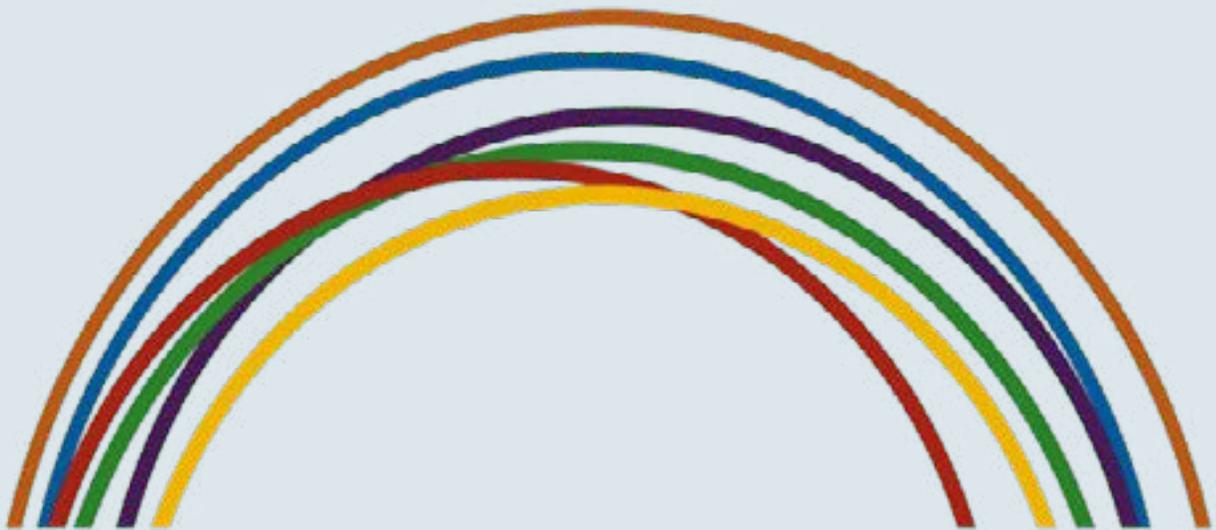


ONLINE ANNUAL REPORT

2014/15

KHULISA SOCIAL SOLUTIONS



**KHULISA**

**S O C I A L S O L U T I O N S**

*Reinventina lives*



# A message from the Chairperson

I am now in a space where I can really and truly play a role in finding solutions to the real problems in our country, where the solutions are most needed and where the impact of doing so is felt most.

For some years now I have been trying to find a satisfying way in which I could spend time and give back to South Africans, taking cognisance of the fact that I have been privileged in many respects as a business person in this country. I consider that I have achieved this in being appointed as Chairperson of Khulisa's Board of Directors. This has come at a very appropriate stage of my life and a very exciting and important stage of Khulisa's development.

The organisation is results orientated and the results speak for themselves. Its outputs are scientifically measured; every Rand donated goes a long way towards addressing the real social needs of our society. Therefore I am absolutely thrilled to be Chairperson of Khulisa Social Solutions.

As a business person, this appointment speaks to me because the organisation is run on solid business principles and foundations. It is very important that our expenditure on projects and programmes is measured from a business perspective. We can be absolutely

sure that not only are the outcomes and results of our interventions effective, but we can also report on them as one would expect to report to shareholders, showing how the company has performed and measuring and accounting in a monetised manner and with strong corporate governance principles.

I would like to thank my predecessor, Mr Brett Will, for his service to the company and for facilitating the smooth handover of the Chair to myself. His efforts are greatly appreciated by all concerned.



# A message from the Managing Director

As we enter our 18th year of operation, I am privileged to share with you our journey through a challenging past year.

The shift in government policy around NPO funding and the increasing need for support to cover core costs has resulted in a complete realignment of our structures and streamlining of our operational procedures. However, despite the challenging economic environment, our income this year increased by 4%.

Over the past few years the key focus of my annual report has been on the process we embarked upon to "reinvent" Khulisa in order to respond to local needs, challenges and opportunities. We acknowledge that the constant reinvention and rapid change is technology-driven, while also recognising that the digital world is having a deep impact on emerging consumers.

