b>	<b>(40,545)</b>
<b>Surplus / (deficit) for the year</b>		<b>166,407</b>	<b>(40,545)</b>

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

### STATEMENT OF CHANGES IN RESERVES

Figures in R `000	Mott endowment R'000	Income resources	Total
<b>Balance at 31 March 2019</b>	24,775	791,577	816,352
<b>Changes in Reserves</b>			
Total comprehensive deficit	(3,203)	(37,342)	(40,545)
<b>Balance at 31 March 2020</b>	21,572	754,235	775,807
<b>Balance at 31 March 2020</b>	21,572	754,235	775,807
<b>Changes in Reserves</b>			
Total comprehensive surplus	5,742	166,407	172,149
<b>Balance at 31 March 2021</b>	<b>27,314</b>	<b>920,642</b>	<b>947,956</b>

### STATEMENT OF CASH FLOWS

Figures in R `000

	Notes	2021	2020
<b>Cash flow from operating activities</b>			
<b>Net (deficit)/surplus for the year</b>		<b>166,407</b>	<b>(40,545)</b>
<b>Adjusted for:</b>			
- Depreciation		272	283
- Investment portfolio management costs		467	754
- Finance income		(2,075)	(3,296)
- Finance income on financial assets at FVPL		(24,331)	(27,952)
- Fair value gains on financial assets at FVPL		(141,894)	78,853
- Realised surplus/(losses) on financial assets at FVPL		(4,121)	(5,112)
- Dividends received		(12,010)	(10,379)
<b>Net cash outflow before working capital changes</b>		<b>(17,285)</b>	<b>(7,394)</b>
Adjustments for increase in inventories		292	
Decrease in other receivables		223	239
Increase in trade and other payables		7	158
Increase/(decrease) in approved grants payable		1,694	(573)
Increase in unutilised designated		8,329	27
<b>Cash utilised by operating activities</b>		<b>(6,740)</b>	<b>(7,543)</b>
Finance income		2,075	3,296
<b>Net cash flows utilised in operating activities</b>		<b>(4,665)</b>	<b>(4,247)</b>
<b>Cash generated from investing activities</b>		<b>11,111</b>	<b>12,912</b>
Purchase of property, plant and equipment		(2,388)	(241)
Investment portfolio management fees		(467)	(668)
Drawdown from investments		13,966	13,822
<b>Net increase in cash and cash equivalents</b>		<b>6,446</b>	<b>8,665</b>
Cash and cash equivalents at beginning of the year		66,853	58,188
<b>Cash and cash equivalents at end of the year</b>	<b>9</b>	<b>73,299</b>	<b>66,853</b>

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

### ACCOUNTING POLICIES

The accounting policies set out in this template are included merely for illustrative purposes and should not be considered applicable to any specific case. Accounting policies should be drafted on a case by case basis so as to fully explain the specific significant policies applied.

#### 1. General information

Nelson Mandela Children's Fund (the Fund) is a discretionary intervivos trust and is registered in terms of the Non-Profit Organisations Act, 1997 (Act 71 of 1997). The primary aim of the Fund is to change the way society treats its children and youth.

#### 2. Principal accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

##### 2.1 Basis of Preparation

The financial statements of the Fund have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a historical cost basis of accounting, except for the fair value of investments classified as fair value through profit or loss (FVPL). The financial statements are presented in South African Rand, the functional currency of the Fund, and all values are rounded to the nearest thousand (R'000), except otherwise indicated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment, complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.16.

##### 2.2 Property, plant and equipment

All property, plant and equipment are initially recorded at cost, or, in the case of donations-in-kind, at fair value, if it is probable that any future economic benefits associated with the items will flow to the Fund and the costs of the items can be measured reliably. Cost includes expenditure that is directly attributable to the acquisition of the items. Land and buildings are classified as owner occupied property.

Subsequent expenditure is capitalised to carrying amount of items of property, plant and equipment if it is measurable and it is probable that it increases the future economic benefits associated with the item. All other expenses are recognised in the statement of profit or loss and other comprehensive income as an expense during the financial period in which they are incurred.

Subsequent to initial recognition, property, plant and equipment, except land, are carried at cost less accumulated depreciation and accumulated impairment losses.

Land is not depreciated as it is deemed to have an indefinite life. Depreciation on other items of property, plant and equipment is provided on the straight-line basis which, it is estimated, will reduce the carrying amount of the items of property, plant and equipment to their residual values at the end of their useful lives. Where an item of property, plant and equipment comprises major components with different useful lives, the components are depreciated separately.

The major categories of items of property, plant and equipment are depreciated over their applicable useful lives as follows:

Asset class	Useful life / depreciation rate
Land	Indefinite
Buildings	50 Years
Plant	6 Years
Motor vehicles	5 Years
Furniture and fittings	4 Years
Office equipment	5 Years
Computer equipment	3 Years
Artworks	Indefinite

The residual values and useful lives of items of property, plant and equipment are reviewed and adjusted, if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Items of property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains or losses on the disposal of property, plant and equipment are determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item. The gain or loss on derecognition of property, plant and equipment is recognised in the statement of profit or loss and other comprehensive income.

##### 2.3 Impairment

The carrying amounts of the Fund's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. The recoverable amount is the greater of its fair value less cost to sell and its value in use. The fair value less cost to sell is determined by ascertaining the current market value of an asset and deducting any costs related to the realisation of the asset.

In assessing value in use, the expected future cash flows from the asset are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised in the statement of profit or loss and other comprehensive income whenever the carrying amount of an asset exceeds its recoverable amount.

For an asset that does not generate cash inflows that are largely independent from those of other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is recognised in the statement of profit or loss and other comprehensive income whenever the carrying amount of the cash-generating unit exceeds its recoverable amount.

A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years.

##### 2.4 Financial instruments

Financial instruments, as recognised on the statement of financial position, include cash and cash equivalents, financial assets at FVPL, and trade and other payables, approved grants payable and amounts due to related parties.

###### 2.4.1 Financial Assets

The Fund classifies its financial assets in the following categories: cash and cash equivalents, trade receivables, and financial assets at FVPL. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Financial assets are derecognised when either their value is fully amortised or when there is sufficient evidence that the financial asset is impaired.

###### a) Cash and cash equivalents

All classes of cash and cash equivalents as disclosed in Note 7 are carried at the amortized cost ("AC") measurement category under IFRS 9. The expected credit losses ("ECLs") for cash and cash equivalents balances are considered to be insignificant.

###### b) Receivable financial assets

Based on business model assessment carried out by the Fund, it was established that trade receivables have to be classified as "Hold to collect" business model. As a result, trade receivables are carried at AC measurement category under IFRS 9. The ECLs for trade and other receivables balances were insignificant.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. The Fund's receivables comprise 'trade and other receivables' in the statement of financial position.

###### c) Financial assets at FVPL

The Fund classifies the following financial assets at fair value through profit and loss (FVPL).

- Debt investments that do not qualify for measurement at either amortised cost or fair value through other comprehensive income (FVOCI), and
- Equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the reporting period.

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

### 2.4.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date – the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through surplus or deficit.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Financial assets at FVPL are subsequently carried at fair value.

Receivables are initially recognised at cost and are subsequently carried at amortised cost using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as financial assets at FVPL are recognised in the statement of surplus or deficit.

Interest on financial assets at FVPL calculated using the effective interest method is recognised in the statement of surplus or deficit as part of investment income. Dividends on financial assets at FVPL are recognised in the statement of surplus or deficit when the Fund's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, the Fund establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs, such as current bid prices in the market, and relying as little as possible on entity-specific inputs.

### 2.4.3 Impairment of Financial Assets The expected credit loss model:

The Fund has four types of financial assets that are subject to the expected credit loss (ECL) model:

- other receivables
- receivables due from related parties.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, no impairment loss was identified.

#### a) Impairment of other receivables and receivables from related parties

For other receivables and receivables due from related parties' category, the loss allowance is measured at initial recognition and throughout its life at an amount equal to lifetime ECL. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of surplus or deficit. As a practical expedient, the Fund may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the statement of surplus or deficit.

