

sappi **KwaDukuza**  
resource centre



# KWADUKUZA RESOURCE CENTRE ANNUAL GENERAL REPORT

JANUARY 2008 TO DECEMBER 2008



FIGURE 1: SAPPI KWA DUKUZA RESOURCE CENTRE

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## CHAIRPERSON'S ADDRESS

Information and communication technologies (ICTs) are central to the changes taking place throughout the world. The provision for telecommunication infrastructure for learning and teaching has seen a sharp increase over the years. In recognizing this need, schools, learners and educators have to exploit the benefits of the technological revolution that is sweeping across the world. Due in no small part to the visionary expertise of Sappi and the collaborative efforts of a small working committee, schools were roped in to make known their needs so as to enhance the quality of teaching and learning. It was this process that gave birth to the Sappi/Kwa-Dukuza Resource Centre. This Centre, now in its ninth year of existence on 2 June 2008, has become the focal point in providing access to thousands of learners on a daily basis.

The Centre is unique in its operation in that it operates with a small staff but relies on a band of volunteers who have become actively involved in the day to day running of the Centre. The Centre is governed by a Board of Directors from different walks of life but who have a passion for education. Board members are intimately involved with the Centre. The biggest achievement of the Centre has been the increase in its membership base over the years. One has to come to the Centre on a school afternoon and see the excited and eager learners to appreciate the service that the Centre provides. What is of greater significance is that many of the learners come from severely disadvantaged communities and would never get the opportunity to surf the net, watch educational videos, do assignments, projects and have them printed at a fraction of the normal cost. Our main donor Sappi has made a significant investment by joining hands with other sponsors in providing a centre of quality learning and teaching for the 21<sup>st</sup> century. The services provided by the Resource Centre enhance the digital competence of learners and provide limitless opportunities for personal growth and development for all. As the realities of the information age sets in, educational institutions have an obligation to integrate ICTs into the teaching and learning process. The Resource Centre is at the forefront of this new digital frontier. The opening of the Centre has provided educational resources well beyond those traditionally available to schools.

The volunteer service that Board of Directors and Management members offer also plays a crucial role in the success of the Centre. I would also like to acknowledge the support of Mr. P. Sham for his valuable contribution towards the Centre. His negotiating skills have always ensured that we get the maximum out of our service providers. Regular reviews and periodic evaluations are conducted to inform the implementation process of initiatives of the Resource Centre. These evaluations guide decisions and inform continuous improvement of service delivery. The Centre continues to look at ways to maximize the benefits that it offers to schools, classrooms, learners, educators and communities.

The Centre also enjoys the efficient managerial skills of Alan Govender. One word that comes to mind is the passion which Alan has for the Centre. This passion is contagious and has infused into the dedicated staff, teachers, learners and community members who have become regulars at the Centre.

The Resource Centre is proud of providing an alternative basis for supplying access to information and the allocation of resources. Through the generosity of Sappi and the collaborative efforts of relevant stakeholders, the Centre provides the technology to amplify advantage. The potential to offer teachers and learners access to a variety of learning and support material is slowly becoming a reality through the Sappi Resource Centre.



We look forward to the continued support and dedication of all stakeholders as we enter a milestone on the 2 June 2009, to celebrate 10 years of excellence at what we all have come to term “The Centre”



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Kiren Gokar

Chairperson - Kwa-Dukuza Resource Centre



# 1. BACKGROUND TO THE KWA DUKUZA RESOURCE CENTRE

## 1.1. Introduction

South Africa is a developing country which finds itself at the intersection of many forces of change. At the local level, entrenching democracy, growing the economy and eradicating poverty are some of South Africa's highest priorities. At a global level, South Africa is one of many countries seeking to optimize participation in global markets and successfully integrate new and emerging technologies into society.

ICT is regarded as one of the new technologies present in our social, economic and political systems. ICTs have a continuing and dynamic presence in our society, impacting on the present and the future.

South Africa, however, faces the more profound challenge of educating, training and integrating a large proportion of its population who were previously denied the opportunity to move into the emerging information society. This is something that the Kwa Dukuza Resource Centre in partnership with our donors is trying to help achieve.

## 1.2. Sappi and Sappi Resource Centre Partnership

The Kwa Dukuza Resource Centre, popularly known as or referred to as the “Sappi Resource Centre” is a project initiated by Sappi, which is situated in Kwa Dukuza, on the North Coast of Kwa Zulu Natal, South Africa.

Research conducted in the area in 1998 indicated that there were more than 118 schools in the Kwa Dukuza/Mandeni area educating over 78 000 learners. Plagued by a lack of resources and a learner to teacher ratio of as high as 50:1, schools in the immediate and surrounding areas of the Kwa Dukuza Resource Centre have, for years, experienced a pass rate of below 50% in grade 12—the worst in the province of KwaZulu-Natal, South Africa.

The poor educational background has had a negative impact on the economic development of the country as school leavers do not have the necessary skills to be able to contribute to the economic development of the country.

Further to this, Sappi Stanger Mill, situated in Kwa Dukuza area with its head office in South Africa, had been inundated with appeals for assistance from schools and community within the area. While Sappi's commitment towards education in this community extended to various projects such as PROTEC Stanger and an annual paper donation, it became impossible to make a meaningful contribution to every school in the area. This argued for the initiation of a centre that would meet the needs of all community members as well as support and enhance education in Kwa Dukuza area.

Sappi felt a centrally situated Education Resource Centre could alleviate some of the education problems in the area. Following months of consultation with various role players, educators, learners, NGO's, local Municipality, community leaders and donors, the concept of the Kwa Dukuza Resource Centre was born. Sappi as a principal funder together with other donors took the initiative to fund and establish the Resource Centre which was officially opened by the then Minister of Education Kader Asmal on the 02 June 2000.

The fundamental approach of the centre has been to provide a venue as well as critical educational resources for the advancement of education for all. The resources offered by the centre assist the school-going youth and creates new learning opportunities to scholars, tertiary students, educators, adults, small business entrepreneurs and the unemployed. These resources also extend from basic school based technology education, through to resources that promote the “closure of the digital divide”.



The 2 June 2009 will herald the commencement of its 10<sup>th</sup> year of its existence. Sappi still supports the centre magnanimously in the form of annual sponsorship and in kind services. Sappi Stanger and the managers over the years have also contributed immensely towards the Resource Centre establishment and functionality.

The contribution that Sappi has made to the community in the form of the Annual Paper donation, PROTEC Stanger and the establishment of the Resource Centre cannot be doubted for their commitment and contribution to the Kwa Dukuza and surrounding communities.

### **1.3. Governance of the Centre**

The Kwa Dukuza Resource Centre is a Section 21 Company with its own constitution, a Board of Directors made up of proven community leaders, donors and academics. The Board of Directors are the final decision makers of the Organization. It consists of 10 directors plus other members nominated to the wider board.

The governance of the company is based on the recommendation of the Kings' commission on governance and decisions are taken according to the policies as laid down in our policy documents. Any change in the Articles of association has to be done according to the requirements as laid out in the Articles of Association.

The Executive committee is chaired by the Manager of the Centre and consists of specialist individuals from the Board of Directors (e.g. IT, Finance, Human Resource, Education, and Fundraising). They attend to the normal day to day governance of the Centre.

Resource Centre staff, made up of the Manager, Financial manager, Project Co-ordinator, Administrative Co-ordinator, Administrative assistant and facilitator carry out the functional aspect of the centre on a daily basis.

Our financial policies and reporting structures have been developed according to the Sappi principles during the very early years by Treasurer, Sydney Nair, Cost Accountant at Sappi Stanger at that time. The policies and procedures work extremely well for the organization and the presentations had always received rave reviews from our auditors, donors and well-wishers.

Mr. P. Sham, company director, plays an integral role as far as our legal issues are concerned (contracts, rental negotiations, etc.). We are truly indebted to him for his humanitarian service to the community at large.

Any interested and committed individual can become a Director after serving a year on the wider board. Curriculum Vitae must be handed to the Manager of the Centre once nominated and this will be reviewed by the Board at the first Council Meeting. This ensures continuity, work ethics and commitment of the individual. Attendance is a vital factor at our meetings that determines the future role of the individual on our organization.

Our company secretary, Ebrahim Jamal and Associates, had kept our finances in check thus far.

