

***Corruption, fraud, embezzlement of public funds:***

***Denzhe Primary Care & NLCSA (July 2018)***

I, Willem Adolf Krige ID 4703145140088 residing at Farm Middelboomfontein KR 68, Vaalwater Limpopo and Plot 358, Derdepoort 326JR, Pretoria.

1.

I am a Director of Freedom Therapy t/a House Regeneration Co. Registration 2010/063704/23 and Founder of Extreme Freedom Foundation PBO no. 1999/02855/308.

2.

I, the undersigned wish to make the following report under Section 34 of the Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004). I deem it my responsibility to file this report as CEO and Director of Freedom Therapy CC t/a House Regeneration, due to dealings we had with a certain Lesley Ramulifho from a law firm Ramulifho incorporated and Melanie Du Plessis who together presented themselves to us as Denzhe Primary Care NPO. They also posed as agents and legal representatives of the National Lottery Commission of SA (NLC). They presented no documents to verify their status and legal involvement with the NLC throughout all the communication with any of us at Freedom Therapy.

3.

The first meeting with them took place around July of 2016. Via another Christian friend they enquired about our work as a faith-based centre that helps people with addiction problems. At this meeting Mr. Ramulifho told us that he had received a mandate from the NLC to set up a national network of rehabilitation centres in SA and that R300 million had been allocated to this effect. We found it strange that no one from the NLC was at this particular meeting but dismissed this as not important. They had heard about the success of our program and decided to come and investigate further.

4.

The meeting lasted about an hour or so during which time I explained that our success is due to model of therapy we apply namely that of Biblical belief Therapy. I also pointed out that we were not registered under the Rehabilitation Act 70 of 2008 due to the fact that we do not apply psychology or psychiatry. We were a faith based Christian organization that sought to bring applicants to a saving knowledge of Christ and thereafter to teach them how to apply Biblical values and principles to their belief system. It was actually a 12-month discipleship program. This model of therapy was not recognized by Government in contravention of our Constitution. I also informed Lesley and Melanie that we did have a confrontation with a team from regional office, whereas on National level as well as with Mental Health and Health Departments we had good interaction and understandings in this matter. All along we had the assurance from Senior Departmental officials that this legislation would come under review and that we should continue with our good work. We have many emails to this effect and were certainly not wilfully contravening laws. This was clearly spelt out to them so that they could understand what possible hindrance might come up in the future.

**5.**

My wife Dr. AAJ Krige, also shared some of my personal testimony and why this ministry came about. I was arrested under Art.13 of Act 41/1971 and kept in solitary confinement for 34 days. During this time, I had a vision from Christ and afterward told the investigating officer my story and handed in 28 pages of information on the network I operated with. I spent the next three and half years working as an informant for SANAB. I was given a suspended sentence in the months after my arrest and never sent to prison although I pleaded guilty. My wife handed Melanie and Lesley a CD with my testimony on it at a later date. This was based on a radio broadcast on Radio Pulpit

They left with the promise that they would discuss the matter with their Board and would come back to us, which they did not much later. During the second meeting Lesley and Melanie were present, my wife Annatjie Krige, my son Michael Krige and myself. There were no people from NLC. During this meeting there was a proposal that they should buy over the House Regeneration centre, which we declined. (**See attached Doc 1 a&b**)

**6.**

**They had an evaluation done which amounted to R6 mil which we declined. Doc 1(c)**

I extensively explained why this is not possible as we were acting on a mandate from Jesus Christ and the ministry was not for sale. We also had a specific PBO registered as Extreme Freedom Foundation since 1999 under whose spiritual authority we were functioning and that we had a well mapped out business plan to follow should funds become available. I suggested strongly that should any donations or funds be forthcoming from NLC that this PBO should receive it for transparency and to be in line with rules and regulations governing NPOs. (**See attached Doc 2 abc**)

**7.**

Both Freedom Therapy and Extreme Freedom Foundation have almost identical MOI's and MOU's, specifically for the purpose of handling large donations. (**attached Doc 2 d&e**). At the time Extreme Freedom Foundation was not on the NPO list at the DSD as we were not expecting to approach the NLC for donations either then or in the future. We were totally self-funding and growing slowly but steadily as our financials at the bank and SARS indicated. In fact, we were in the process of buying the game farm on which we now have extended part of our program. It was during this meeting I requested that future negotiations should come via my son Michael as I was about to move to the farm.