#### b) Assets classified as financial assets at amortised cost

The Fund recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost. If the credit risk on that financial asset has increased significantly since initial recognition, at each statement of financial position date, the Fund measures the loss allowance for all financial assets at an amount equal to the lifetime expected credit losses - whether assessed on an individual or collective basis, considering all reasonable and supportable information, including that which is forward looking.

If, at the statement of financial position date, the credit risk on a financial asset has not increased significantly since the initial recognition, the Fund measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

The Fund recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the statement of financial position date, to the amount that is required to be recognised in accordance with IFRS 9.

Impairment testing of financial assets is described in note 2.16.

### 2.5 Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of other receivables is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms of the receivables. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of surplus or deficit and other comprehensive income within 'resources utilised'. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against resources utilised in the statement of surplus or deficit and other comprehensive income.

### 2.6 Leases

#### a) Right-of-use assets and lease liabilities

The Fund assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Fund recognises the right-of-use assets and lease liabilities at the commencement date of the lease. During the reporting period, the Fund did not hold contracts, which qualify as leases or contains a lease.

#### (b) Short-term leases and leases of low-value assets

The Fund has elected not to recognise right-of-use assets and lease liabilities for short-term leases and for leases of low-value assets (e.g. office equipment).

- Short term leases are leases that at commencement date have lease terms of 12 months or less.
- In determining whether the lease contracts qualify for low-value exemption, the Fund considers the nature of the asset and that the asset is not fundamental to its operations. The following criteria were applied to assets that qualify for low-value exemption:
  - the lessee must be able to benefit from the asset on its own or together with other resources that are readily available, and
  - the underlying asset must not be dependent on, or highly interrelated with other assets.
  - Leases of low-value assets comprise IT equipment, furniture, fittings, appliances as well as tools and other small equipment,
  - The low-value exemption is applied on a lease-by-lease basis.

The Fund recognises the lease payments associated with short-term leases and leases of low-value assets, as an expense, on a straight-line basis, over the lease term. The amount of the lease expenses recognised is disclosed in note 16.

### 2.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks with original maturities of three months or less.

### 2.8 Trade and other Payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### 2.9 Employee Benefits

#### a) Post-retirement obligations

The Fund provides benefits to employees through a defined contribution plan in terms of the Pension Fund Act, 1956 (Act 24 of 1956). A defined contribution plan is a pension plan under which the Fund pays fixed contributions into a separate entity. The Fund has no legal or constructive obligations to pay further contributions beyond those already paid.

Obligations arising from the defined contribution plan are recognised as an expense when they are due.

#### b) Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service.

Provision for employee entitlement to annual leave represents the present obligation which the Fund has to pay as a result of employees' services provided to the statement of financial position date. The provision has been calculated at undisclosed amounts based on current salary rates.

### 2.10 Current and deferred income tax

The Fund is exempt from income tax by South African Revenue Service (SARS).

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

### 2.11 Income

Income comprises the fair value of the consideration received or receivable from donations, fundraising activities and investments. Income is recognised as follows:

#### a) Non-designated funds (Donations)

Donations are accounted for on a cash receipt basis.

#### b) Designated programme funds (Donations)

Designated programme funds received are deferred and recognised in the statement of surplus or deficit and other comprehensive income when utilised. Designated funds are those funds the use of which is restricted by the donor for specified projects.

#### c) Donations in kind

Donations in kind (asset or service) are recognised at fair value on the date of receipt.

#### d) Interest income (Investment income)

Interest income is recognised on a time-proportion basis using the effective interest method.

#### e) Dividend income (Investment income)

Dividend income is recognised when the right to receive payment is established.

### 2.12 Foreign currency translation

#### (a) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of surplus or deficit. Translation differences on non-monetary financial assets, such as equities classified as financial assets at FVPL, are included in surplus or deficit.

### 2.13 Financial risk management

The Fund's activities expose it to a variety of financial risks. These risks include market risk, liquidity risk and credit risk. The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

Risk management oversight is carried out by the Finance and Audit Committee as well as by the Investment Committee under policies approved by the Board of Trustees. The Board identifies, evaluates and hedges financial risks in close co-operation with the Fund's operating units. The Fund has written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and nonderivative financial instruments, and investment of excess liquidity.

#### 2.13.1 Market risk

##### a) Foreign exchange risk

The Fund's individual investments operate internationally and are exposed to foreign exchange risk arising from various currency exposures.

Below is a table illustrating the impact on the Fund's surplus for the financial year ended 31 March 2021, if the Rand to Dollar exchange rate were to increase or decrease from the closing rate of R14,9101:

	Increase in exchange rate (base points)	Sensitivity of net exchange loss	Decrease in exchange rate (base points)	Sensitivity of net exchange gains
<b>Foreign investments, and cash and cash equivalents</b>	<b>100</b>	<b>R 2,121,206</b>	<b>-100</b>	<b>R (2,121,206)</b>

Management has set up a policy to require Fund Managers to manage their foreign exchange risk against their functional currency. Foreign exchange risk arises when recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

#### b) Price risk

The Fund is exposed to equity securities price risk because of listed investments held by the Fund and classified on the statement of financial position as FVPL. The Fund is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Fund.

#### c) Interest rate risk

The Fund's interest rate risk arises from short-term investments. Investments issued at variable rates expose the Fund to cash flow interest rate risk. Investments issued at fixed rates expose the Fund to fair value interest rate risk.

The Fund and its Investment Portfolio Managers analyse its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Fund and its Investment Portfolio Managers calculate the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

Below is a table illustrating the impact on the Fund's surplus for the financial year ended 31 March 2021, if interest rates were to increase or decrease:

	Increase in base points	Sensitivity of net interest income	Decrease in base points	Sensitivity of net interest income
<b>Investments, and cash and cash equivalents</b>	<b>100</b>	<b>R 7,532,890</b>	<b>-100</b>	<b>R (7,532,890)</b>

#### 2.13.2 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. Liquidity risk exposure for the Fund arises from potential obligations related to contract liabilities (unutilised designated funding and grants payables), and other payables.

Management monitors rolling forecasts of the Fund's liquidity reserve comprised of cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the Fund in accordance with practice and limits set by the Management Trustees. These limits vary to take into account the liquidity of the market in which the Fund operates. In addition, the Fund's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these by monitoring liquidity ratios against internal requirements. Due to the management steps taken above, it is deemed that the Fund is not exposed to any significant liquidity risk.

The table below analyses the Fund's liabilities into relevant maturity groupings based on the remaining period on the statement of financial position to the contractual maturity date. The amounts disclosed in the table below are the contractually undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Amounts included in the table are the contractual undiscounted cash flows, these amounts may not reconcile to the amounts disclosed on the statement of financial position for trade and other payables.

	Less than 1 year	Over 1 year
<b>At 31 March 2021</b>	R'000	R'000
Trade and other payables	643	0
Approved grants payable	5,591	0
Accrued liabilities	2,774	0
	<u>9,008</u>	<u>0</u>
<b>At 31 March 2020</b>	1,004	0
Trade and other payables	3,897	0
Approved grants payable	2,397	0
Accrued liabilities	<u>7,298</u>	<u>0</u>

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## FOR THE YEAR ENDED 31 MARCH 2021

### 2.13.3 Credit risk

Credit risk is managed by the Fund. Credit risk arises from cash and cash equivalents, financial assets at FVPL and deposits with banks and financial institutions, as well as credit exposures to outstanding receivables (excluding VAT and prepayments) and committed transactions. For banks and financial institutions, only independently rated parties are accepted. The Fund has no significant concentration of credit risk, due to the nature of its activities. There is no independent rating, therefore management assesses the quality of the donors taking into account its financial position, past experience and other factors.

Receivables mainly consist of accrued finance income, travel advances and current input VAT. Due to the nature of these receivables, there is no risk of default. Accrued finance income is extracted from statements from financial institutions issued in periods immediately following the reporting period. Travel advances for which receipts are not submitted within the 30 days are recovered from the respective employees' remuneration. Current input VAT is recoverable for the receiver of revenue within 21 days.