### **1.4. Ebrahim Jamal and Associates Partnership**

The Late Ebrahim Jamal had been an incredible human being, full of compassion for humanity and a love for life. When Mr. J. Govender, first Chairperson of the Sappi Resource Centre, approached him to render his auditing service to the centre, he jumped at the opportunity because he knew that education was of utmost importance to help create a better life for all.

From that point onwards, his company, Ebrahim Jamal and Associates had been auditing the Centre as part of their CSI commitment to the community of Kwa Dukuza. The Centre is also extremely grateful for a wonderful working



relationship with his staff.

We salute him for his wonderful gesture and long live his memory!

Since the passing on of Mr Jamal, a Durban based company called Horwath Mahomed Omar Paruk had taken over the company. We had a very successful first meeting with them and it is hoped that our relationship would follow the same trend with some changes.

### **1.5. Kwa Dukuza Municipality Partnership**

Kwa Dukuza has also played a very significant role in the establishment of the resource centre since inception. They had also sponsored the water and light for the functionality of the centre which gradually stopped during April 2003. Attempts had been made for its continuity of this sponsorship but never reached fruition. The sponsorship of payment to the general assistant at the Centre still continues and for this we are extremely grateful to the Municipality. We value their relation greatly and hopes this continues for a long time in the future.

### **1.6. South African Security Services Partnership**

The South African Security Services have come to the service of the centre via Mr. P. Sham since 2004. Their sponsorship still continues with excellent communication and prompt services. The centre is greatly indebted to South African Security Services for their continued support and hopes that this continues for a long time in the future as part of their CSI contribution to the community.

## **2. ICT DEVELOPMENT AT THE KWA DUKUZA RESOURCE CENTRE**

### **2.1. Introduction**

Statistics indicate that South Africa's 5.1 million internet users represent only 9 percent of Africa's total internet subscribers and there is a call for an urgent intervention from the government to aggressively extend connectivity to underserved areas. South Africa had fallen away in the African internet rankings since 2000.

Between December 2000 and 2008 South Africa added only about 2.7 million new subscribers to its internet user base compared with the 10 million added by Nigeria, 8 million added by Egypt, 7 million added by Morocco and 3 million added by Kenya. Government should respond proactively to the news that the country is growing at a much slower internet usage rate than any other country in Africa.

The biggest problem in this regard is seen to be the slow pace of liberalization of the telecommunication sector and the government had to be blamed for its managed liberalization, which has for years helped Telkom entrench its monopoly. The ICT sector had taken off with great strides and ten years down the line our internet utilization has made very little or no progress suggesting that all the efforts undertaken during the last decade was in vain.

Despite the problems experienced, the KwaDukuza Resource Centre has been working diligently towards increasing its usage potential with minimum disruption, helping the community at large which includes the schooling fraternity and rural communities in the process. We are extremely proud to be in the forefront of ICT development with the minimum support from government or any of its programme sectors.





## 2.2. SASA and Kwa Dukuza Resource Centre Partnership

The partnership between Kwa Dukuza Resource Centre and SASA has been exceptional. SITFE (Sugar Industry Trust Fund For Education), a division of SASA funds part maintenance of the Digital Village and Computer Literacy Programmes for learners, educators and the community at large. These are two important aspects of the business that the Centre thrives on. Without proper maintenance, there would be no computer technology to utilize and without computer literacy, there will be no spread of technology knowledge and empowerment.

## 2.3. Microsoft and Kwa Dukuza Resource Centre Partnership

The partnership between Microsoft and Kwa Dukuza Resource Centre had commenced since inception. Microsoft has sponsored operating systems and educational software to the Centre since opening on the 2 June 2000. To date their sponsorship deal is worth over R 900 000 in software sponsorship and licenses to the Centre. They have been an excellent company to work with.

In 2004, they had commissioned an evaluation by Jet Education from Johannesburg. The research and analysis revealed that the Kwa Dukuza Resource Centre has been one of the best when it came to governance, usage and operational activities.

In 2007, we had piloted the IsiZulu Interface software which worked extremely well for us as we had been dealing with rural communities with IsiZulu background. It did help the facilitator to teach more in the IsiZulu language as many of them did not understand english.

Microsoft had also played a significance role in establishing TASA - Telecentre Association of South Africa. The centre had been invited on many occasions to present papers on various aspects of the Digital Village management to the Telecentre community.

We want to thank Themba Mdlalose (Intel) from Microsoft who had played a significant role since the inception of the Centre.

## 2.4. Internet Solutions and the Kwa Dukuza Resource Centre Partnership

The Centre is truly indebted to Internet Solution for their internet sponsorship for the last four years. ICT is our core business and internet usage has become an important part of people's lives. The centre has seen over 57 400 users utilizing our digital village for period under review (2008), leaving aside other computer programmes where internet features to a greater extent (Digital literacy, Educator ICT Programmes, Advanced Computer Programmes and School ICT projects which includes careers, technology Olympiad research etc.)

## 2.5. Digital Village

Over 60% of current job opportunities require computer literacy at entry levels. Geographic and financial restraints make it impossible for many of the schools in the area to provide their learners with the necessary resources to bridge the gap in the so-called digital divide.

The Resource Centre's Digital Village addresses this major lack of resources through the provision of numerous state of the art computers. Not only do the computers connect users to the rest of the world via e-mail and the Internet, but provide them the opportunity to gain the skills necessary to use interactive educational software, as well as vital



business packages like Microsoft Word, Excel and PowerPoint.

To assist members of all ages, the Centre's enthusiastic volunteers are on hand to assist in the location of research information on the Internet or with the application of computer software.



FIGURE 2: COMPUTER TRAINING FOR SECONDARY SCHOOLS



FIGURE 3: DIGITAL VILLAGE IN USE BY COMMUNITY



The bulk of the users are scholars from local and rural schools who do online research and typing for projects, etc. Adults use the Centre for various activities, e.g. CV writing, surfing the net for vacancies, posting application forms on the net, etc. The excellent usage at the Digital Village has been ongoing.

There has been a period where the usage has been subdued due to school and tertiary examination periods. The Saturdays are extremely busy as many people from far out rural areas visit the centre. Our average Digital Village usage is around 70%-75% usage.

FIGURE 4: DIGITAL VILLAGE USAGE GRAPH

## Digital Village Usage

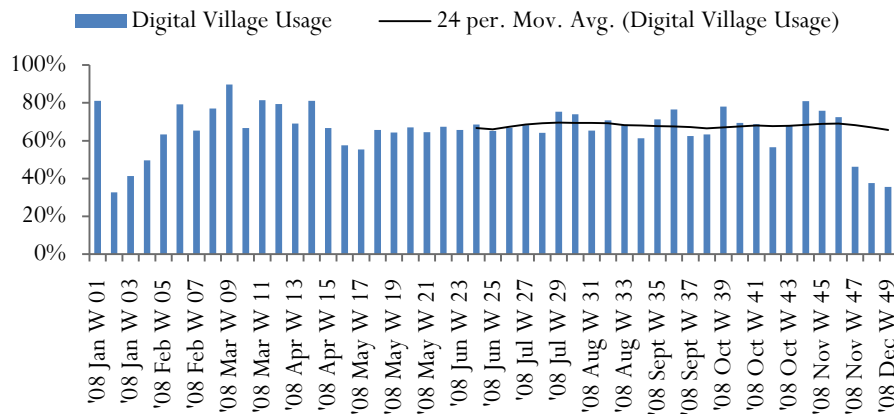
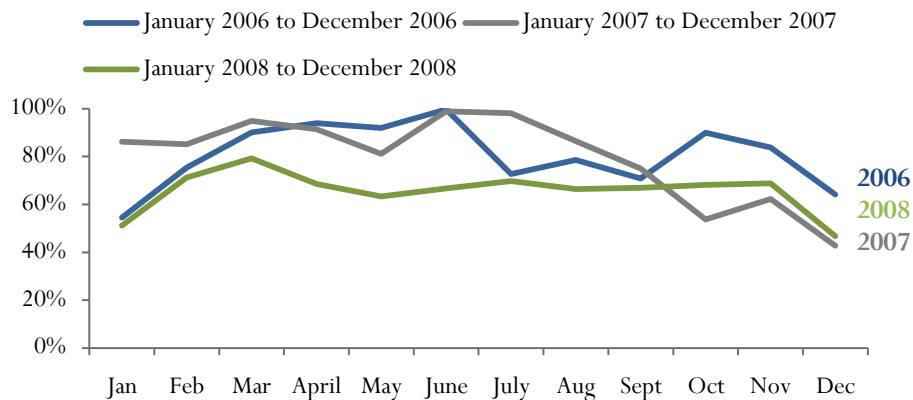


FIGURE 5: COMPARATIVE DIGITAL VILLAGE USAGE GRAPH

## Digital Village Usage



## 2.6. Secondary Schools Computer Programme (FET CAT Programme)



FIGURE 6: VISITING SCHOOL BUSY WITH CAT PROGRAMME LESSONS



FIGURE 7: GRADE 11 WRITING THEIR CAT EXAMS AT THE CENTRE



We have a number of Secondary schools utilizing our computers for the CAT programme. These schools do not have computers at their schools but the innovativeness of these principals must be commended. It is also encouraging to note that Schools from afar are bringing in their learners for the CAT programme e.g. (Banguni, Imbuysielo and Josini Secondary).