With this, many new opportunities and developments are beginning to evolve. We are being positioned as a new generation NPO, whose key services are focused on:

- Understanding the real needs of communities
- Addressing issues holistically and systemically rather than piece-meal
- Collaboration and co-ordination rather than duplication of effort
- Building capacity of SMMEs, working closely with local municipalities and grass-roots NPOs
- Creating sustainable value that has measurable impact for multiple parties

Khulisa believes that by leveraging off of its experience in grass-roots participatory engagement and by seeking holistic, integrated solutions, it is well placed to facilitate engagement between local communities, government departments, local municipalities, large companies and SMMEs in order to seek and create integrated shared value.

With this approach, a number of additional sources of income

have been identified and are under development, including:

- e-Learning
- Job readiness and job placement services
- The development of a group of service offerings that cross-connect departments and sectors
- Increased mentorship and corporate volunteer services
- Pioneering the concept of "creating shared value"
- Project management that aligns corporate investment objectives with identified community resources and provides a measureable return on investment
- Knowledge management – management of data to provide impact assessments

I would like to pay tribute to all the people who have continued to make our growth possible – the expertise and enthusiasm of our dedicated team, our board members, both as individuals and as a collective, our NPO/SMME and government partners who have brought vast expertise to the organisation and have thus enhanced our service delivery and, last but by no means least, to our donors without whom our continued growth would not be possible.

We look forward to working with all of you during the next year.

# Khulisa At A Glance

**“Vision - a safer, healthier and more prosperous South Africa, where all people, especially youth, have access to the information, skills and opportunities they need to contribute to equitable local and national development”**

**“Mission - to address social vulnerabilities and inequalities by providing support and developmental know-how, through key partnerships, for initiatives at a community level that quantifiably demonstrate social impact.”**

**“Values - Partnerships and Collaborations, Systemic lifelong change, Service excellence, Transparency and integrity”**

Khulisa is TRUSTED by MULTIPLE diverse parties as a connector, co-ordinator, catalyst and conduit.

Khulisa offers the following services:

1. Diversion programmes to children and adults
2. Analysis of the NEEDS of Communities (and others)
3. Mapping & analysis of local organisations / parties and finding commonalities and links
4. Facilitation & connection of multiple LOCAL stakeholders
5. Building capacity of NGOs, SMMEs, local municipalities
6. Support of local municipalities in the co-ordination and mapping of needs and the delivery thereof
7. Community Research
8. Impact Monitoring and Evaluation (M&E)
9. Management of companies' CSI spend – a trusted intermediary
10. Facilitation of workshops in local communities
11. Specific programmes, e.g. : volunteerism, Global Give Back Circle, Restorative Justice.

Khulisa's Progression from 1997 to 2015

TRADITIONAL APPROACH	KHULISA SYSTEMIC SOLUTION
<p>FROM</p> <ul style="list-style-type: none"> <li>• Focus on one presenting problem</li> <li>• Bring in the experts</li> <li>• Design a solution</li> <li>• Rally civic minded supporters</li> <li>• Apply the solution</li> </ul>	<p>TO</p> <ul style="list-style-type: none"> <li>• Focus on the system that contains the problem</li> <li>• Activate partnerships</li> <li>• Enable and grow on-the-ground capacity</li> <li>• Facilitate the interventions</li> <li>• Evaluate constantly and correctly</li> </ul>

# Khulisa Strenghts

Khulisa has been working with communities for over 18 years.

Operates countrywide:

33 offices; employs over 300 staff; active projects in over 400 communities

Trusted by many diverse parties

Committed and passionate staff with local relationships and knowledge

Works systemically to tackle the causal factors of community vulnerability.

Partnerships: with multiple NGOs, UJ, other experts

Interventions are based on research and evidence-based.