Receivables from related parties are recovered within 30 days and the financial reports of the related entities are handled by the same management team.

### 2.14 Capital risk management

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns to beneficiaries and to maintain an optimal reserve structure. The Fund's managed capital consists of income reserves, fair value reserves and the Mott endowment reserve. In order to maintain or adjust this reserve structure, the Fund constantly monitors this structure. Currently the required reserves are funded by the operational and investing activities of the Fund.

The Management Trustees monitor the level of reserves, which the Fund defines as its Capital. However, funding for the Fund is mostly received from grants, donations and interest and dividends earned on investments.

There were no changes to the Fund's approach to capital management during the year.

### 2.15 Fair value estimation

The fair value of financial instruments in active markets - level 1 (such as trading and financial assets at FVPL) is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Fund is the closing market price on the last day of the Financial period.

The fair value of level 2 financial instruments is based on inputs other than level 1 inputs such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities.

The carrying values less impairment provision of receivables and trade and other payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Fund for similar financial instruments.

The table below presents the Fund's financial assets and liabilities that are measured at fair value. The different levels are based on the extent that quoted prices are used in the calculation of fair value and the levels have been defined as follows:

- **Level 1:** Fair value based on quoted market prices (unadjusted) of identical assets on the last day of the financial year.
- **Level 2:** Fair value is based on quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that can be corroborated by observable data for substantially the full term of the assets or liabilities.

The following table presents the Fund's financial assets and liabilities that are measured at fair value:

	Level 1 R'000	Level 2 R'000	Total R'000
<b>2021</b>			
Assets			
Financial assets at FVPL	508,799	385,053	893,852
<b>2020</b>			
Assets			
Financial assets at FVPL	374,364	345,886	720,250

### 2.16 Critical accounting estimates and judgments

#### Critical judgments in applying the Fund's accounting policies

#### a) Impairment of financial assets at FVPL

The Fund follows the guidance of IFRS 9 to determine when a financial asset at FVPL is impaired. This determination requires significant judgment. In making this judgment, the Fund evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financial cash flow.

#### b) Financial liabilities

Financial liabilities classified and measured according to guidance in IFRS 9, under amortised cost.

Accounts payable	3,455	3,448
Grants payable	5,591	3,897
Unutilised programme funding	18,073	9,743
Total	27,119	17,088

### 2.17 Provisions

Provisions are recognised for a present legal or constructive obligation when, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the obligation can be made.

### 2.18 Adoption of new and revised standards

**2.18.1** As at 2 September 2021, when these financial statements for the year ended 31 March 2021 were authorised by the Fund's Management Trustees Committee, the following standards and interpretations were effective for the first time. These pronouncements had no significant effect on the Fund's financial statements.

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## FOR THE YEAR ENDED 31 MARCH 2021

International Financial Reporting Standards and amendments effective for the first time for March 2021 year-end		
Number	Effective date	Executive summary
Amendment to IAS 1, 'Presentation of financial statements' and IAS 8, 'Accounting policies, changes in accounting estimates and errors' on the definition of material.	Annual periods beginning on or after 1 January 2020.	<p>These amendments to IAS 1 and IAS 8 and consequential amendments to other IFRSs:</p> <ul style="list-style-type: none"> <li>· use a consistent definition of materiality through IFRSs and the Conceptual Framework for Financial Reporting;</li> <li>· clarify the explanation of the definition of material; and</li> <li>· incorporate some of the guidance in IAS 1 about immaterial information.</li> </ul> <p>The amended definition is: Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."</p>
IFRS 17, 'Insurance contracts'	<p>Annual periods beginning on or after 1 January 2022 (following due process)</p> <p>Early application is permitted for entities that apply IFRS 9, 'Financial Instruments', and IFRS 15, 'Revenue from Contracts with Customers', at or before the date of initial application of IFRS 17.</p> <p>(Published May 2017)</p>	<p>The IASB issued IFRS 17, 'Insurance contracts', and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements. For insurers, the transition to IFRS 17 will have an impact on financial statements and on key performance indicators.</p> <p>Under IFRS 17, the general model requires entities to measure an insurance contract at initial recognition at the total of the fulfilment cash flows (comprising the estimated future cash flows, an adjustment to reflect the time value of money and an explicit risk adjustment for non-financial risk) and the contractual service margin. The fulfilment cash flows are remeasured on a current basis for each reporting period. The unearned profit (contractual service margin) is recognised over the coverage period.</p> <p>Aside from this general model, the standard provides, as a simplification, the premium allocation approach. This simplified approach is applicable for certain types of contract, including those with a coverage period of one year or less.</p> <p>For insurance contracts with direct participation features, the variable fee approach applies. The variable fee approach is a variation on the general model. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the contractual service margin. As a consequence, the fair value changes are not recognised in profit or loss in the period in which they occur but over the remaining life of the contract.</p>
Amendments to IFRS 9, Financial Instruments,	Annual periods beginning on or after 1 January 2020 (early adoption is permitted)	These amendments provide certain reliefs in connection with interest rate benchmark reform (IBOR). The reliefs relate to hedge accounting and have the effect that IBOR should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement.

IFRS 16, 'Leases' COVID-19-Related Rent Concessions Amendment	<p>Annual periods beginning on or after 1 June 2020 (early adoption is permitted)</p> <p>(Published June 2020)</p>	<p>The IASB has provided lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification, provided that the concession meets certain conditions. Lessees can elect to account for qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as a variable lease payment.</p> <p>Further detailed information is available at the following link: In Brief 2020-09</p>
Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement', IFRS 7 'Financial Instruments: Disclosures', IFRS 4 'Insurance Contracts' and IFRS 16 'Leases' – interest rate benchmark (IBOR) reform (Phase 2)	<p>Annual periods beginning on or after 1 January 2021</p> <p>(Published August 2020)</p>	<p>The Phase 2 amendments address issues that arise from the implementation of the reform of an interest rate benchmark, including the replacement of one benchmark with an alternative one.</p> <p>Further detailed information is available at the following link: In Brief 2020-12</p>
Amendment to IAS 1 'Presentation of Financial Statements' on Classification of Liabilities as Current or Non-current	<p>Annual periods beginning on or after 1 January 2022</p> <p>(Published January 2020)</p>	<p>The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant).</p> <p>Further information is available in the following link: In Brief 2020-3</p>
Amendment to IFRS 3, 'Business combinations'	Annual periods beginning on or after 1 January 2022	The Board has updated IFRS 3, 'Business combinations', to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination.
Amendments to IAS 16 'Property, Plant and Equipment' on Proceeds before Intended Use	<p>Annual periods beginning on or after 1 January 2022</p> <p>(Published May 2020)</p>	The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss.
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' on Onerous Contracts - Cost of Fulfilling a Contract	Annual periods beginning on or after 1 January 2022	The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract.

