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LM  
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## **REPORT OF THE TRUSTEES OF THE SUGAR INDUSTRY TRUST FUND FOR EDUCATION**

The trustees have the pleasure in presenting the Sugar Industry Trust Fund for Education (SITFE) Annual Report which should be read in conjunction with the annual financial statements for the year ended 28 February 2016. The Sugar Industry Trust Fund for Education is registered as a public benefit organisation as defined in terms of Section 30(1) of the Act, dedicated to advancing the objectives of the sugar industry through providing funds to educational institutions of a public character.

### **Nature of Business**

SITFE's core task is to implement public benefit activities provided that all such activities are carried out in a not for profit manner and with a philanthropic intent without directly promoting the economic self-interest of any trustee or employee of the trust.

SITFE is therefore expected to provide funds, services and other resources by way of donations for the development of educational infrastructure; provision of bursaries to students from disadvantaged backgrounds; and for any other initiatives that support the educational objectives of the sugar industry. As part of SITFE's strategic focus, the fund also partners with government departments as well as non-governmental organisations to improve the provision of quality education within the sugar cane growing communities.

### **Review of Activities and Results**

During the year under review, the trustees held four meetings. At these meetings, the Trustees provided guidance and strategic direction to the South African Sugar Association (SASA), who is responsible for the management of the Trust.

In particular, the trustees considered various reports and proposals from SASA management pertaining to SITFE's funded programmes and aspects relating to the administration of the Trust Fund as well as the investments of its funds. The activities of the Fund, its financial position, accounting policies and other explanatory

notes for the year ended 28 February 2016 are set out in the annual financial statements. In the opinion of the trustees, these do not require further comment.

### **Board of Trustees**

The following are the trustees of SITFE:

<b>Chairman</b>	:	TJ Murray
<b>Members</b>	:	SB Hlela LK Mhlongo GD Nelson EV Nene S Sharma DN Thomson GD Stainbank

<b>Part (SASA)</b>	:	A Madhanpall P Mpofu T Pepper L Manning
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<b>Investment Managers</b>	:	StanLib
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### **Changes during the period under review:**

ST Naidoo	to	GD Stainbank
BN Linda	to	GD Nelson
VF Khoza	to	DN Thomson

## FOREWORD BY THE CHAIRMAN OF THE SUGAR INDUSTRY TRUST FUND FOR EDUCATION

During the 2015/2016 financial year, SITFE invested over R7.3 million in its intervention programmes. R3.8 million was spent under the Study Assistance programme which provides full bursaries to students from disadvantaged backgrounds; R500 000 was spent on the Trust Fund's In-School support programmes. These programmes were undertaken in partnership with Protec and Rally to Read. A further R2.2 million was put towards various initiatives that promoted the development and empowerment of teachers and learners.

When SITFE was entering its 50th year in 2014/2015, a number of leading projects were reaching the end of their funding cycles. This was therefore seen as an appropriate time to re-assess the Trust's programme and streamline the SITFE strategy. An updated strategy was therefore developed, based on a review that was conducted in 2014. The strategy confirmed SITFE's three focus areas as ECD, school support and tertiary support in the sugarcane areas and called for fewer more focused projects, more engagement with government, better research, and improved monitoring and evaluation. The plan was to use 2014 to consolidate and close out current projects, in preparation for the launch of the new strategy in the anniversary year of 2015.

MiET Africa was appointed to analyse and provide an objective view of the educational support needs of people living in sugarcane growing areas; the current education provision and support provided to schools and communities in these areas from ECD to matric level; and the current developments and trends in education support initiatives and recommend potential interventions. Highlighting the severe conditions in terms of both education performance and socio-economic circumstances prevalent in the sugarcane growing area. Communiqué was made with Ms Neliswa Peggy Nkonyeni the MEC for Education in KZN 2015, the Mpumalanga Department of Education and The University of Mpumalanga, to explore possible areas of collaboration in support of programmes of the KwaZulu-Natal and Mpumalanga Department of Education. Memorandums of Understanding were signed between SITFE and both the Departments.

In another project SITFE Committed R248 800 to PROTEC, which was used to support 20 learners attending the PROTEC Learner Excellence programme and 40 learners attending ICDL training. In addition, SITFE's contribution to the Student Support Fund was used to assist deserving learners from rural schools with transport and stationery costs. Support was also given to worthy but needy Post School students to ensure that they could integrate successfully into tertiary life.