**8.**

The next meetings with Lesley and Melanie were about the possibility of NLC providing R6mil to renovate and upgrade the existing buildings. We already had enough accommodation for approximately 70 men in our existing premises and at the time there were 74. **See attached photo of 45 top house male students only.**

**9.**

**It was then proposed that an entire new complex be built and Mr. Ramulifho mentioned an amount of R18 million to be funded by Lotto with Denzhe Primary Care as the project manager.**

## **10.**

A signing power document was given to our son Warren James Krige to act on behalf of Anna Aletta Johanna Krige regarding a lease agreement between Denzhe Primary Care and Freedom Therapy as she is the rightful owner in her personal capacity.

A final Lease Agreement was drawn up and signed on 14<sup>th</sup> October 2016 as well as a Memorandum of Undertaking by both parties. (**see attached Dos's 3&4**)

At this point we were very sceptical that anything would really take place.

When we got on site by 4 November 2016 several of our previous building were demolished and the work was in progress.

Soon afterward we were given architects drawings on the proposed completed project. (**Doc 5**)

**We could not believe this wonderful miracle that was taking place as we did not even make application to the NLC!!**

## **11.**

When asked what the expected completion date would be Lesley Ramulifho stated some time towards end March or April 2017 but that it would be finished by end May 2017 for sure.

This seemed overly ambitious and that given the scope of the project it should be closer to end September 2017 was my opinion.

Foundations and walls seemed to go rather quick but then a few delays occurred which Mr. Ramulifho stated that funds being awaited from NLC. (**Doc6**)

My son Michael Krige who was our Operations Manager and on site will state that several delays were caused by dispute between the builder and Mr. Ramulifho.

When trucks came to deliver material, we also noticed other empty trucks stopping alongside the deliveries and that some of the material was being transferred. As it was not our funds being used and as we were not responsible for the project we could not interfere. It seemed rather suspicious but we left it up to Denzhe's discretion to address.

## **12.**

When it became obvious that completion would not be reached, we had a site meeting during when it was decided to alleviate the chaos and discomfort of our existing in-house students, the project should be broken up into phases.

However, in the meantime during discussions between my son Michael and Lesley, he told us that we would have to remove the use of the Lord's presence on our advertising boards etc. and that the project was to be promoted as a new start-up. In the beginning I once mentioned it on FB for which I was reprimanded and eventually told not to make any more posts on social media. Apparently, it was seen by Derrick Matthews from Freedom Recovery Centre in Nigel. They made an application to the NLC for funds that was unsuccessful. Yet we had thousands of friends on FB who have been following our ministry for many years. FB was a very productive medium through which we attracted many enrolments and this means of advertising had to be stopped.

We were also not permitted to bring the new project into our website content, not until completion was reached and the centre officially opened by Denzhe and the NLC. These

instructions never came from Lesley direct as he kept all written communication to the bare minimum but was conveyed verbally to Michael Krige.

**13.**

On the 24<sup>th</sup> of June I responded to a verbal request from Denzhe to draw up a preliminary budget for operating expenses he said NLC would continue to fund. (**Doc7**)

As per the letter I instructed our auditors to give me guidelines on this matter which I received and is dated 6/07/2017. (**Doc8**)

This was formalized onto a spreadsheet and handed to Lesley Ramulifho by Michael Krige and in principle Lesley told us it will be approved. (**Doc 9**)

In the meantime, building continued with odd site visits by Lesley with Michael and on one occasion a lady from NLC joined them. As she was a trained Social Worker, she then informed Lesley that the project needs to register as a rehabilitation centre according to Act 70 of 2008 on Substance Abuse treatment. We have not been able to confirm that this person was in fact legally appointed to act on behalf of the NLC.