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

Annual improvements cycle 2018 -2020	Annual periods beginning on or after 1 January 2022  (Published May 2020)	<p>These amendments include minor changes to:</p> <ul style="list-style-type: none"> <li>IFRS 1, 'First time adoption of IFRS' has been amended for a subsidiary that becomes a first-time adopter after its parent. The subsidiary may elect to measure cumulative translation differences for foreign operations using the amounts reported by the parent at the date of the parent's transition to IFRS.</li> <li>IFRS 9, 'Financial Instruments' has been amended to include only those costs or fees paid between the borrower and the lender in the calculation of "the 10% test" for derecognition of a financial liability. Fees paid to third parties are excluded from this calculation.</li> <li>IFRS 16, 'Leases', amendment to the Illustrative Example 13 that accompanies IFRS 16 to remove the illustration of payments from the lessor relating to leasehold improvements. The amendment intends to remove any potential confusion about the treatment of lease incentives.</li> <li>IAS 41, 'Agriculture' has been amended to align the requirements for measuring fair value with those of IFRS 13. The amendment removes the requirement for entities to exclude cash flows for taxation when measuring fair value.</li> </ul>
IFRS 17, 'Insurance contracts'	Annual periods beginning on or after 1 January 2023	<p>The IASB issued IFRS 17, 'Insurance contracts', and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements. For insurers, the transition to IFRS 17 will have an impact on financial statements and on key performance indicators.</p> <p>Under IFRS 17, the general model requires entities to measure an insurance contract at initial recognition at the total of the fulfilment cash flows (comprising the estimated future cash flows, an adjustment to reflect the time value of money and an explicit risk adjustment for non-financial risk) and the contractual service margin. The fulfilment cash flows are remeasured on a current basis each reporting period. The unearned profit (contractual service margin) is recognised over the coverage period. Aside from this general model, the standard provides, as a simplification, the premium allocation approach. This simplified approach is applicable for certain types of contract, including those with a coverage period of one year or less.</p> <p>For insurance contracts with direct participation features, the variable fee approach applies. The variable fee approach is a variation on the general model. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the contractual service margin. Consequently, the fair value changes are not recognised in profit or loss in the period in which they occur but over the remaining life of the contract.</p>
IFRS 17, 'Insurance contracts' Amendments	Early application is permitted for entities that apply IFRS 9, 'Financial Instruments', and IFRS 15, 'Revenue from Contracts with Customers', at or before the date of initial application of IFRS 17.  (Published May 2017)	In response to some of the concerns and challenges raised, the Board developed targeted amendments and several proposed clarifications intended to ease implementation of IFRS 17, simplify some requirements of the standard and ease transition. The amendments are not intended to change the fundamental principles of the standard or unduly disrupt implementation already underway.

At the date of authorisation of these financial statements for the year ended 31 March 2021, the following standards and interpretations were in issue but not yet effective. The Fund continues to evaluate the effects of these standards and interpretations which have not been early adopted.

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R `000

#### 3. Property, plant and equipment

##### Balances at year end and movements for the year

	Land	Buildings	Plant	Motor vehicles	Furniture and fittings	Office equipment	Artworks	Total
<b>Reconciliation for the year ended 31 March 2021</b>								
<b>Balance at 1 April 2020</b>								
At cost	881	4,913	206	384	1,684	1,237	59	<b>9,364</b>
Accumulated depreciation	-	(1,572)	(123)	(384)	(1,671)	(982)	(59)	<b>(4,791)</b>
<b>Carrying amount</b>	<b>881</b>	<b>3,341</b>	<b>83</b>	<b>-</b>	<b>13</b>	<b>255</b>	<b>-</b>	<b>4,573</b>
<b>Movements for the year ended 31 March 2021</b>								
Additions from acquisitions	-	-	-	346	4	103	1,935	<b>2,388</b>
Depreciation	-	(98)	(44)	(6)	(5)	(118)	-	<b>(271)</b>
<b>Property, plant and equipment at the end of the year</b>	<b>881</b>	<b>3,243</b>	<b>39</b>	<b>340</b>	<b>12</b>	<b>240</b>	<b>1,935</b>	<b>6,690</b>
Closing balance at 31 March 2021								
At cost	881	4,913	206	730	1,688	1,340	1,994	<b>11,752</b>
Accumulated depreciation	-	(1,670)	(167)	(390)	(1,676)	(1,100)	(59)	<b>(5,062)</b>
<b>Carrying amount</b>	<b>881</b>	<b>3,243</b>	<b>39</b>	<b>340</b>	<b>12</b>	<b>240</b>	<b>1,935</b>	<b>6,690</b>
<b>Reconciliation for the year ended 31 March 2020</b>								
<b>Balance at 1 April 2019</b>								
At cost	881	4,913	192	384	1,982	813	59	<b>9,224</b>
Accumulated depreciation	-	(1,474)	(32)	(384)	(1,971)	(690)	(59)	<b>(4,610)</b>
<b>Carrying amount</b>	<b>881</b>	<b>3,439</b>	<b>160</b>	<b>-</b>	<b>11</b>	<b>123</b>	<b>-</b>	<b>4,614</b>
<b>Movements for the year ended 31 March 2020</b>								
Additions from acquisitions	-	-	-	-	-	-	-	<b>238</b>
Depreciation	-	(98)	(77)	-	(10)	(94)	-	<b>(279)</b>
<b>Property, plant and equipment at the end of the year</b>	<b>881</b>	<b>3,341</b>	<b>83</b>	<b>-</b>	<b>13</b>	<b>255</b>	<b>-</b>	<b>4,573</b>
<b>Closing balance at 31 March 2020</b>								
At cost	881	4,913	206	384	1,684	1,237	59	<b>9,364</b>
Accumulated depreciation	-	(1,572)	(123)	(384)	(1,671)	(982)	(59)	<b>(4,791)</b>
<b>Carrying amount</b>	<b>881</b>	<b>3,341</b>	<b>83</b>	<b>-</b>	<b>13</b>	<b>255</b>	<b>-</b>	<b>4,573</b>

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## FOR THE YEAR ENDED 31 MARCH 2021

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R `000

#### 4. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	2021 R'000	2020 R'000
<b>Financial Assets</b>		
Cash and cash equivalents	73,299	66,853
Financial assets at FVPL	893,852	720,250
Other receivables (excluding statutory assets)	463	1,040
Amounts due from related parties	479	127
<b>Total</b>	<b>968,093</b>	<b>788,270</b>
<b>Financial Liabilities</b>		
Trade and other payables (excluding statutory liabilities)	3,455	3,448
Grants Payable	5,591	3,897
Unutilised designated funding	18,073	9,743
<b>Total</b>	<b>27,119</b>	<b>17,088</b>
<b>Cash at bank and short-term deposits</b>		
Standard bank	23,167	24,945
Nedbank	50,132	41,904
Petty cash	0	4
<b>Total</b>	<b>73,299</b>	66,853
The Fund's bankers were rated by Moody's as follows:		
Nedbank	Ba2	Ba1
Standard Bank	Ba2	Ba1
<b>5. Financial assets at FVPL</b>	<b>2021</b>	<b>2020</b>
<b>Endowment</b>	<b>R'000</b>	<b>R'000</b>
Balance at the beginning of the year	720,250	769,568
Dividends received	12,010	10,379
Finance income on financial assets at FVPL	24,331	27,952
Fair value gains on financial assets at FVPL	146,586	(78,853)
Realised surplus/(losses) on financial assets at FVPL	4,121	5,112
Drawings	-13,966	-13,822
Portfolio Management Transaction rebates/(expenses)	520	-86
<b>Balance at the end of the year</b>	<b>893,852</b>	<b>720,250</b>

Financial assets at FVPL were not considered to be impaired, therefore there is no impairment provision on financial assets at FVPL in 2021 and in 2020.

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R `000

2021

2020

#### Financial assets at FVPL continued...

#### 5.1 The endowment fund comprises of financial assets at FVPL and includes the following:

	R'000	R'000
<b>Listed securities:</b>		
Equities	301,250	191,820
Gilts and Semi -gilts	207,548	182,544
<b>Unlisted securities:</b>		
Liquid funds	347,040	315,426
Mott endowment	38,014	30,460
	<u>893,852</u>	<u>720,250</u>

#### 5.2 Financial assets at FVPL are denominated in the following currencies:

Rand	681,731	575,214
US Dollar	212,121	145,036
	<u>893,852</u>	<u>720,250</u>

Investments are administered by Coronation Fund Managers and Melville Douglas Investment Management (Pty) Ltd.

#### 6. Trade and other receivables

##### Items included in Trade and other receivables not classified as financial instruments

Value added tax	540	53
Accrued Interest receivable	20	973
Utility Deposits	45	45
Total non-financial instruments included in trade and other receivables	605	1,071
Total trade and other receivables excluding non-financial assets included in trade and other receivables	(142)	22
<b>Total trade and other receivables</b>	<b>463</b>	<b>1,092</b>

These amounts are all interest-free and except for amounts due from related parties, all other receivables are normally recovered within a three-month cycle or are payable on demand. The fair value is considered equal to the carrying value.

