

THE LIMAPELA FOUNDATION

Quality, self-sustaining Christian education for Zambia

MONTHLY PROGRESS REPORT

November 2008

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How Stable is Zambia Politically?

Recent media coverage from other African countries is raising understandable concerns. But Zambia has shown remarkable political and economic stability since the country embraced democratic reform in 1991, and this year has performed extremely well in a remarkable test. On 29 June President Levy Mwanawasa suffered a serious stroke and was hospitalised in Paris. It appears that the Zambian government continued normally under the vice-president, and the country remained peaceful during the time that Mwanawasa was incapacitated, and until he died seven weeks later on 19 August. Three weeks of national mourning were then peacefully observed, followed by campaigning for a fresh presidential election held on 31 October. We feel this reflects very well on Zambia's stability. Such a scenario would have been unimaginable in Africa several decades ago.



The Cedric School Project

The fundraising is going well, considering the current worldwide financial crisis. The New Zealand dollar remains weaker, having lost 25% of its value against the US dollar in the past few months. The effect has been to increase the total we need to raise in NZ dollars. But God is bigger than any world financial crisis, and we can 'move mountains' if we have faith.

We have made significant modifications to our agricultural plan, reducing the operational requirement for the first year from US\$120,000 to US\$66,000. Our giving community has been most generous — 33% of the capital requirement target for the first year (US\$314,000) has now been achieved, and 73% of the operational requirement target (US\$66,000). Funding for the capital requirement remains our most urgent need, especially as we anticipate that very soon the property will need to be paid for.

Communications with Zambia have been slow, but the vendors have given verbal agreement to our offer, and the survey of the school property has been carried out. The settlement arrangements and dates are being negotiated through the lawyer in Zambia, who will set up the new private company (to be called Limapela Community Development) as soon as the agreement has been signed.

Charity Registration

The NZ Charities Commission has now processed our application, so The Limapela Foundation is now a registered charitable entity (Registration No. CC32616) in terms of the New Zealand Charities Act 2005. For more information, visit www.charities.govt.nz. Our application to the Inland Revenue Department for donee status is now being processed, and will be referred to the government to request listing under Schedule 32 of the Income Tax Act.

If the application for donee status is successful, all subsequent donations will be tax deductible, but not those received prior. In the meantime, donors might consider lending instead of giving. This would allow their loans to be converted into a donation later, if and when donee status has been granted, keeping open the possibility of a tax rebate in the future.