## 2.7. Computer Literacy Classes



FIGURE 8: COMPUTER LITERACY CLASSES CONDUCTED IN ISIZULU

There has always been a huge gap in the ICT sector and we have been marketing our computer literacy to all rural schools. Our computer literacy classes have been ongoing. We would find these classes diminishing by the end of November due to the annual examinations and summer holidays. We have also offered our local business employees the chance to become computer literate. We have contacted small businesses within close proximity of the Centre to take advantage of this offer.

Our Computer Literacy classes are conducted on Wednesdays and Fridays for both adults and learners. The lessons involve basic understanding of computer usage (hardware and software), Microsoft Word and Internet.

We also utilize Microsoft IsiZulu interface to teach computer literacy to rural communities. This helps to ease the language barrier experienced by many from the underprivileged community. We had 8 classes comprising of 80 learners and adults going through the programme using the IsiZulu interface.

We conducted 102 computer literacy classes accommodating approximately 2000 individuals from schools and the community at large during 2008.

## 2.8. Holiday Computer Programme

We normally organize special computer programmes for Secondary School learners during the April, July and September holidays. These include web building, Powerpoint exercises, blogging, etc. Our learners were also





introduced to A+ which motivated learners towards an ICT career.



FIGURE 9: HOLIDAY PROGRAMME - MICROSOFT UNLIMITED POTENTIAL COMPUTER FUNDAMENTALS

## 2.9. Paid Computer Classes

Computer technology is our core business and the cost of completing a recognized computer course is very expensive. Our paid classes (2 per week) have been held on Saturdays. The course is a Microsoft Office based course which includes Microsoft Word, Excel, Powerpoint, Internet and Email. An attendance/ participation certificate and a letter of participation are provided on completion of the course.

Although the course is regarded as a 14 hour course, time span sometimes goes beyond the stipulated time as people, with no prior computer experience, find it difficult to master the basics, which is understandable. These classes provide computer technology skills to working parents who are unable to attend on week days. We charge a minimal fee to cover costs, therefore enabling the community to gain the skills needed at an affordable rate.

## 3. MATRIC INTERVENTION PROGRAMME - 2008

The Centre organizes matric intervention programmes for PROTEC learners as well as non-PROTEC learners from local and rural schools. Schools are invited to attend Mathematics, Physical Science, Life Science, Accounting and English programmes. The response has been excellent over the years. We had approximately 300 learners attending the various subjects on offer.





FIGURE 10: MATRIC INTERVENTION LESSONS

#### 4. TECHNO LAB TECHNOLOGY PROGRAMME

It is commonly known that Science, Engineering and Technology (SET) play a critical part in meeting the objectives of a growing economy which extends to a country achieving international competitiveness. Every modern society recognizes the absolute need for a technologically skilled workforce.

The TechnoLab, based on a model pioneered by a leading South African University, is an important innovative step in addressing the engineering human resource development as well as the promotion of technology. School learners are identified and participate in lessons that equip and prepare them for the future. The TechnoLab prepare our youth for the working environment by developing basic life skills, focusing on Physical Science, Mathematical and Engineering concepts. This is achieved through the use of advanced Lego sets. A young, bright and dynamic surrounding provides a creative learning environment.

All these learners that attend the Technology classes also participate in the SASA Computer literacy programme. The TechnoLab will lead learners from a very basic level of mechanisms to an advanced level of computer control and robotics.





FIGURE 11: SECONDARY SCHOOL LEARNERS WORKING THROUGH THE TECHNOLOGY PROGRAMME



FIGURE 12: PRIMARY SCHOOL LEARNERS WORKING THROUGH TECHNOLOGY PROJECTS

2008 Technology classes have been ongoing for the entire year. Our local primary schools had been ever ready to participate in the programme. Some schools had a maximum of three units participating in the programme.

We must commend our partnering schools Dawnview Primary, Ashram Primary, Stanger Primary, Kwa Dukuza Primary, Gledhow Primary and Stanger South Secondary for their excellent support, commitment and involvement in the programme for 2008. The Principal and Staff of Gledhow Primary must be commended for sending in two





classes per week to participate in the TechnoLab Programme and Computer literacy and meet up the transport cost on a weekly basis.

## 5. MURRAY AND ROBERTS SPONSORED TECHNOLOGY PROGRAMME

### “Creating tomorrow’s engineers today”

#### 5.1. Introduction

The Murray and Roberts Technology Programme has been the flagship project of the Centre. We had almost 220 Grade 9 learners from various rural schools on this programme each year. Our programme is based on a holistic development of both learners and educators and the benefits derived by both have been immense. Learners were able to choose Mathematics and Physical Science within the Grade 10-FET Curriculum. Technological skills like working with gears, lever, pulleys, pneumatic, energy, forces and structures and wheels are part of the modular system taught at the Centre.

This programme had been conducted in conjunction with the development of Murray & Roberts Technology Olympiad where both educators and learners learn the art of project management, report writing, presentation skills, etc. These deserving rural schools always look forward to the Murray and Roberts Programme each year. Our participation in the local and regional competitions has been excellent with the largest number of teams (17 teams) coming from our area. On many occasions we had been restricted to the number of teams that could participate in a competition which had been a damper to many learners but our objectives have always been realized.

Furthermore specialized workshops had been conducted in Maths, Science and Technology to upgrade and develop rural based educators. The Murray and Roberts Programme conducted by the Kwa Dukuza Resource Centre has obtained many rave reviews for the manner in which it has been conducted and the interest and enthusiasm displayed by participating learners and educators. Murray and Roberts had been the only donor thus far who had ventured out into the rural communities to create a better life for the underprivileged communities.

#### 5.2. Technology Programme Development

Facilitators travel to School Sites to conduct Technology classes on a daily basis. Despite the Technology Development, the programme also includes a bit of Career Guidance in engineering and HIV/Aids Awareness. This has always been part of the lesson structure. We are extremely grateful to both the Department of Education and the School management for providing us an opportunity to work with learners during school session. This makes it easier to communicate and work with learners within a group.

#### Inter School Competition

The Murray and Robert’s Regional Competition took place at Shekembula Secondary School on the 30 July 2008. This has been an ideal venue within the rural setting affording schools in the area to witness the competition. 32 teams participated in the competition with 17 teams selected to represent the Ilembe region at the provincial championship.





FIGURE 13: PARTICIPANTS IN THE INTER SCHOOL CHAMPIONSHIP HELD AT SHEKEMBULA SECONDARY SCHOOL



FIGURE 14: LEARNERS INVOLVED IN THE TECHNOLOGY OLYMPIAD

### Provincial Competition: Durban

The Provincial competition had taken place in August 2008 at the Penzance Primary School. Our original team consisted of 17 teams but this had been reduced by the organizers. We could field only 9 teams with 2 of our teams



attaining exceptional scores. Despite reduction in team participation, we also took all the other participants so that they may have an idea of competition participation.



FIGURE 15: ONE OF THE WINNING TEAMS AT THE REGIONAL CHAMPIONSHIP HELD IN DURBAN

### National Competition: Johannesburg

Collin Naicker, the Centre administrator accompanied and managed one of our teams to the National Championship to Johannesburg. The learners gave a good account of themselves and it has been a brilliant experience for the learners themselves who had visited Johannesburg for the first time.



FIGURE 16: ONE OF OUR TEAMS PARTICIPATING IN THE NATIONAL CHAMPIONSHIP



## 6. NEDBANK FOUNDATION SPONSORED MATHEMATICS, PHYSICAL SCIENCE AND ICT PROGRAMME.

### 6.1. Background to Maths and Science Education in South Africa

There are two enormous gaps in South Africa's education system. 60% of South Africa's children do not reach the final 'matric' school year.