#### 7. Related party transactions

The following related parties exist due to common Founder, Nelson Mandela: Nelson Mandela Foundation, Mandela Rhodes Foundation, Nelson Mandela Children's Hospital, 46664, Nelson Mandela Children's Fund - US (Affiliate) and Nelson Mandela Children's Fund - UK (Affiliate). No transactions or balances exist with the respective related parties as at year-end other than as disclosed below.

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	2021	2020
<b>Related party transactions continued...</b>		
<b>Related party transactions comprise:</b>	<b>R'000</b>	<b>R'000</b>
Key management remuneration	3,321	5,459

#### Nelson Mandela Children's Hospital Project (The Hospital Trust)

The Nelson Mandela Children's Hospital is an initiative of Nelson Mandela Children's Fund. The primary aim of the Hospital Trust is to raise funds and accept donations to initiate, promote and support the provision of paediatric healthcare, training and research.

As at 31 March 2021, recorded in trade receivables was an amount of R479 thousand (2020: R1.05 million) owed by Nelson Mandela Children's Hospital Trust.

The Fund invested a total of R280 million towards the construction of the Hospital project and the purchase on the Hospital equipment.

#### 8. Listed investments

##### Listed investments comprise the following balances

Local Equities	301,250	191,820
Local bonds	207,548	180,120
Liquid funds	134,919	170,390
Foreign investments	212,121	145,036
Mott endowment	38,014	30,124
	<b>893,852</b>	<b>717,490</b>

#### 9. Cash and cash equivalents

##### Cash and cash equivalents included in current assets:

Cash on hand	-	4
Call Deposits	73,299	66,849
	<b>73,299</b>	<b>66,853</b>

The effective interest rate on short-term deposits was 3.5% (2020: 5.27%). These deposits have an average maturity of 30 days.

#### 10. Trade and other payables

##### 10.1 Trade and other payables comprise:

Accounts Payable	643	1,004
Accrued liabilities	2,774	2,397
Value Added Tax	38	47
<b>Total trade and other payables</b>	<b>3,455</b>	<b>3,448</b>

These amounts are all interest free and the fair value is considered to be equal to the carrying value. Accounts payable are normally paid within a three-month cycle.

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R `000

	2021	2020
<b>Trade and other payables continued...</b>		
<b>10.2 Items included in trade and other payables not classified as financial liabilities</b>	R'000	R'000
Total trade and other payables excluding nonfinancial liabilities included in trade and other payables	3,455	3,448
<b>Total trade and other payables</b>	<b>3,455</b>	<b>3,448</b>

These amounts are all interest free and the fair value is considered to be equal to the carrying value. Accounts payable are normally paid within a three-month cycle.

##### 10.3 Analysis of the periods and the amounts due

Creditor	30 days	Total
<b>31 March 2021</b>		
The Aviator hotel	109	109
Corporate travel	5	5
New Hotel	9	9
Nashua	14	14
Praxis	11	11
Ambuis	2	2
Stallion	35	35
Vox	40	40
Truffle	36	36
City of Johannesburg	105	105
Clark	10	10
Nightwig	12	12
PWC	45	45
Staff funeral	18	18
Clearance	160	160
Other - corporate travel	33	33
	<b>644</b>	<b>644</b>

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R `000

	2021	2020
<b>11. Mott endowment reserve</b>		
<b>11.1 Nature and purpose of the Mott endowment reserve</b>		
In 2002 a grant amounting to US\$2 million was received from the Charles Stewart Mott Foundation. This grant was recorded in accordance with the grant agreement as a permanent endowment and shown as a separate reserve. The amount has been invested in a separate portfolio with Coronation Fund Managers. If, at any time, the principal amount of this grant is not maintained in a segregated fund or should the Fund cease to exist, the Fund will be obliged to return the capital portion of this endowment to the Charles Stewart Mott Foundation forthwith. The Fund may only utilise the cash income earned on the endowment to fund its charitable activities.		
The agreement with Charles Stewart Mott Foundation was renegotiated in 2017. The principal amount was changed from US\$2 million to a Rand denominated amount of R17.055 million. Any fair value movement is retained as part of the principal amount. The fair value movement on the Mott endowment during the current financial year is gain of R5.742 million, (2020: fair value loss of R3.202 million).		
<b>11.2 Details of Mott endowment reserve at 31 March 2021</b>	R'000	R'000
Balance at the beginning of the year	21,572	24,775
fair value gains /(loss) on financial assets at FVPL	5,742	-3,203
Balance at the end of the year	<b>27,314</b>	<b>21,572</b>
<b>12. Grants Payable</b>		
Payable from designated programme funding	<b>2,265</b>	<b>2,653</b>
Payable from non-designated funding	3,326	1,244
<b>Total</b>	<b>5,591</b>	<b>3,897</b>
<b>Financial liabilities</b>	<b>5,591</b>	<b>3,897</b>

All grants payable are liabilities, for which programme contracts are in place. Programme contracts are signed between the Fund and implementing partners and are normally paid within 12 months.

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R `000

	2021	2020
<b>13. Unutilised designated funding</b>	<b>R'000</b>	<b>R'000</b>
<b>Unutilised designated funding comprises:</b>		
Opening Balance	<b>9,743</b>	9,716
Funds received during the year	11,527	7,667
Designated programmes	11,527	7,667
Funds utilised during the year	(3,197)	(7,640)
Programme development expenses	(627)	(2,040)
Programme development expenses (prior years)	141	
Grants approved in the current year	(2,711)	(5,600)
		-
<b>Designated programme funding not yet approved for programme allocation</b>	<b>18,073</b>	<b>9,743</b>
Restricted for:		
Designated programmes	18,073	9,743
<b>Closing Balance</b>	<b>18,073</b>	<b>9,743</b>
Financial liabilities from contracts partially satisfied	<b>18,073</b>	<b>10,394</b>
Financial assets from contracts partially satisfied		<b>(652)</b>
	<b>18,073</b>	<b>9,742</b>
<b>Revenue recognised in the current period, that was included in opening contract liability</b>	<b>1,622</b>	<b>2,114</b>
<b>14. Total income Resources</b>		
Unutilised prior year programme designated funds	9,743	9,716
Funds received during the year	11,527	7,667
Recognised from prior year funds	-1,622	0
Programme designated funds carried forward to the following year	-18,073	-9,743
Revenue from contracts partially satisfied	1,575	7,640
Non-designated funds	6,495	6,254
Net donations received	8,070	13,894
Investment income/(loss)	184,431	-32,114
Fundraising initiatives	5,798	11,091
<b>Total</b>	<b>198,299</b>	<b>-7,129</b>

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R ` 000

	2021	2020
<b>15. Changes in inventories of finished goods and work in progress</b>		
<b>Changes in inventories of finished goods and work in progress comprise:</b>	R'000	R'000
Opening stock	-	-
Closing stock	292	-
<b>Net changes in inventories</b>	<b>292</b>	<b>-</b>

Stock at the end of the year is made up of gift shop inventory donated by the Nelson Mandela Children's Hospital Trust to the Fund at the end of the year as part of the alignment process transaction.

### 16. Operating and administration expenses

Operating and administration expenses include the following:

#### Depreciation:

- Computer equipment	119	98
- Buildings	98	98
- Furniture and fittings	5	10
- Motor vehicles	6	-
- Plant	44	77
	<b>272</b>	<b>283</b>

#### - Lease expense for low value items

	186	209
- Auditor's remuneration	1,062	897

50% of the audit services is offered on a pro-bono basis. The related donation of R 531 thousand is included in non-designated income (2020: R 421 thousand). The full audit fees are disclosed in the annual financial statements and the related donation for pro-bono services is realised in income

#### Employee benefits

	4588	7398
- Key management remuneration	3,321	5,459
- Staff costs	1,267	1,939

Key management refers to the Chief Executive Officer, Finance Director, Business Development Director and Marketing and Communications Director.