The Rally to Read programme has been supported by SITFE almost since inception. The programme was launched in 1998 by READ to deliver educational material as well as critical teacher support and training to rural schools nationwide for 3 year periods. Rally to Read has a direct positive impact on the Department of Education's documented national priorities - *"Reduce illiteracy... Develop the professional abilities of the teaching force... School effectiveness and teacher professionalism... and ...Equip pupils with appropriate skills, especially with regard to maths, science and technology..."* Since 1998, 876 schools have been supported by Rally to Read and over R72 million raised for rural education. This was SITFE's 2nd year of hosting the



Rally in Eshowe, KZN. Six teams driving in convoy distributed teaching aids to 12 different primary schools in the uMlalazi Local Municipality. Among the items distributed were books written in English and isiZulu, classroom posters, stationary, wooden building blocks, nutrition information packs, soccer and volleyballs and balancing beams. SITFE host Rally to Read, Eshowe again in the upcoming year and teams will re-visit the schools to bring more materials and teaching aids and also to monitor the progress that is being made.

With regards to SITFE's Study Assistance Programme, during the 2015/2016 season, SITFE supported approximately 90 students. These students were registered at various tertiary institutions in KZN and Mpumalanga. In the latter two quarters of the financial year, SITFE processed over 1042 bursary applications SITFE for science, engineering or agricultural studies, from students residing within the sugarcane growing communities. In support of the increasing focus on quality of life of sugarcane growers, farm workers and their families, the SITFE Trustees also decided to ring-fence number of these bursaries specifically for the children of sugarcane farm workers. As the start of this initiative, at the beginning of 2016 the children of 6 sugarcane farmworker students were awarded bursaries to study a variety of subjects ranging from Accounting to Hydrology.

The Trust Fund also made meaningful contribution towards the KZNDoe Leadership Career Development Seminar, which provides leadership opportunities for top Grade 12 achievers. SITFE also introduced new budget items, which were Registration and Book Advance Payments. This advance payments allowed students to register and purchase books timeously.

Research findings established that many agricultural specialists are ill-equipped to deal with the complexities associated with land reform. Therefore Trust decided to fund the development of a land reform module informed by the successes of the sugar industry, so that future agricultural graduates have the knowledge and skills to provide this much needed service in a complex environment. Terms of Reference was sent out and SmartTrain Skills Development was appointed as the qualified service provider through the SASA tender process. SmartTrain Skills Development was founded by Jennifer Harmsworth in 2000 in order to pursue education and training projects in an own business environment.

Similarly, a request for tender document for the development of a video and booklet documenting the 50 year history of SITFE was finalised and forwarded to potential service providers. The purpose of the terms of reference was to provide a clear framework for the development of a 5-10min video and, 20-30 page booklet documenting the 50yr history of SITFE. Neil Campbell of Siyabonga Media presented the SITFE 50th Anniversary DVD at the January Trustee Meeting and Delivered 500 printed SITFE booklets to SASA offices.

Due to the SITFE portfolio incurring losses under STANLIB's management, it was agreed that SITFE would consider other options in terms of Asset Managers. NBC Holdings was then appointed to construct an investment strategy which outlined the clear objectives for the SITFE investments and inform the structure of a portfolio to achieve those objectives. At the May SITFE Committee Meeting, NBS presented both the Investment Strategy and Policy Statements. These were discussed with STANLIB and restructuring of the portfolio took place.



The SITFE Graduation and Induction Function was hosted in KZN in July 2015. The purpose of the Function was to acknowledge the success of bursary recipients who had completed their studies as well as to motivate first year recipients. The keynote address was delivered by Vice-Chancellor and Principal of DUT, Professor Ahmed Bawa who encouraged students to work hard and emphasised the importance of higher education at this day and age. The Student Graduate Speaker, Mohammed Valley reiterated a similar message, encouraging his fellow graduates to commit to their studies and work hard, so that tomorrow they may reap the benefits.

In conclusion, the Trustees wish to again thank and commend SASA Management for their dedication and the professionalism in managing the work of SITFE.

**TJ MURRAY**  
**Chairman: SITFE**



## 1. INTRODUCTION

The Sugar Industry Trust Fund for Education (SITFE) was launched in 1965. In this time, SITFE has provided bursaries to around 10 000 students, financed school building projects, provided financial assistance to tertiary institutions and has worked closely with educational organisations to improve the overall education standard in the sugarcane growing provinces, namely KwaZulu-Natal and Mpumalanga.