- Some 4.7 million and 9.6 million South Africans aged 15 and over have had no schooling or did not reach grade 7. This means that some 32% of the adult population, or 14.3 million adults, may be regarded as functionally illiterate.
- Many matric learners, despite being taught maths and science, remain effectively mathematically and english illiterates. How, then, can we help millions achieve functional literacy and numeracy outside of the formal education system and restore their belief that they can move upwards within the dominant formal economy?

The background to this education crisis was the destruction of 'black' education under apartheid, the resultant appalling teacher practice, lack of intellectual curiosity, and a dominant tradition of 'classical' schooling that spoon-fed children thus preventing them acquiring critical thinking skills.

Government has moved to 'Outcomes Based' Education so that the exploration of reality could be introduced in the lives of children. It may take a new generation of teachers who are not threatened by change to make a difference.

### 6.2. Programme Action Plan

We had visited our rural and a few urban schools lying on the periphery within the Ilembe region and marketed the project to the schools. Schools were very excited about the programme and sent out learners to attend both the Mathematics and Physical Science lessons on a school day since April 2008. The exciting thing is that learners travelled a great distance to attend these classes showing great enthusiasm and willingness to learn.

40 learners for both Physical Science and Mathematics programmes had been registered. We had more learners joining the programme during the latter part of the year which we did not mind. They were not registered as part of the 40.





FIGURE 17: NEDBANK FOUNDATION MATHS CLASS OF 2008



FIGURE 18: NEDBANK FOUNDATION PHYSICAL SCIENCE CLASS OF 2008





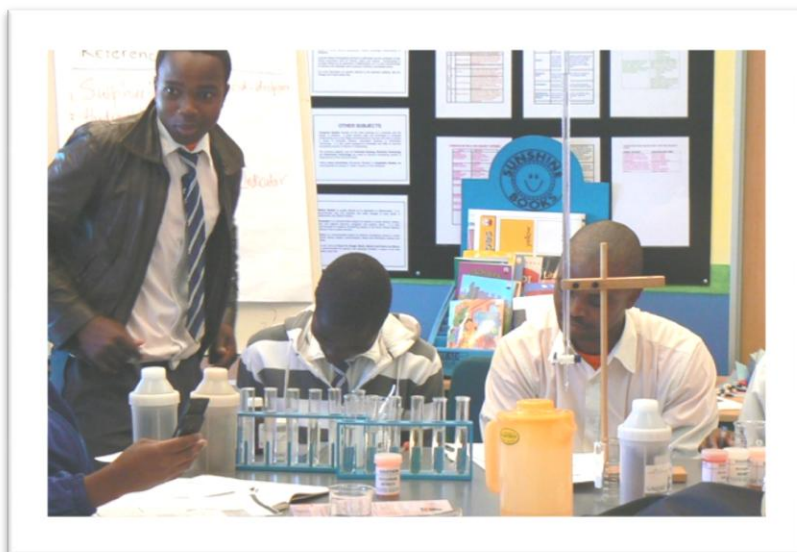


FIGURE 19: NEDBANK FOUNDATION PHYSICAL SCIENCE PRACTICAL LESSON

### 6.3. Problems Experienced

There had been numerous school related problems that our tutors had encountered but we were able to solve many of them to motivate the learners to write the matric examination. Some of the problems experienced are listed below:

- Lack of resources at school
- Lack of competent educators in the field/locum tenant and unqualified educators
- Lack of subject workshops-more especially with new curriculum.
- Educators do the bare minimum with learners
- Educators teach only what they know and leave out the rest
- Lack of commitment from educators-absenteeism, lack of classroom methodology.
- Lack of school and parent support
- Poor guidance and career introduction at school level

These problems prevail all the time but only time and good school governance from the education authorities would eradicate these related problems. The programme has made us much wiser and we now have a sound knowledge to tackle issues with great compassion in helping learners succeed.

### 6.4. Results achieved by the class of 2008

The 2008 matric results bears testimony to a problematic education system despite exciting remarks made by Education ministers and persons in authority. Being in the Education business for almost 33 years, I find that the structure and governance of education in general as well as school development are way off the mark for a better and productive South Africa.

The present requirement for a matric pass tends to lower standards to a greater extent. Where in the world can a



pupil pass by failing one subject and where only 30% is required in three subjects and 40% in another three subject which is far lower as required in the past.

2008 recorded 200 000 failures from 533 561, with 139 000 may qualify to write supplementary examinations, but the truth is, when more than a third of all sitting candidates fail, this suggests a systemic crises of dangerous proportions that cannot be explained by merely referring to under qualified educators, or lazy pupils or a lack of resources. The remaining 60 000 learners have no chance of higher education as they have not achieved accordingly.

## Results and Analysis of Nedbank Project 2008 Grade 12 Mathematics and Physical Science

TABLE 1: SCHOOLS PARTICIPATING IN THE PROGRAMME

School	Type of School	Distance from the Centre	Sustainability	School Fees
Banguni Secondary	Deep Rural	40km from centre	Agricultural	R120.00
Shekembula Secondary	Deep Rural	43km away centre	Agricultural	R150.00
Nonhlevu Secondary	Semi rural	20km from centre	Industry/farms	R300.00
Tshelenkosi Secondary	Semi urban	8km from centre	Township school	R250.00
Stanger South Secondary	Town school- Total black occupation	4km from centre	Learners from outside town and local township	R200.00
Glenhills Secondary	Town School	10km from centre	Situated in Indian township. 50% black/50% Indian	R600.00
Stanger Secondary	Town School	8 km from centre	40% Indian and 60% Black learners	R600.00

NB: School fees received in our schools are below 50% and poorer schools are unable to sufficiently provide for resources of any sort.



TABLE 2: PASS RATES OF PARTICIPATING SCHOOLS

School	Maths Pass Rate	Physical Science Pass Rate	School Pass Rate	No. of Learners on the Programme	
Banguni Secondary	24.61	27.12	36,36	8	Poor School hardly any resources/Rely on community gardens sale
Shekembula Secondary	29.74	26.47	35.34	5	Poor school with hardly any resources
Nonhlevu Secondary	37.57	26.66	68.40	8	Poor school with hardly any resources
Tshelenkosi Secondary	33.90	30.70	54.85	6	Township Schools-Lack of Resources-rely on School fees
Stanger South Secondary	45.10	48.15	91.13	7	Poor Black school with hardly any resources. This school has working with the centre since inception. Learners come to the centre and work through the MST Programme on a daily basis
Glenhills Secondary			91.36	5	Indian Township School- good plant, qualified educators, Plenty of resources
Stanger Secondary			97.02	3	Indian Township. Plenty of resources and excellent educators
TOTAL / Average	34.19	31.82	67.78	42	

We are indeed very proud of the fact that we are able to better the Maths and Physical Science results of learners that had participated in the Intervention. Although the 2008 Matric results had been controversial in terms of various aspects: standard of papers, pass rates, pass requirements, implementation of the FET curriculum and learners not receiving their results to date (3 February 2009) we managed against all odds to better the results and accorded learners to get a tertiary education.

Our programme commenced very early in March 2008 and continued until a week before they wrote their respective papers. We had benchmarked all our learners and kept control of all their work. The improvement had not been drastic but it had been better than the National Maths and Physical Science past Rate.

TABLE 3: COMPARATIVE MARKS

	Mathematics	Physical Science
National	22.7	14.7
Nedbank Programme	51.9	45.21





TABLE 4: ILEMBE REGION RESULTS FOR 2008

Total Wrote	8103
Total Passed	4038
Pass Rate	49.83%
Pass Bachelor	858
Bachelor Pass Rate	10.59%
Pass Diploma	1691
Diploma Pass Rate	20.87%
Pass Higher Certificate	1473
Higher Certificate Pass Rate	18.18%
Pass National Senior Certificate	16
National Senior Certificate Pass Rate	0.2%
Total Failed	4065
Failure Rate	50.17%

The anticipated improvement had been an average of 20% in Maths and Science. We do not have the Ilembe pass rate for Maths and Science but the overall pass rate has been 49.38% with half the 8103 learner failing. Refer to above statistics.