### 17. Finance income

<b>Finance income on Cash Balances</b>	<b>2,075</b>	3,296
<b>Finance income on financial assets at FVPL</b>	<b>24,331</b>	27,952
<b>Total</b>	<b>26,406</b>	31,248

### 18. Dividend income

Dividend received on financial assets at FVPL	12,010	10,379
---	--------	--------

### 19. Taxation

In terms of section 10(1)(cN) of the Income Tax Act 1962, as amended, the Fund has been approved by the Commissioner for the South African Revenue Service as a public benefit organisation. Accordingly, the Fund is exempt from income taxation.

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R ` 000

2021

2020

### 20. Employee benefit obligations

The Fund's employees belong to the Pension Fund administered by Alexander Forbes (Pty) Limited. This is a defined contribution fund. As at 31 March 2021, 23 (2020: 21) employees belonged to this fund.

Current contributions charged to the statement of surplus or deficit and other comprehensive income	R'000 1,766	R'000 1,635
---	----------------	----------------

### 21. Going concern

These annual financial statements were prepared on the going concern basis. There are no plans or intentions to dispose of the business or cease operations, that may materially alter the carrying value of assets and liabilities reflected in these annual financial statements, in the foreseeable future.

### 22. Events after the reporting date

#### IAS 10 Events after the reporting period

In the first few months of 2020, the COVID 19 virus spread globally. The first case of Covid-19 in South Africa was reported in March 2020 and with effect from 27 March 2020 South Africa was placed in lockdown. The news of the first Covid-19 cases in South Africa sent shock waves to the investment markets, negatively affecting the Fund's endowment at year-end. The endowment balance went down from R801 million as at 31 January 2020 to R720 million as at 31 March 2020. With the South African government taking decisive measures to control the spread of the disease, the investments market regained confidence, and since the reporting date to the date of this report, the Fund's endowment has recovered significantly, with balances as at 30 July 2021 reported at circa R900 million, exceeding balances reported as at 31 March 2021. The imposition of the lockdown measures had a negative impact on fundraising efforts, however this had no material effect on these financial statements.

Management considers this outbreak to be a non-adjusting event. While this is still an evolving situation at the time of issuing these annual financial statements, to date there has been no discernible impact on these financial statements, however, the future effects cannot be predicted. Trustees are of the opinion that the Fund will continue to operate as a going concern in the foreseeable future. Management will continue to monitor the potential impact and will take all steps possible to mitigate any effects.

Subsequent to the year ending 31 March 2021, the Fund acquired the business, fundraising and investment mandates of the Nelson Mandela Children's Hospital Trust (the Trust). The operating assets of the Trust were either sold or donated to the Nelson Mandela Children's Hospital NPC.

	2021	2020
<b>23. Operating and administration expenses</b>		
<b>Operating and administration expenses comprises:</b>	<b>R'000</b>	<b>R'000</b>
Annual Audit fees	1,062	897
Depreciation	272	283
Employee benefits	6,080	7,398
Equipment, IT and services	421	539
Fundraising costs	1,491	1,727
Insurance	128	78
Investment Portfolio Management expenses	467	754
Legal Fees	227	21
Operational costs	2,420	2,309
Professional fees	360	300
Publicity and Communication costs	392	611
Travel and Transport costs	79	172
Organisational Development costs	821	572
Strategic plan review	-	7
Admin Overhead recoveries	(2,149)	-
<b>Operating and administration expenses</b>	<b>12,071</b>	<b>15,668</b>

# NELSON MANDELA CHILDREN'S FUND GOVERNANCE

## AS AT 31ST MARCH 2021

In line with the King IV Report on Corporate Governance, the Management Trustees ensure that the Fund's policies continue to meet current requirements and the terms and covenants of the Trust Deed approved by the Master of the Supreme Court. These policies relate to the duties of the full Board of Trustees, and the delegation of authority to the Management Trustees Committee (MTC) and to various sub-committees, as well as the Chief Executive Officer, and they specify responsibilities and levels of authority.

### Current Financial Status

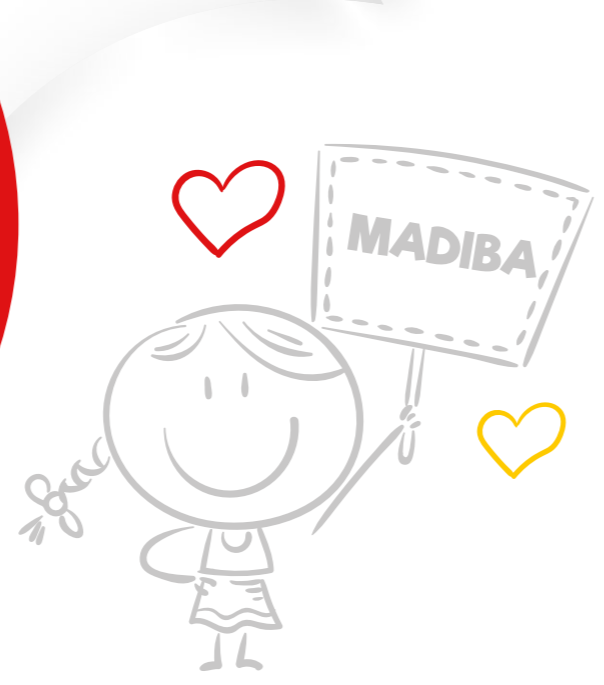
The Fund is in a sound financial position with total assets of R975 million. This shows an increase from the previous year due to the acquisition of the Trust assets by the Fund and the improved performance of the Fund's Investments, despite the Covid-19 effects on the economy, providing a reasonable base to sustain and grow the Fund into the future. R894 million is invested with the appointed investment managers in shares and gilts, while R73.3 million is held with the Fund's bankers.

### Financial Policy

The financial policy is designed to achieve the twin objectives of providing a reasonable flow of funds to be available for current grant making while still creating and increasing base for future sustainability of the Fund and its grantees. Each year the MTC reviews and agrees by resolution the financial parameters of the Fund set to achieve the objective stated above. It must be noted that these parameters more than fulfil the tax exemption requirements of the South African Revenue Services in terms of note 15 of the annual financial statements.

### Investment Policy

The investment policy includes detailed guidelines and parameters for the two current investment managers – Coronation Fund Managers and Melville Douglas Investment (Pty) Ltd.



# NELSON MANDELA CHILDREN'S FUND TRUSTEE GOVERNANCE

## GOVERNANCE STRUCTURE



### Board of Trustees

The Board of Trustees is the **ultimate governing body** of the Fund. In implementing this responsibility, the Board of Trustees has delegated authority to the Management Trustees Committee (MTC) to act for and on behalf of the Fund in every respect, while retaining for itself the following functions:

- approving overall policy and strategy concerning objectives of the Fund
- receiving and adopting the financial statements of the Fund
- ratifying and confirming the resolutions passed by the MTC since the previous annual general meeting

In addition, it is the responsibility of every Trustee to:

- always promote the objectives of the Fund
- advance the general and financial well-being of the Fund; and
- maintain and enhance the capital of the Fund

**THE BOARD OF TRUSTEES MUST MEET AT LEAST ONCE IN EACH CALENDAR YEAR AND AT INTERVALS NOT EXCEEDING 18 MONTHS.**



### Management Trustees Committee

**The Committee meets three times a year**

The MTC is responsible to all stakeholders in general, and the Trustees, donors and beneficiaries in particular, for the performance and therefore the overall management of the Fund. The MTC's major responsibilities include ensuring that the Fund:

- works towards achieving the goals and ideals set down in the founding document and agreed by the Board of Trustees, which include managing the affairs of the Fund in such a manner so as to ensure the greatest possible benefits for the beneficiaries and protection of the assets of the Fund
- operates within the Fund's Trust Deed
- operates within the confines of the Non-profit Organisation Act, Property Control Act, the merchandising Marks Act and the Common Law
- operates within the resolutions passed at meetings of the MTC. In discharging its duties, the MTC is responsible for:
  - the overall strategy and structure of the Fund
  - the Fund's assets and distributions and therefore the Fund's operations.

### Development Committee

**The Committee meets at least twice a year**

The mandate of this Committee is to:

- identify strategic and long-term partners for the strategy
- approve funding to identified partners
- and monitor impact made upon the lives of children within communities

The Committee continually reviews the status development funding philosophy, policy and criteria in terms of appropriateness and ensures the Fund operates within restricted budget frameworks.