SITFE takes cognisance of the national shortage of skilled resources and the area in which the sugar industry operates in. As such, the Trust Fund places high emphasis on improving the quality of education within the sugarcane growing communities; specifically focusing on skills development around a wide range of disciplines including mathematics, science, technology, agriculture and engineering. SITFE programmes are implemented in partnership with reputable organisations in the respective fields.

## 2. SITFE PROGRAMMES

SITFE supports a wide range of programmes ranging from the school support programme; study assistance programme; in-whole school support programme; early childhood development programme; and an education centre development programme. These programmes are implemented in order to improve the quality of teaching and learning within the sugarcane growing communities.

### 2.1 Study Assistance Programme

The study assistance programme continues to enjoy significant industry and external stakeholder support and recognition. This programme is regarded as the sugar industry's key mechanism to assist government to redress inequalities in the field of science, agriculture and technology.

The objective of the programme is to increase the number of high potential learners from disadvantaged backgrounds with access to quality education and training in the fields of agriculture, science and engineering at tertiary institutions.

During the 2015/2016 financial year, the Trust Fund provided full bursaries to the value of R3.8 million towards approximately 90 students registered for science, engineering or agricultural studies.

The bursary programme continued to function under five schemes:

- University merit bursary programme;
- University of Technology merit bursary schemes;
- Colleges of Agriculture bursary schemes;
- University of Mpumalanga merit bursary schemes; and
- Tshwane University of Technology merit bursary scheme.



SITFE no longer continues to support the University of KwaZulu-Natal Intensive Tuition for Engineers (UNITE) Programme due to high failure rate within this scheme

## **2.2 In-whole school support programme**

SITFE collaborated with PROTEC Tongaat, a non-profit organisation that specialises in maths, science and technology education for grade 10 to grade 12 learners. PROTEC provides educational support to learners from socially and academically disadvantaged backgrounds in the form of maths and science lessons, career days, technology and International Computer Driver's Licence (ICDL) computer workshops. SITFE's funding for 2015 was used to support 20 learners attending the PROTEC Learner Excellence programme and 40 learners attending ICDL training. Support was also given to Post School students to ensure that they could integrate successfully into the work place.

## **2.3 SITFE Graduation Function**

In July, SITFE hosted its 2015 SITFE Graduation and Induction Function which was attended by over 150 stakeholders. The keynote address was delivered by Vice-Chancellor and Principal of DUT, Professor Ahmed Bawa. Various representatives from the sugar industry, government, tertiary institutions and the non-governmental sector attended the function.

The function enabled the sugar industry to highlight its commitment to the provision of quality education in and around the sugarcane growing communities.

## **2.4 Stakeholder Engagement**

SITFE engaged with the MECs for Education in both KZN and Mpumalanga. Formal high-level MoUs were developed and signed with the provincial Departments. These MoUs to cover broad focus areas and principles of collaboration, as opposed to specific projects.

## **2.5 Research and Development**

Miet Africa was appointed to monitor and analyse developments in the educational needs sphere in the sugarcane growing regions, such that programmes and projects may be developed that more effectively address these needs. Objectives were as follows:

- Ensure that the research that SASA is conducting for the 'social accord' covers industry players' investments in education (ECD,



school-level and tertiary/bursaries) in terms of resources (financial and non-financial) and main programmes.

- Confirm geographical areas to be covered by SITFE research (based on existing document of magisterial districts)
- Develop terms of reference for research into the educational needs and existing provision in the sugar growing and milling areas and send to service providers. Aim of research to identify focus areas and projects for SITFE.

## **2.6 50<sup>th</sup> Year Anniversary function**

The celebration of SITFE's 50<sup>th</sup> Anniversary is important to communicate and celebrate the contribution of the sugar industry towards furthering the provision of quality education in South Africa. The 7 April 2016 was selected as the most suitable date for the event and letters were sent to all the potential key note speakers, to assess their availability namely, Zweli Mkhize, Judge President John Hlophe, Minister Blade Nzimande and the KZN Premier. Management went through a tender process selecting a suitable company to host the event. Turners Conferences and Conventions was appointed as the service provider.

## **2.7 Curriculum Development**

The aim is to equip students with the knowledge and expertise to address the expanding field of land reform, a subject which is becoming increasingly important in the agricultural sphere. SmartSkills Train and Development was appointed as an accredited individual to build land reform (in a broad sense, including social facilitation) into the six week course offered by SASA to Cedara and OSCA students.

## **2.8 SITFE Annual Financial Statements**

The signed SITFE Annual Financial statements for the year ended 29 February 2016 is attached as **Addendum 1**.