TABLE 5: RESULTS OF THE 42 LEARNERS ON THE PROGRAMME

	Nedbank Foundation Matric Achievement	Results 2008	Ilembe Pass Rate
Bachelors	24	57.1 %	10.59 %
Diplomas	17	40.5 %	20.87 %
Higher Certificate	1	2.4 %	18.18 %

If we look at the benchmarked score, only a few would have passed Bachelors but we had 60 % of our learners passing bachelors, which is even better than the Ilembe results. (Refer to Ilembe results above). I think we have done well only through our motivation, school visits, teacher training, material development and Nedbank sponsorship. This had been highly appreciated by the Education Department, more especially working with the poorest of the poorest schools in the area.



## 6.5. Nedbank Sponsored School Management Computer Workshop

The centre embarked on a Computer Course for all Management members of schools. This is an important aspect of school management as many of our educators are normally afraid of computer technology. The response from schools has been incredible as over 100 educators had turned up for classes. Due to the limited number of computers we had to take in groups of ten for four days of the week. The classes would be continued till school closes on the 5 December 2008. We have 40 educators on the programme presently and another 30 will join in during January 2009. The programme will continue in the new year as the response has been excellent.



FIGURE 20: EDUCATORS ICT WORKSHOP

## 6.6. Nedbank Mathematics and Physical Science Teacher development Programme

We believe that Educator development workshops play a significant roll in their own development as Educators. Many of our rural school Educators are not Maths and Science specialists or have very basic knowledge on MST teaching. Workshops of this nature help educators master content and methodology and improve classroom delivery. This would also help learners understand content and produce good results.



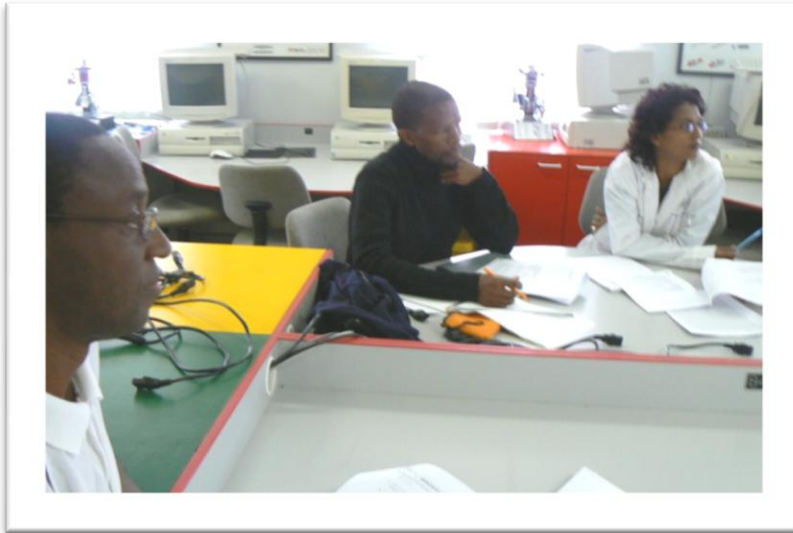


FIGURE 21: EDUCATORS MATHEMATIC & PHYSICAL SCIENCE WORKSHOP

## 7. CAREER GUIDANCE



FIGURE 22: CAREER GUIDANCE WITH GRADE 12 LEARNERS

Our career guidance officer has played a very significant role in helping learners choose careers wisely. He has been helping learners to apply for university entrance by filling in CAO forms, etc. He also went out of his way to apply bursaries for these learners. We also have the up to date Career package that helps in the development of learners.



## 8. PASTEL TRAINING FOR SCHOOL

We have partnered with pastel to train Commerce Educators from the Secondary schools to incorporate pastel into their accounting lessons from Grade 10, 11 and 12. At the end of Grade 12, learners would be given a competency certificate from Pastel. Further to this schools will be given software packages to train school learners. We have also embarked on a programme to train facilitators in Pastel from the centre. It would be a way of offering Pastel training to the community for a nominal fee and increasing the funding process. School financial administrators will also be trained with the accounting package to run their finances at school at no cost.



FIGURE 23: ACCOUNTING TEACHERS FROM THE ILEMBE AREA WHO ATTENDED THE PATEL TRAINING



FIGURE 24: ACCOUNTING TEACHERS & STAFF WHO ATTENDED THE PASTEL TRAINING



## 9. PRIMARY SCHOOL MATHEMATICS

In keeping with the Mathematics development programme, we invited a number of local Primary school learners to participate in the programme - Grade 6 and Grade 7. These learners had been mainly from the TechnoLab Technology Programme conducted at the Resource Centre. The reason for this is to enhance both Technology and Mathematic Education which forms the basics for engineering science. Learners will be tracked to an extent for measurement purposes.



FIGURE 25: PRIMARY SCHOOL LEARNERS ATTENDING MATHEMATICS WORKSHOP

## 10. SCHOOL VISITS AND EXCURSIONS



FIGURE 26: NKWENKWEZI HIGH SCHOOL VISITS THE CENTRE FOR INTERNET LESSONS







FIGURE 27: PRE-PRIMARY SCHOLARS VISITING THE CENTRE

School visits and excursions to the centre is a normal feature. Secondary school are normally involved in Computer technology, technology education and career guidance whilst the little learners tour the centre and are normally shown education videos, etc. This acts as an important marketing stint and usually happens on a Friday as time is allocated for this aspect.

## 11. REGISTRATION

Our registration fees are as follows:

School Learners: R15 for a period of three months

Tertiary Students, Adults and Educators: R40 for a period of three months.

New members will also pay an amount of R10 for a membership card. Day pass for once off visitors cost R15 .00 for a period of two hours.

Our registration fee does not generate a profit but purely a cost recovery. Our fees remain low due to the community we serve are extremely low income earners and many of our members are from the impoverished rural communities.

## 12. ADMINISTRATIVE SERVICES OFFERED AT THE CENTRE

The Centre offers administrative services to the community at large, namely:-photocopying, faxing, laminating and book binding services. The Centre also sells basic stationery, disks and USB Flash drives that members have requested that we stock.



### 12.1. Nashua Partnership

Nashua has been an ardent sponsor since inception. They have sponsored the Centre with a Photocopier, High Duplication Copier and a Fax machine. We want to place on record our sincere thanks and appreciation to Nashua for all their support.

## 13. SEMINAR ROOM

Our Seminar room had been highly utilized in 2008. This has been very encouraging as we were able to charge the organizations a nominal fee for its usage, which contributes to the sustainability of the Centre.

We also had a number of school-based workshops to supplement the FET curriculum namely, Mathematics, Physical Science, Biology, Computer Studies and Geography (GIS systems). Approximately 100 educators have been through these workshops.

TAC, Kalideen and Associates, Verulam Legal Aid Board, Macnet First Aid, Local Municipality, Opel Gemini Motors, Indipile Trading, MTN, Execumed and Capitec Bank, etc had also utilised the Centre for interviews and training for a nominal fee. As a service to our donors, we also offer our seminar room facilities at no cost. The Seminar Room usage brought in R11 000 in revenue during 2008. We had 50 workshops accommodating over 2350 people during 2008.



FIGURE 28: MEMBERS OF THE LOCAL COMMUNITY AT THE TAC WORKSHOP

The seminar room had been further utilized for Computer Literacy Programmes, Vacation School Programmes and Departmental Maths and Science cluster workshops.



## 14. GANDHI SPEECH CONTEST

We hosted the Gandhi Memorial Speech Contest for schools both in the Primary and Secondary School section. Learners had to choose from the given topics:

1. Ubuntu,
2. Unity in Diversity,
3. Solving violence in our schools,
4. Satyagraha is an effective means of resolving conflicts in the world,
5. World leaders who made a difference through the pursuit of non violence,
6. South Africa's debt to Ghandi for the achievement of democracy,
7. Reconciliation in South Africa,
- 8 Respect for all people is essential if we are to achieve real peace in South Africa



FIGURE 29: GHANDI SPEECH CONTEST

## 15. PROTEC STANGER

Sappi sponsored PROTEC Stanger, which is an arm of the Sappi Resource Centre is in existence for the last ten years and has played a significant role in the lives of many learners that have shown commitment and willingness to pursue a Maths, Science and Technology career path. The year 2008 heralds a milestone as we celebrate the 10<sup>th</sup> anniversary as a Sappi funded branch. We are extremely grateful to Sappi Limited and Sappi Stanger for their magnanimous sponsorship over the last 10 years in helping us direct our learners to obtain a sound educational platform so that they can face up to the challenges of the 21<sup>st</sup> century.