### Fundraising, Branding & Marketing Committee

**The Committee meets at least three times a year**

The mandate of the Committee is to advise management on all aspects of business development, monitor management of the brand and monitor the implementation of the fundraising and communication strategies as well as the performance and compliance of affiliate offices in line with the signed Licensing Agreements.

### Finance & Audit Committee

**The Committee meets three times a year**

The Committee is responsible for monitoring the adequacy of the financial controls, accounting policies and financial reporting. It provides a forum through which the external auditors report to MTC.

### Investment Committee

**The Committee meets three times a year**

The Investment Committee determines, in discussion with the Fund's approved investment advisors, the overall investment strategy and structure, within the limits of the prudent guidelines as set by the Registrar of Financial institutions from time to time.

It receives reports from Fund's advisors and fund managers, and monitors performance on a regular basis. It has the delegated power to reduce or increase the quantum of funds under each investment advisor's control.

### Human Resources & Remuneration Committee

**The Committee meets twice a year**

The Committee considers and approves remuneration for the management of the Fund in line with the relevant market indicators. It is further responsible for determining the remuneration policy and employee benefits applicable to staff. It also considers and approves senior management appointments.

## BOARD OF TRUSTEES

The Board of Trustees is the **ultimate governing body** of the Fund. In implementing this responsibility, the Board of Trustees has delegated authority to the Management Trustees Committee (MTC) to act for and on behalf of the Fund in every respect, while retaining for itself the following functions:

- approving overall policy and strategy concerning objectives of the Fund
- receiving and adopting the financial statements of the Fund
- ratifying and confirming the resolutions passed by the MTC since the previous annual general meeting

In addition, it is the responsibility of every Trustee to:

- always promote the objectives of the Fund
- advance the general and financial well-being of the Fund; and
- maintain and enhance the capital of the Fund

The Board of Trustees **must meet at least once in each calendar year** and at intervals not exceeding 18 months.

As part of the integration of the Fund and the Hospital Trust, the Board of Trustees was reconstituted after year-end. Below we show the constitution of the Board and its subcommittees before and after the integration.

### MANAGEMENT TRUSTEE COMMITTEE (MTC)

Judge Yvonne	Mokgoro (Chair)
Judge Dion	Basson
Dr Warren	Clelow
Shirley	Mabusela
Nana	Magomola
Mr Mpho	Makwana
Marumo	Moerane
Victor	Nosi
Charles	Priebatsch
Judge Kathleen	Satchwell

### INVESTMENT COMMITTEE

Dr Warren	Clelow (Chair)
Mr Joseph	Maswanganyi
Mr Jacob	Modise
Mr Owen	Maubane
Mr Charles	Priebatsch
Mr Kashan	Maharaj
Ms Onkgoditse	Mokonyane
Mr Sakhile	Masuku



### FINANCE & AUDIT COMMITTEE

Dr Warren	Clelow (Chair)
Mr Jacob	Modise
Judge Kathleen	Satchwell
Mr Kashan	Maharaj
Mr Sakhile	Masuku

### BRANDING & MARKETING COMMITTEE

Mr Charles	Priebatsch (Chair)
Ms Lulama	Mokhobo
Mr Mpho	Makwana
Mr Maseda	Ratshikuni
Mr Victor	Nosi
Mr Moss	Mashishi
Mr Sizwe	Nzimande

### DEVELOPMENT COMMITTEE

Ms Shirley	Mabusela (Chair)
Judge Dion	Basson
Judge Johann	Kriegler
Ms Barbara	Nell

### HUMAN RESOURCES, REMUNERATION AND NOMINATIONS COMMITTEE

Judge Yvonne	Mokgoro (Chairperson)
Prof Michael	Katz
Adv. Kgomotso	Moroka
Ms Barbara	Nell

### Trustees

The names of the Trustees appears on page 30 of this report. In terms of paragraph 6.7 of the Trust Deed, one-third of the Trustees retire from office at each annual general meeting but, being eligible, may be re-elected by the remaining Trustees. In 2019, 13 Trustees retired, determined by alphabetical rotation, and they were all re-elected. We were saddened by the loss of Dr Richard Maponya in December 2019.

### Thank You

The Fund would like to thank both Ms Kathi Scott and Ms Mary Zients for tirelessly keeping our United Kingdom and USA offices (respectively) running smoothly for so many years. Their efforts, time and hard work do not go unnoticed.

# RECONSTITUTED BOARD OF TRUSTEES

## MANAGEMENT TRUSTEE COMMITTEE (MTC)

Judge Yvonne	Mokgoro (Chair)
Ms Nana	Magomola (Deputy Chair)
Ms Shirley	Mabusela
Mr Moss	Ngoasheng
Ms Zodwa	Manase
Mr Sakhile	Masuku
Mr Joe	Seoloane
Adv Marumo	Moerane
Judge Kathleen	Satchwell
Mr Mpho	Makwana
Mr Victor	Nosi
Prof Zebon	Vilakazi
Ms Konehali	Gugushe

## INVESTMENT COMMITTEE

Mr Sakhile	Masuku (Chair)
Mr Jacob	Modise
Ms Onkgodisitse	Mokonyane
Ms Zukie	Siyotula
Ms Asathi	Magwentshu
Mr Owen	Maubane
Ms Konehali	Gugushe

## FINANCE & AUDIT COMMITTEE

Ms Zodwa	Manase (Chair)
Mr Sakhile	Masuku
Mr Jacob	Modise
Ms Zanele	Ngwepe
Ms Zukie	Siyotula
Ms Asathi	Magwentshu
Ms Konehali	Gugushe



## FUNDRAISING, BRANDING & MARKETING COMMITTEE

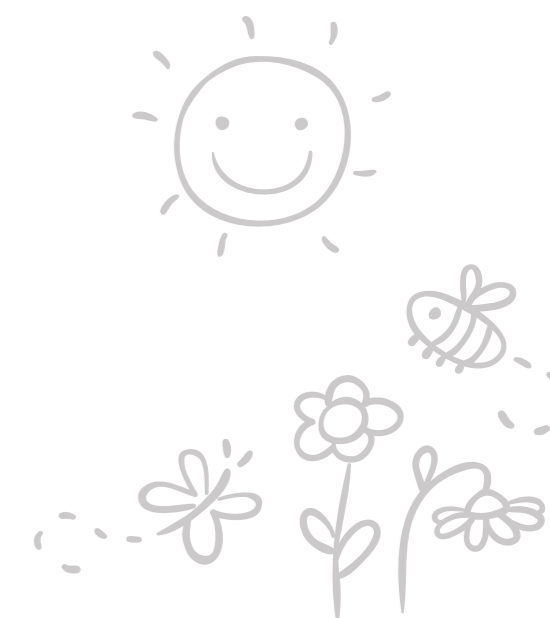
Mr Moss	Ngoasheng (Chair)
Mr Mpho	Makwana
Mr Victor	Nosi
Ms Lulama	Mokhobo
Mr Maseda	Ratshikuni
Mr Moss	Mashishi
Mr Sizwe	Nzimande
Mr Ishmael	Mkhabela
Ms Mary-Jane	Morifi
Mr Ivan	Moroke
Ms Sibongile	Mkhabela
Ms Konehali	Gugushe

## DEVELOPMENT COMMITTEE

Ms Shirley	Mabusela (Chair)
Ms Barbara	Nell
Ms Rita	Motlana
Mr Rorisang	Tshabalala
Ms Nozizwe	Vundla
Ms Obenewa	Amponsah
Ms Konehali	Gugushe

## HUMAN RESOURCES & REMUNERATION COMMITTEE

Judge Yvonne	Mokgoro (Chairperson)
Mr Joe	Seoloane
Ms Barbara	Nell
Adv Kgomotso	Moroka
Ms Lindiwe	Mazibuko
Ms Mary-Jane	Morifi
Ms Konehali	Gugushe



## OUR DONORS #SERVELIKEMADIBA

**"WHAT COUNTS IN LIFE IS NOT THE MERE FACT THAT WE HAVE LIVED. IT IS WHAT DIFFERENCE WE HAVE MADE TO THE LIVES OF OTHERS THAT WILL DETERMINE THE SIGNIFICANCE OF THE LIFE WE LEAD."**

**NELSON MANDELA**

Part of the Fund's story is about the hero's journey; an iconic person whose life was based on the service and duty towards the people of South Africa but more specifically to its children. And like all great stories, there must be an inspiring beginning based on an inciting moment.