Again, the issue was raised, as we pointed out to Lesley in the beginning of our meetings, that we are faith based and have sought to register even before we were served with a notice of enforcement by DSD Gauteng Province in January 2014 (**Doc 10**)

**14.**

The letters to the Director of Mental Health as well as the Minister of Health dated October 2009 and March 2011 prove that we were not in direct violation of the laws regarding Substance abuse treatment, but that we were seeking solutions from Government whose Substance Abuse Act 70 of 2008 made no provision for us. (**Doc's 11&12**)

**In the reply from the Minister of Health (Doc13) it is clear that we did not fall under the jurisdiction of the current Laws pertaining to substance abuse and that we were nevertheless requested by the Minister to continue with our work.**

**15.**

I received a phone call from Lesley on Monday the 24<sup>th</sup> of July 2017 during which the matter of registration was raised by him. I explained that registration was not against my will and that I was willing to test the waters with DSD Regional office in Gauteng and that we should register the centre under Extreme Freedom Foundation the existing PBO as it was in good standing at SARS and CIPC. He strongly opposed this and said we must register under Denzhe Primary Care as this is what the NLC Board required. I refused to put our ministry and what we have worked hard to achieve in almost 30 years under the authority of an NPO that I then knew little of. I offered to help him get Denzhe Registered on its own so that we could work in association with each other and retain our separate legal entities. Mr. Ramulifho said I was violating his trust and insults became personal after which he put the phone down in my ear.

The next day I wrote a reconciliatory letter (**Doc 14**) to which I received no response.

**16.**

On the 27<sup>th</sup> of July I wrote Lesley another letter seeking cooperation and reconciliation as he was refusing to answer any WhatsApp calls, SMS messages whatsoever. In fact, after the 28<sup>th</sup> he refused to open his WhatsApp mailbox and eventually blocked me. (**Doc 15**)

On the 31<sup>st</sup> of July 2017 I forwarded the note from our auditors in which DSD Director of NPO's acknowledge receipt of the application to put Extreme Freedom Foundation on their listing.

After this unpleasant situation I decided to do some of my own research into the life of Lesley Ramulifho and Denzhe Primary Care, the NPO he claimed to be the chairman of as well as Melanie du Plessis, as she seemed to be constantly involved in many of the discussions and presentations.

**17.**

I was shocked but at the same time relieved to discover that my misgivings about Lesley Ramulifho was not unfounded. I discovered that Denzhe Primary Care registration no 098-122, was put on the NPO listing in 2012 and that it had nothing to do with substance abuse but in fact was aimed at HIV/AIDS prevention and education. This raised serious suspicion as no NPO may operate outside its Memorandum of Incorporation unless strict regulations are followed in changing its Constitution.

I also discovered that Lesley Ramulifho does not appear on the list of Distributing Agencies for Charities as per the NLC website pages. This raised further suspicion that all is not well.

**18.**

I then came upon separate Internet reports involving Lesley Ramulifho in possible fraud. **(Doc 16&17) This made me realize that our entire ministry was approached from the beginning to effect a company capture on fraudulent terms.**

In the meantime, the entire project came to a grinding halt with the site in a state of chaos. Many of our students left the program due to the chaotic living conditions and a number simply walked out of the centre due to a lack of security. Consequently, our income dropped radically and very few new applicants came in as a result of our absence from Facebook and other social media. Michael lost interest as he received very poor communication from the people at Denzhe except for empty promises about funds to be transferred for the completion of the project. We were told to be patient as the Board takes its time and there are processes and procedures to be followed between Denzhe and the NLC.

**19.**

At some stage late October or early November, Michael was instructed by Lesley to draw up a list of works to be done to complete the project. Funds were going to be released the moment the Board approves it. A spreadsheet together with photos and additional outstanding jobs were compiled by our admin and Michael gave the necessary to Lesley within the first week of November. The estimated amount outstanding amounted to R1.4 million. **(Doc 18)**

**20.**

I was starting to get anxious about the long delay as we had to keep on digging into savings and investments to meet our monthly obligations. As Denzhe Primary Care (Lesley Ramulifho) still refused to communicate with me over this entire period warped messages came to my ears via Michael Krige and later Melanie du Plessis. What her exact position in the NPO is or was is still unknown, but it was apparent that Lesley was putting her between him and us.