2008 has been a special year for the PROTEC Stanger Branch as we have fulfilled the complete programme that PROTEC envisages for the holistic development of a learner. We have participated in Saturday School programmes (30 Saturdays), Vacation School Programmes, Career orientated programmes, etc. However, the highlight of the year has been the Annual Games Day held at Amanzimtoti where our soccer, volleyball and spelethon teams were victorious against other KZN Branches. Further to this, our learners embarked on a leadership course at the Teen Ranch Adventure Centre, 11 km inland of Port Edward. This had been an adventure which comprised of hike trails, participating in obstacle courses and outdoor challenges, swimming, team events (play production) and various educational competitions.

We strongly believe that sport and leadership course are ways in which social exclusion can be tackled. Important evidence suggests that participating in sporting activities increases people's sense of integration into their local community in both urban and rural areas. We must bear in mind that sport makes a significant contribution to our economy, our environment and our society.

Learners need to learn lessons that will stand them in good stead for the rest of their lives - a process in which sport and other organized outdoor activities can play a key role. It teaches learners the benefits of self discipline, team work, mutual respect and fair play. It enables youngsters, in particular, to channel their energy, competitiveness and aggression in a personally and socially beneficial way.



FIGURE 30: 2008 AWARD WINNERS IN GRADE 10; 11 & 12

## 16. OUR VOLUNTEER PROGRAMME

Volunteers play a significant role at the centre. Most of our volunteers are PROTEC matric learners and post matric learners. The SKDRC has also provided work experience to matric and post matric learners from time to time.



## 17. SKDRC STATISTICS

There is always a request from organizations regarding usage statistics of the Centre. We try to maintain records of various activities of the Centre on a month to month basis to verify the impact of the Centre. This is a difficult task as the Centre is utilized for so many purposes but we are able to obtain the following as per schedule which is estimated conservatively.

TABLE 6: TABLE OF CENTRE USAGE

	Department Workshops		Other Workshops		Computer Classes		TechnoLab Classes		Total Workshops / Classes
	W/Shops	People	W/Shops	People	Classes	People	Classes	People	
JAN	0	0	0	0	3	30	0	0	3
FEB	0	0	0	0	20	388	9	270	29
MAR	0	0	1	125	10	232	21	620	32
APR	3	155	3	170	14	420	12	360	32
MAY	3	45	2	175	10	180	22	650	37
JUN	0	0	3	205	8	130	12	360	23
JUL	2	35	3	170	5	50	0	0	10
AUG	2	45	4	130	6	180	20	600	32
SEP	3	55	3	122	5	150	10	300	21
OCT	4	110	6	532	9	120	5	150	24
NOV	2	40	6	285	12	120	0	0	20
DEC	0	0	0	0	0	0	0	0	0
TOTAL	19	485	31	1914	102	2000	111	3310	263

	General Enquiries	TV / Chart Loans	Video Loans	Faxing	Photocopying	Book Binding	Laminating	Digital Village Users	Tours/ Excursions - Individuals	Total Users for the Month
JAN	170	0	0	150	90	3	7	3700	5	4125
FEB	295	10	5	165	180	10	30	5200	10	5905
MAR	330	8	7	157	250	6	8	5800	6	6572
APR	350	12	5	170	300	4	30	5000	5	5876
MAY	330	13	8	229	350	4	22	4600	15	5571
JUN	320	12	7	178	320	10	10	4900	10	5767
JUL	350	8	7	120	180	8	4	5100	12	5789
AUG	320	10	8	101	120	5	24	4800	5	5393
SEP	310	5	8	122	130	4	35	4900	12	5526
OCT	320	7	6	165	100	6	6	5000	15	5625
NOV	290	0	0	78	50	5	6	5000	6	5435
DEC	180	0	0	66	20	1	8	3400	2	3677
TOTAL	3565	85	61	1701	2090	66	190	57400	103	65261



## 18. FUNDRAISING

Fundraising is an ongoing process. We want to place on record our appreciation and indebtedness to our principal donor Sappi for their ongoing support, as well as for the various onsite support from the Sappi Stanger Mill and Sappi Limited staff - KZN from time to time.

We also express our gratitude and indebtedness to Murray and Roberts, Sugar Industry Trust Fund for Education, Microsoft, Nedbank Foundation, Internet Solution, Stanger Weekly, Stanger Times, Ebrahim Jamal and Associates, Kwa Dukuza Municipality, South African Security Services, Sham and Meer and Nashua for their invaluable contribution to the Centre's programme structure. Without the support of these donors, the centre would not be able to provide services and support programmes to the people who need it most.

We Salute You!



## 19. AUDITED FINANCIAL STATEMENTS

**KWA DUKUZA RESOURCE CENTRE  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
COMPANY REGISTRATION NUMBER: 2003/002622/08**

**ANNUAL FINANCIAL STATEMENTS  
31 DECEMBER 2008**



**KWA DUKUZA RESOURCE CENTRE  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008**

Registration Number : 2003/002622/08

Registered Address : 84 Balcomb Street  
Stanger  
4450

Business Address : 1st Floor Old Mutual Building  
c/o Gizenga and Hulett Street  
Stanger  
4450

Postal Address : P.O Box 3049  
Stanger  
4450

Auditors : Ebrahim Jamal & Associates C.A. (S.A.)  
84 Balcomb Street  
Stanger  
4450

Bankers : NEDBANK

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**EBRAHIM  
JAMAL AND  
ASSOCIATES**  
CHARTERED ACCOUNTANTS (S.A.)

84 Balcomb Street  
P.O. Box 501  
Slanger 4450  
Tel.: (032) 551 1111  
Fax: (032) 552 1111

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE BOARD OF**

**KWA DUKUZA RESOURCE CENTRE (ASSOCIATION INCORPORATED UNDER SECTION 21)**

We have audited the annual financial statements, which comprise the directors' report, balance sheet as at 31 December 2008, the income statement, the statement of changes in equity and the cash flow statement for the year ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 15.

**DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Organisation's directors are responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organisation's preparation and fair presentation of the financial statements 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 Organisation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

**QUALIFICATION**

In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections from donations prior to the initial entry of the collections, in the accounting records. Accordingly it was impracticable for us to extend our examination beyond the receipts actually recorded.

**QUALIFIED AUDIT OPINION**

In our opinion, except for the effect on the financial statements of the matter referred to in the preceding paragraph, the financial statements fairly present, in all material respects, the financial position of the organisation at 31 December 2008 and the results of its operations and cash flow for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Companies Act in South Africa.



The South African Institute of Chartered Accountants

E.JAMAL B.Acc. C.A. (S.A.)

Professionally assisted by : F. Raheem C.A. (S.A.)



**SUPPLEMENTARY INFORMATION**

We draw attention to the fact that the supplementary schedules set out on pages 16 & 17, do not form part of the annual financial statements and is presented as additional information. We have not audited these schedules and accordingly do not express an opinion on them.

  
**EBRAHIM JAMAL AND ASSOCIATES**  
Chartered Accountants S.A.  
Registered Accountants & Auditors

**STANGER**  
**24 March 2009**





**KWA DUKUZA RESOURCE CENTRE  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008**

4

The directors have pleasure in presenting their report which forms part of the annual financial statements of the organisation for the year ended 31 December 2008.

**GENERAL REVIEW**

The main objective of the company is to provide venues and equipment for public schools and educational institutions engaged in public benefit activities and supplementary tuition and outreach programs for the needy, all within the greater Kwa Dukuza area. The company was incorporated in August 2003 and commenced operations in April 2004.

**FINANCIAL RESULTS**

The financial results for the year under review are reflected in the financial statements set out on pages 5 to 15 and the supplementary schedules set out on pages 16 to 17, which are presented solely for the information of the members of the Board.

**DIRECTORS**

The following acted as directors of the company during the period under review:

J. GOVENDER  
W.M. LUTHULI  
F.D. KRAMER  
S. NAICKER  
T. ERASMUS  
P. SHAM  
M.J. TRUELOCK  
K.K. GOKAR  
Z. SCHWALBACH

**COMPANY SECRETARY AND REGISTERED OFFICE**

Ebrahim Jamal & Associates C.A.( SA )  
84 Balcomb Street  
Stanger  
4450

**EVENTS SUBSEQUENT TO BALANCE SHEET DATE**

The directors are not aware of any other matter or circumstance arising since the end of the financial year, not dealt with in the report or annual financial statements that would significantly affect the operations of the company.