The story about Madiba sacrificing a third of his salary to start the Nelson Mandela Children's Fund in 1995 is one that is well-known. This act of sacrifice and purpose built an institution that was more than just a pillar for children and families. It has become an agent for social development, advocacy, and knowledge generation. The institution has continued to grow due to the many people and organisations who have served our children and whose generosity and continued support are an integral part of the Fund's success.

We want to thank you our esteemed donors, volunteers, Trustees, and staff. Your contributions enable us to continue implementing Madiba's vision that our children should not only be protected and developed but that they also can and must reach their full potential.

### NELSON MANDELA CHILDREN'S FUND DONORS

- 466/64
- A B Parbhoo
- ABSA
- Actom MV Switchgear
- Chris Tisdall
- Comic Relief
- Converse
- Corlentrade Twenty Two
- Eagle Oil
- Embassy of South Africa to Finland and Estonia
- EuropCar t/a Motus
- Golden Dynasty SA (Pty) Ltd
- Hachette Book Group
- Hetero Drugs (Pty) Ltd
- Ikapa
- Investec
- Kaap Agri Bedryf Beperk
- Li Kan
- Mohammed Adam
- Mrs Soona Jams
- My School

### IN-KIND DONATIONS

- French Embassy
- Nightwing Couriers
- PNet
- SGM Foundation
- Tiger Brands Limited
- Trace TV

- National Lotteries
- Nedbank Limited
- Nelson Mandela Children's Fund Staff
- Nelson Mandela Children's Fund UK
- Nelson Mandela Children's Fund USA
- NMK MAMAS
- Pearson SA
- Penguin Random House
- Reliable Paraffin
- Rocketmine
- Russell Paul
- SA Home Loans
- Santam
- Sasol
- Solomon Ruben and Ann Winer Education and Benefit Trust
- St Mary's School (Waverley)
- Styling Concepts
- United International Pictures (UIP)
- Vumacam Electricity
- Xolani C Mthethwa
- Zuziwe Ngubo

### PRO BONO SERVICES

- Alexander Forbes
- Coronation
- ICAS
- Letsema Consulting
- MacRobert Attorneys
- PriceWaterhouseCoopers
- Sangonet
- Whitehart Design

**Thank you to each one of you for giving "Like they're yours".**



## A TRIBUTE TO MS MAMPE NTSEDI

19 SEPTEMBER 1967 - 30 OCTOBER 2020

In a year that has already been defined by great loss, sorrow and grief, we could have never imagined that we would yet shed our most heaviest of tears.

The loss of our colleague, friend, sister and advocate, Mampe Ntsedi, has left us most devastated and weary.

On behalf of the Nelson Mandela Children's Fund (the Fund) Board of Trustees, Management and Staff, we would like to extend our most heartfelt condolences to the Ntsedi family at this tragic time.

Mampe has been a member of our NMCF family for the past twenty years and has made a huge contribution in the well-being of children and youth including advocating for the advancement of their rights.

As Manager for the Fund's strategic Child Safety and Protection (CSP) Programme, Mampe was involved in community development work for the past two decades. This kind of dedication and display of commitment is rare and is exemplary of the commitment our founder, Mr Nelson Mandela, had envisioned for our organisation and society as a whole.

As you are aware, our organisation's vision is to **Change the Way Society Treats its Children and Youth**. In Mampe, we not only found a colleague but also a champion who dedicated her life to its realisation.

Even during the current pandemic caused by the advent of Covid-19, Mampe was concerned about promoting the safety of those children and families whose vulnerabilities were further exposed by the virus. Through the CSP Programme, Mampe, worked closely with her team and various partners on the ground, to ensure that those communities in need were not neglected. Mampe was a fierce advocate for children's rights and a strong leader who never lost sight of our mission as an organisation. Her life's work and the change that she has brought about through her work lives on in the lives of the innumerable communities she has influenced across various provinces in the country.

Mampe's absence is already felt in our lives but we hold on to our dearest of memories from the privileged time we spent with her.

May the Ntsedi family and loved ones find peace and comfort knowing she has left a legacy that has affected many lives and contributed to building a better tomorrow for our children and youth.

May her soul rest in peace. With Love,  
**NELSON MANDELA CHILDREN'S FUND**

**WE RELAY THE COLLECTIVE MESSAGE OF SORROW AND COMFORT FROM PARTNERS, DONORS, COMMUNITY-BASED ORGANISATIONS, CHILDREN, INCLUDING SURVIVORS OF EXPLOITATION, AND MANY OTHERS WHO BEAR TESTAMENT TO A LIFE OF COMMENDABLE COMMUNITY SERVICE.**

**TRIBUTE  
MAMPE  
NTSEDI**

**HER MEMORY  
SHALL LIVE  
FOREVER**

**IN OUR HEARTS**





"TOGETHER AS A NATION,  
WE HAVE THE OBLIGATION  
TO PUT SUNSHINE INTO THE  
HEARTS OF OUR LITTLE ONES.  
THEY ARE OUR PRECIOUS  
POSSESSIONS. THEY  
DESERVE WHAT HAPPINESS  
LIFE CAN OFFER."

**NELSON MANDELA**

## NELSON MANDELA CHILDREN'S FUND ORGANISATION DETAILS

### HEAD OFFICE

21 Eastwold Way, Saxonwold, Johannesburg, 2196  
PO Box 797, Highlands North, 2037

**Vat number** 4110179175

+27 11 274 5600

+27 11 486 3914

info@nmcf.co.za

[www.nelsonmandelachildrensfund.com](http://www.nelsonmandelachildrensfund.com)

### INTERNATIONAL AFFILIATES

#### UNITED KINGDOM

13 Walsingham, St Johns Wood Park, London NW8 6RG, United Kingdom

**Charity number** 1055899

**Company registration number** 3207203

+44 7768 807677

kathi.scott@nmcf.co.uk

[www.nelsonmandelachildrensfund.com/uk.html](http://www.nelsonmandelachildrensfund.com/uk.html)

#### UNITED STATES OF AMERICA

2030 Q Street NW, Washington DC, 20009, USA

+202 735 2362

## DONATE LIKE THEY'RE YOURS

### UK & US DONATIONS

To make a donation please email our Fundraising Manager,  
Maeline Engelbrecht [maeline@nmcf.co.za](mailto:maeline@nmcf.co.za)

# SERVE LIKE MADIBA AND GIVE LIKE THEY'RE YOURS

The Fund works with partners throughout South Africa in addressing issues pertaining to children with the aim of strengthening families and their communities.

## HOW CAN YOU SERVE LIKE MADIBA?

Help us to continue the legacy of our founder, Mr Nelson R. Mandela, by donating to his vision of changing the way society treats its children and youth.

### DONATE YOUR TIME

Simply email your details to [info@nmcf.co.za](mailto:info@nmcf.co.za) to serve like Madiba

### DONATE FINANCIALLY

1. Visit [nelsonmandelachildrensfund.com/donate](https://nelsonmandelachildrensfund.com/donate)

#### 2. Email us

To make a donation please email our Fundraising Manager, Maeline Engelbrecht [maeline@nmcf.co.za](mailto:maeline@nmcf.co.za)

#### 3. Masterpass QR Code



22030 18478

- ★ Download the Masterpass App
- ★ Add your bank card details
- ★ Scan the QR code
- ★ Donate

### CONTACT US

+27 11 274 5600 [info@nmcf.co.za](mailto:info@nmcf.co.za)

[www.nelsonmandelachildrensfund.com](https://www.nelsonmandelachildrensfund.com)

[f](#) NMChildrensFund [@](#) nmcf\_sa