**When the promised funding to complete did not transpire by late November, Lesley told Michael that very little can be expected from NLC as officials are**

**preparing for the December holidays. I then decided to break the so-called protocol in January 2018 to see the Commissioner Thabang Mampane personally to get to the truth of the matter.**

**21.**

On Monday the 8<sup>th</sup> January I decided to go the NLC offices, Block D Hatfield Gardens, 333 Grosvenor Street, Hatfield Pretoria, directly to try and see the Commissioner. At the reception they refused and said I must make an appointment. It would seem that these people had no real concern for the inconvenience, travel expenses and time wasted of the public. I explained that I am from a farm in Vaalwater 200km from Pretoria and that the matter was urgent. (**Doc19**) I was cordially informed that the commissioner would not be available until beginning March. My response on record was that this is not acceptable (**Doc 20**)

**22.**

I did have a meeting with Thabang Mampane, the Commissioner, Tsieti Maselwa the legal manager and Philemon Letwaba COO in the days to follow. It was very cordial and during my talks with them they listened intently but did not say much. At the end the Commissioner instructed Tsieti Maselwa to follow up on our talks and sort the mess out. I indicated my frustration with the mismanagement of the whole project by Lesley Ramulifho of Denzhe Primary Care and informed them clearly that I was not the one responsible for the breakdown in communication according to the MOU between Freedom Therapy and Denzhe. Thabang told me that the full outstanding funds to complete the project must come from Denzhe seeing that he had already received the funds for the project. After our meeting Thabang phoned me the next day and I then sent her an email to confirm the contents of our discussion during the meeting. (**Doc21**).

**23.**

After another delay of ten days, I sent a letter to Thabang to try and verify another rumour. (**Doc22**)

At last an amount of R500k was paid into our account and my wife and I made plans to go and supervise the project ourselves. I was not happy that Lesley insisted on putting the funds in our business account instead of Extreme Freedom Foundation as it would require extra work on our auditor's side.

In approximately three weeks and several trips between the farm and Pretoria we had accomplished a lot of work and there were still jobs in progress by the time the funds ran out on the 24<sup>th</sup> of February. Dr AAJ Krige my wife informed Melanie by WhatsApp and that the invoices were ready. They spent several hours on the phone while my wife explained every expense in detail. My wife also handed her all the hardcopy documents personally during a meeting in Menlyn. An issue was raised about an insignificant amount (R750) which the installer of the security gate had put in referring to work he did repairing the electric fence at the woman's centre. We submitted a reconciliation report detailing all the expenses of which we kept records in hardcopy and digital format. We informed the NLC board members and required as to when the balance of the funds would be forthcoming on 26/02/2008. (**Doc 23**)

On the same day Tsieti replied that we need to contact Denzhe regarding the outstanding funds and that I may contact him if we had issues. (**Doc24**)

**On the same day my wife received a WhatsApp message from Melanie informing me not to contact the NLC again.**

**24.**

On the 3<sup>rd</sup> of March Melanie indicated that Denzhe was now happy with the reconciliation.

On the 5<sup>th</sup> of March Melanie told my wife that she and Lesley would be coming for a site inspection on the 6<sup>th</sup> at Four pm approximately.

On Tuesday the 6<sup>th</sup> of March about midday, we had just sat down to a business lunch with two members of the Extreme Freedom Foundation board and also counsellors at House Regeneration when we got a call that Lesley Ramulifho was at the new security gate of HR and that he wanted to come in to do a site inspection. We immediately apologized to the restaurant and went straight to House Regeneration. I found Lesley in the presence of my son Darryl Krige and I asked Mr. Thomas Pira, our guest at the lunch to be present as a witness during the inspection. He was inspecting the incomplete kitchen installation. I pointed out to him that after my wife and I had resumed responsibility for the completion of the project and had received the lists mentioned in (**Doc 18**) certain incomplete jobs were not on the lists. I took him to the main events hall and pointed out that half of the rafters had not been bolted at all. Most of the double exit doors were opening inward which according to an inspector for fire and safety are contrary to regulations. These doors had to be broken out and re-installed correctly. There were also a number of roof sheeting that were never fastened down on the dining room. There was also a lot of electrical work that was still non-compliant that we had done as it posed a danger to people on the site. I also pointed out that it made no sense to order furniture, lockers or beds when there were no security systems in place or space to put it. We had so few students at the time that we had enough of that. It was rather more important to get the fire and safety equipment in place rather than to put down sand for a volley ball court Lesley insisted on. It was very clear that he was not at all comfortable in hearing the suggestions I was making. I also pointed out that more quotations should be gotten on the outstanding purchases in order to save money wherever we can. He was adamant the Board at NLC would not accept this. It almost landed up in another argument. I asked him when we could expect the balance of the funds required (R900k) and he promised that he would put it into our Freedom Therapy FNB 7-day notice account as per arrangement with our auditors by Thursday the 8<sup>th</sup>. He indicated that it would be broken up into two payments of R450 k. We left that same afternoon for the farm with the view of returning to site as soon as Denzhe pays in the funds. On the morning of the 8<sup>th</sup> Melanie sent a WhatsApp to my wife's phone promising to let us know when the funds are transferred. Melanie sent a WhatsApp message that Lesley was still waiting for funds at 7.48 am. Nothing regarding an EFT transpired since then.