**INTEREST OF DIRECTORS AND OFFICERS**

There are no contracts in which the directors have any interests.

**AUDITORS**

Ebrahim Jamal and Associates will continue in office in accordance with Section 270(2) of the South African Companies Act of 1973.





**KWA DUKUZA RESOURCE CENTRE  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
BALANCE SHEET AS AT 31 DECEMBER 2008**

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	<u>NOTE</u>	<u>2008</u> R	<u>2007</u> R
<b>ASSETS</b>			
<b>Non current assets</b>			
Plant and equipment	2	67 312	132 050
<b>Current assets</b>			
Trade and other receivables	3	174 258	155 856
Cash & cash equivalents	4	1 436 695	1 308 093
<b>TOTAL ASSETS</b>		<u>1 678 265</u>	<u>1 595 999</u>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Capital &amp; reserves</b>			
Reserves		1 054 796	1 054 796
Accumulated surplus		550 660	502 011



**KWA DUKUZA RESOURCE CENTRE  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008**

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	<u>NOTE</u>	<u>2008</u> R	<u>2007</u> R
<b>INCOME</b>		<b>1 069 948</b>	<b>1 717 996</b>
Donations		943 317	1 583 233
Registration fees		66 805	65 340
Printing & service fees		59 826	69 423
<b>LESS : EXPENSES</b>		<b>(1 145 354)</b>	<b>(1 810 948)</b>
Administrative expenses		55 008	46 402
Operating expenses		1 090 346	1 764 546
<b>OPERATING LOSS FOR THE YEAR</b>	5	<b>( 75 406)</b>	<b>( 92 952)</b>
Interest received	6	124 055	86 634
<b>NET PROFIT/(LOSS) FOR THE YEAR</b>		<b>48 649</b>	<b>( 6 318)</b>



**KWA DUKUZA RESOURCE CENTRE  
 (ASSOCIATION INCORPORATED UNDER SECTION 21)  
 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2008**

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	<u>RESERVES</u> R	<u>ACCUMULATED</u> <u>SURPLUS</u> R	<u>TOTAL</u> R
Balance at beginning of year			
- 01 January 2006	1 054 796	557 220	1 612 016
Net loss for the year		( 48 891)	( 48 891)
Balance at end of year			
- 31 December 2006	1 054 796	508 329	1 563 125
Net loss for the year		( 6 318)	( 6 318)
Balance at end of year			
- 31 December 2007	1 054 796	502 011	1 556 807
Net profit for the year		48 649	48 649
<b>BALANCE AT END OF YEAR</b>			
- 31 December 2008	<b>1 054 796</b>	<b>550 660</b>	<b>1 605 456</b>



**KWA DUKUZA RESOURCE CENTRE  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008**

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	<u>NOTE</u>	<u>2008</u> R	<u>2007</u> R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>151 661</b>	190 186
Cash receipts from members, donations & other services		<b>1 051 546</b>	1 732 140
Cash paid to suppliers & employees		<b>(1 023 940)</b>	(1 628 587)
Cash flows from operating activities	8.1	<b>27 606</b>	103 552
Interest received		<b>124 055</b>	86 634
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of fixed assets		<b>( 23 059)</b>	( 31 527)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>128 602</b>	158 659
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>1 308 093</b>	1 149 434
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b><u>1 436 695</u></b>	<b><u>1 308 093</u></b>



## **1. ACCOUNTING POLICIES**

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

### **1.1 BASIS OF PREPARATION**

The financial statements have been prepared in accordance with the historical cost convention and incorporate the following principal accounting policies which have been applied on a basis consistent with the prior year and conform in all material respects with South African Statements of Generally Accepted Accounting Practice and the requirements of the Companies Act in South Africa.

### **1.2 PROPERTY, PLANT AND EQUIPMENT**

Plant and equipment is stated at cost, less accumulated depreciation and any accumulated impairment losses. Depreciation is charged on the straight line basis at rates considered appropriate to reduce their carrying values to estimated residual values over their estimated useful lives.

The annual rates used for this purpose are:

Fixtures & fittings	16,66%
Computers	33,33%
Books & Reference material	33,33%
Computer software	50%
Videos	50%

### **1.3 IMPAIRMENT OF ASSETS**

Non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceed its recoverable amount, which is the higher of an asset's net selling price or value in use.

### **1.4 INCOME**

Income comprises donations, interest and income earned from fees charged for services rendered and use of facilities. Donations are brought to account on the earlier of receipt or accrual, dependent on the terms and conditions of the donation. Interest is recognised on a time proportion basis, taking into account the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the organisation.

### **1.5 EXPENDITURE**

Expenditure is brought to account as incurred.

### **1.6 STUDY MATERIALS**

Study materials are not capitalised but written off in the year of acquisition.



#### **1.7 FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities are recognised on the balance sheet when the organisation becomes a party to the contractual provisions of the instrument.

Financial instruments carried in the balance sheet are measured as follows:

- 1.7.1 Bank balances and trade receivables at fair value
- 1.7.2 Trade and other payables at fair value

#### **1.8 CRITICAL ACCOUNTING JUDGEMENTS MADE BY MANAGEMENT**

In the process of applying the accounting policies, management has made the following judgement, apart from those involving estimations, that affect the amounts recognised in the financial statements and related disclosure:

- Impairment of assets

In making its judgement, management has assessed at each balance sheet date whether there is an indication that items of property, plant and equipment and other assets may be impaired. If any indication exists, the recoverable amount of the asset is assessed in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of fair value less cost to sell and value in use.

#### **1.9 KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the process of applying the accounting policies, management has made the following key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date:

- Property, plant and equipment residual values and useful lives

These assets are written down to their estimated residual values over their anticipated useful lives using the straight line basis. In assessing useful lives, maintenance programmes and technological innovations are considered. The carrying value of plant and equipment is disclosed in note 2 in the financial statements.



**KWA DUKUZA RESOURCE CENTRE  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2008 (Continued)**

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	<u>2008</u> R	<u>2007</u> R
<b>2. PLANT AND EQUIPMENT</b>		
<b>2.1 Fixtures &amp; fittings</b>		
Net carrying amount at beginning of the year	89 077	147 601
Gross carrying value	351 289	351 289
Accumulated depreciation	262 212	203 688
Additions	11 884	-
Disposals	307	-
Depreciation	59 234	58 525
Net carrying amount at end of the year	41 420	89 077
Gross carrying value	360 420	351 289
Accumulated depreciation	319 000	262 212
<b>2.2 Computers</b>		
Net carrying amount at beginning of the year	23 789	142 132
Gross carrying value	551 203	527 076
Accumulated depreciation	527 414	384 944
Additions	11 174	24 127
Depreciation	12 495	142 470
Net carrying amount at end of the year	22 468	23 789
Gross carrying value	562 377	551 203
Accumulated depreciation	539 909	527 414





**KWA DUKUZA RESOURCE CENTRE  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2008 (Continued)**

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	<u>2008</u> R	<u>2007</u> R
<b>2. PLANT AND EQUIPMENT (CONT.)</b>		
<b>2.3 Books &amp; reference material</b>		
Net carrying amount at end of the year	7	7
Gross Carrying amount	30 914	30 914
Accumulated depreciation	30 907	30 907
<b>2.4 Computer software</b>		
Net carrying amount at beginning of the year	19 176	68 264
Gross carrying value	261 140	253 695
Accumulated depreciation	241 964	185 431
Additions	-	7 445
Depreciation	15 760	56 533
Net carrying amount at end of the year	3 416	19 176
Gross carrying value	261 140	261 140
Accumulated depreciation	257 724	241 964
<b>2.5 Videos</b>		
Net carrying amount at end of the year	1	1
Gross carrying value	216	216
Accumulated depreciation	215	215
<b>TOTAL PLANT AND EQUIPMENT</b>	<u><u>67 312</u></u>	<u><u>132 050</u></u>
<b>3. TRADE AND OTHER RECEIVABLES</b>		
All amounts are collectable within one year of the balance sheet date.		
Trade and other receivables comprises of:		
- Sappi: donation	150 000	150 000
- Prepaid Rent: Old Mutual	13 084	-
- Interest received: Nedbank Fixed Deposit	11 161	5 856
- Printing fees	13	-
	<u><u>174 258</u></u>	<u><u>5 856</u></u>





**KWA DUKUZA RESOURCE CENTRE**  
**(ASSOCIATION INCORPORATED UNDER SECTION 21)**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2008 (Continued)**

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	<u>2008</u> R	<u>2007</u> R
<b>4. CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents comprises of bank balances.	<u>1 436 695</u>	<u>1 308 093</u>
<b>5. OPERATING LOSS</b>		
Operating loss is arrived at after taking into account the following items of expenditure:		
Auditor's remuneration		
- Audit fees - current year	7 500	7 500
- Other services	1 000	1 000
Depreciation on plant and equipment		
- Computers	12 495	142 470
- Computer software	15 760	56 533
- Fixtures and fittings	59 234	58 525
Rental of equipment	33 934	33 542
Loss on scrapping of asset	307	-
<b>6. INTEREST RECEIVED</b>		
- On bank deposits and call accounts	<u>124 055</u>	<u>86 634</u>
<b>7. TAXATION</b>		
Provision for taxation has not been made as the income of the Organisation is exempt from tax in terms of Section 10(1)(cN) of the Income Tax Act, 1962.		



**KWA DUKUZA RESOURCE CENTRE  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2008 (Continued)**

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	<u>2008</u> R	<u>2007</u> R
<b>8. CASH FLOW INFORMATION</b>		
<b>8.1 Cash flow from operations</b>		
Net profit/(loss) for the year	48 649	( 6 318)
Adjustments for :		
Depreciation	87 489	257 528
Interest received	( 124 055)	( 86 634)
Loss on scrapping of asset	307	-
	<u>12 390</u>	<u>164 576</u>
<b>Changes in working capital</b>	<b>15 216</b>	<b>( 61 024)</b>
(Increase)/Decrease in trade & other receivables	<b>( 18 402)</b>	<b>14 144</b>
Increase/(decrease) in trade & other payables	<b>33 618</b>	<b>( 75 168)</b>
Cash flows from operating activities	<u><u>27 606</u></u>	<u><u>103 652</u></u>

**9. RISK MANAGEMENT**

**9.1 LIQUIDITY MANAGEMENT**

Prudent liquidity risk management implies maintaining sufficient resources. The organisation manages liquidity risk by forecast cashflows and the compilation of budgets.

**9.2 FINANCIAL RISK MANAGEMENT**

Risk management is an integral part of the responsibility of executive management. Senior executives meet formally on a regular basis to ensure that treasury activities are carried out in an orderly and efficient manner, to ensure adherence to management policies and limits, to safeguard assets and to ensure the completeness and accuracy of records.

**9.3 INTEREST RATE RISK MANAGEMENT**

The organisation's exposure to interest rate risk is minimal as there is no bank overdraft or interest bearing borrowings.



**9. RISK MANAGEMENT (Continued)**

**9.4 FOREIGN CURRENCY MANAGEMENT**

The company is not exposed to foreign exchange risk as no foreign currency transactions are entered into.

**9.5 CREDIT RISK MANAGEMENT**

The company has no significant concentration of credit risk, other than donations receivable as disclosed in note 3.

**9.6 FAIR VALUE OF FINANCIAL INSTRUMENTS**

The directors are of the opinion that the book values of financial instruments approximate fair value.

**10. RELATED PARTY TRANSACTIONS**

During the year under review, the company did not engage in any related party transactions.

**11. GOING CONCERN**

The ability of the organisation to continue as a going concern is totally dependent on the organisation continuing to enjoy the support of its major donors for the foreseeable future.



**KWA DUKUZA RESOURCE CENTRE  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008**

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	NOTE	<u>2008</u> R	<u>2007</u> R
<b>INCOME</b>		<b>1 069 948</b>	1 717 996
Donations received			
- Sappi Ltd		600 000	600 000
- Murray and Roberts		124 042	139 830
- Nedbank Foundation		65 913	-
- Sugar Industry Trust Fund for Education		50 000	49 750
- Other		103 362	793 653
Registration fees		66 805	65 340
Printing & service fees		59 826	69 423
<b>LESS : EXPENSES</b>		<b>(1 145 354)</b>	<b>(1 810 948)</b>
Administrative expenses	1	55 008	46 402
Operating expenses	2	1 090 346	1 764 546
<b>OPERATING LOSS FOR THE YEAR</b>	5	<b>( 75 406)</b>	<b>( 92 952)</b>
Interest received	6	124 055	86 634
<b>NET PROFIT/(LOSS) FOR THE YEAR</b>		<b>48 649</b>	<b>( 6 318)</b>



**KWA DUKUZA RESOURCE CENTRE**  
**(ASSOCIATION INCORPORATED UNDER SECTION 21)**  
**SCHEDULE IN SUPPORT OF THE INCOME STATEMENT FOR THE YEAR ENDED**  
**31 DECEMBER 2008**

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	<u>NOTE</u>	<u>2008</u> R	<u>2007</u> R
<b>1. ADMINISTRATIVE EXPENSES</b>			
Accounting & audit fees	5	8 500	8 500
Stationery & printing		<u>46 508</u>	<u>37 902</u>
		<u>55 008</u>	<u>46 402</u>
<b>2. OPERATING EXPENSES</b>			
Advertising and promotions		4 800	8 600
Bank charges		947	841
Cleaning services		48 007	38 801
Computer Maintenance		109 439	687 647
Depreciation - computers		12 495	142 470
- computer software		15 760	56 533
- fixtures & fittings		59 234	58 525
Electricity & water		82 208	88 819
Insurance		19 751	17 251
Internet subscription		23 424	23 462
Licences		17 541	14 438
Loss on scrapping of asset		307	-
Membership cards		555	645
Refreshments		2 725	2 889
Rent		154 730	144 041
Rental of equipment		33 934	33 542
Repairs & maintenance		4 475	6 116
Salaries & Wages		416 228	365 507
Security services		1 642	1 742
Study material & consumables		5 847	14 976
Telephone & fax		16 664	16 502
Travelling & entertainment expenses		44 617	32 699
Unemployment insurance fund		6 856	6 093
Vehicle hire		6 500	1 500
Workmens compensation		660	907
		<u>1 090 346</u>	<u>1 764 546</u>



## 20. THANKS AND APPRECIATION

We would like to place on record our sincere thanks and appreciation to all that had contributed to the success of the centre during 2008. Special thanks go to our Board of Directors, some of whom travel great distances to be part of the centre, our suppliers, Stanger Times and Stanger Weekly and Stanger Express, who advertise our programmes, and to all our sponsors listed on the back page of the AGM Report.

## 21. CONCLUSION

The Resource Centre was mainly set up as an Educational Resource Centre serving the needs of education in the area. However, the centre has evolved from an education Resource Centre to an ICT centre. Although, we continue our educational services to community at large, the demand for ICT has become our biggest target audience.

The KwaDukuza Resource Centre has always been proactive in meeting up to the challenges of the ICT sector. Despite the problems experienced, 2008 has been a busy year in terms of service delivery. The future challenges lies in linking up with various ICT centre, community projects and youth organizations which would help contribute to the development of Kwa Dukuza and the surrounding areas.

I want to place on record our since thanks and appreciation to all our sponsors, users, well-wishers and community at large for their sincere support at all times.



Alan Govender

Manager – Kwa Dukuza Resource Centre





## 22. LIST OF CURRENT DONORS FOR 2008

(List of Donors arranged in alphabetical order)

EBRAHIM JAMAL & ASSOCIATES — (INKIND AUDIT)

INTERNET SOLUTIONS — (INKIND INTERNET SERVICE PROVIDER)

KWA DUKUZA MUNICIPALITY — (INKIND GENERAL ASSISTANT)

MICROSOFT SA — (INKIND SOFTWARE AND LICENSES)

MURRAY & ROBERTS — (CASH DONATION FOR TECHNOLOGY PROJECTS)

NASHUA — (INKIND PHOTOCOPY AND FAX MACHINES)

NEDBANK FOUNDATION — (CASH DONATION FOR MATHS & SCIENCE PROJECTS)

SAPPI (PRINCIPAL DONOR) — (CASH DONATION FOR RUNNING COSTS)

SOUTH AFRICAN SECURITY SERVICES — (INKIND SECURITY)

STANGER WEEKLY — (INKIND ADVERTISING)

SUGAR INDUSTRY TRUST FUND FOR EDUCATION — (CASH DONATION FOR COMPUTER  
MAINTENANCE AND LITERACY)