**25.**

On the 12<sup>th</sup> March 2018 I had a meeting with Mr. Tsietsi Maselwa on the 1<sup>st</sup> floor of the NLC buildings to explain the issues we were having with Denzhe (both Lesley and Melanie) when he promised me that he would look into it after discussing it with the Commissioner. We were still waiting for the promised funds to complete the project.

We then afterwards by accident heard from a supplier that Melanie had ordered lockers, chairs and beds. We contacted them directly and this was confirmed. It then became clear that Lesley had decided contrary to his undertaking to pay over R450k on the 8<sup>th</sup> March to once more take the project into his own hands.

On the 14<sup>th</sup> March Melanie wanted to know about outstanding fees for making the steel tables. We replied that it was not that important as contractors had not been paid and we

had problems with the drinking water supply. Melanie than informed my wife that she had ordered the lockers, chairs and beds we specifically told them was not needed at the time.

**26.**

I phoned her and voiced my disdain and then informed the supplier afterward that we would not take delivery.

When we heard nothing else from that time onward, I wrote to the Commissioner in another attempt to find out what is going on. By this time contractors who were busy with work in progress started demanding payment from Freedom Therapy. I wrote as follows ;(**Doc 25**)

On the 21<sup>st</sup> March I wrote a letter asking Lesley what happened to the R450k he promised on the 8<sup>th</sup> March to which he replied as per his e-mail dated 22<sup>nd</sup> March. In this letter he makes unsubstantiated remarks about my character and threatens to evict us from our own premises. The string of emails that follow indicate clearly that all and any discussions with Denzhe or the NLC Board proved to be hopeless. (**Doc 26**)

**27.**

Afterward there was a few more letters that were sent back and forth but nothing worthwhile transpired and now with the last threats from Lesley lawyer it seems that the project for now is doomed to stop. From these letters it becomes obvious that the relationship between Denzhe and us at Freedom Therapy has finally come to the point that I indicated. It is time to release this information to each and every organization that has an interest in investigating this obvious corruption that is going on.

As Freedom Therapy we tried our very best to influence Lesley and Melanie to come clean. It was to no avail. His ultimate response was to make derogative and false allegations about us via his attorney Victor Mabe incorporated attorneys. (**Doc 27**)

Even our auditors requested Lesley Ramulifho to supply documentation validating his use of Denzhe Primary Care as NPO. (**Doc 28**)

His reply was very evasive and he never complied to a simple request (**Doc 29**)

**28.**

Please see **Doc 30** for the real story behind Denzhe Primary Care as well as the blatant disregard Lesley Ramulifho has for laws and regulations concerning NPO's

He also seems to have no concern with offering false documentation when it comes to SARS (**Doc 31**)

We further ascertained that in 2017 according to the NLC funding dashboard Denzhe Primary Care received the grand amount of R20 million from the charities fund for the rehab project. (**Doc 32**)

Another very interesting document to read through is the report posted in the Limpopo Mirror in which an in-depth investigation was done into Denzhe. (**Doc 33**)

A final straw to break the camel's back is to read the report done by a city planner, who free of charge came to do an evaluation of the buildings Denzhe and the NLC erected with the R20 million supplied for the project. Total value of project R4.8 million.

**29.**

**Hereby I humbly request the SAPS to investigate that false representation was made to me and our business.**

**And also, to investigate the above dealings and furthermore that the SAPS investigate the application made to the NLC as well as the payment made by it to Denzhe Primary Care for this project.**

**We have suffered great loss of goodwill, some of our good reputation as well as considerable income due the misrepresentations made by Lesley Ramulifho and Melanie du Plessis, acting in the name of Denzhe Primary Care and posing as legitimate officers of the NLC**

Signed Willem Adolf Krige .....

At the offices of ..... On the ..... Day of July 2018.