KIMS: Khulisa Information Management System: Can measure and report

Processes & systems that monitor and promote accountability and delivery

Khulisa is a connector, a catalyst and a conduit

### WHAT SHOULD BE DONE DIFFERENTLY?

#### FROM

Making one-off, reactive social investments

Setting organisational structures that separate social investment staff from business staff

Measuring investments in communities by rand spent

Trying to address societal issues by going at it alone

#### TO

Building a portfolio of strategic programs with a long-term economic development strategy

Creating processes that help integrate social investment and the business

Measuring investments in communities by societal and business outcomes

Building partnerships with government, NGOs and other companies to solve societal issues

Adapted by Linda Wedderburn from Shared Value Initiative: [sharedvalue.org](http://sharedvalue.org)

### 2014 HIGHLIGHTS

- From a governance perspective:  
Embedded and updated policies, procedures, systems and processes  
World-class financial management system – custom-developed by Pastel Evolution  
Embedded Performance Management System  
Strategic focus on developing staff members through individual Career Development Plans
- Khulisa has been appointed as implementing partner for the Global Give Back Circle in SA. The Global Give Back Circle is an innovative education, empowerment and employment transitioning process for orphaned and vulnerable adolescent girls. GGBC is designed to connect private, public and government sectors in measurably advancing South Africa’s realization of the 3rd Millennium Development Goal. The replication in South Africa follows a highly successful programme in Kenya; where it is now the largest gender-based education and employment readiness programme for girls.  
  
Newcastle Global Give Back Circle Pilot Project - Despite setbacks in funding, the Newcastle pilot project has continued, providing crucial information in terms of the definition of the SA programme, which we anticipate rolling out in 3 other geographical areas in the next year.
- The Dare to Dream Programme, which focuses on positive adjustment to adversity. It is based on Michael Ungar’s “social ecology of resilience theory”. The Programme has been underwritten by the University of the North West Province and introduced throughout SA.
- Khulisa is continuing to partner with Standard Bank, with their corporate volunteer programme focused primarily on the transformation of partner NPOs serving the Early Childhood Development sector.
- Khulisa received full accreditation for the Mentorship Programme from ETDP SETA on 02/07/2015. The same programme was also sent in for CPD (Continuing Professional Development) Application.
- Khulisa was approached by Investec to be listed as a beneficiary in a programme in which Investec clients can donate dividends earned on their monthly credit card spend. The total accumulated monetary value of these dividends will be paid to Khulisa on a quarterly basis.
- Khulisa UK continued to grow and succeed both in the rollout of programmes and also financially. The UK offices have championed the Khulisa ethos of Ubuntu, while adhering to our aims of creating innovation and becoming a recognized, proactive voice in the justice sector. The UK team has contributed new investment in our work and further enhanced the reputation of Khulisa as a “thought leader”.

- Khulisa has forged relationships with over 400 NPOs and SMMEs throughout SA.
- Khulisa’s knowledge management system has been updated.
- Khulisa has developed a monitoring and evaluation questionnaire, as part of their impact assessment of the Diversion Programme. The evaluation is completed by the divertees after three; six and twelve month intervals, directly following successful completion of the programme. This tool measures recidivism as well as the changes that the divertees have made in his or her personal, family and work or school environment.

### Return on Investment

- Western Cape Street People Project. After 6 months, 77% of the group had successfully moved off the streets and 68% said they had stopped or reduced substance abuse. Two funding contracts have been secured to sustain the project. The pilot demonstrated that ‘work works’ as a deterrent to anti-social behaviour in the city. To make work opportunities sustainable, two gardens, a bakery, a sewing and a carpentry project are being set up. During this project Khulisa secured the effective support and cooperation of approximately 23 different partners.
- During the 2014 financial year, 351 young children in the KZN Midlands went through the Diversion Programme. After a period of 3 months, only 5 children (or 4%) had relapsed; after 6 months, 8 children had relapsed and after 12 months, 10 children (6%) had relapsed. These statistics demonstrate a resonating overall success rate of 94%.
- Job Readiness. Khulisa’s Changing Lanes programme has placed in excess of 600 youths into Work Place experience, since May 2014, with approximately 30% converting to full time employment. A further 400 were assisted in gaining employment opportunities since September 2014.
- NYDA - Expanded Public Works / YouthBuild Programme. A total of 1,426 youths, between the ages of 18-35 were recruited to work as volunteers in a total of 42 regions, across 8 of the 9 provinces, between January and March 2014. Numerous community projects, including training workshops, gardening activities and community development initiatives, reached in excess of 50,000 community members nationwide.
- In Westbury 105 youths participated in the social media and photography programmes between January and June 2015. 42 youths were trained as MIBs, of which 12 also serve as peer educators. Seven Ubuntu Clubs have been established in schools in Westbury. 30 MIBs and peer educators were identified for vocational and entrepreneurial training as follows:

STATUS	NO
Auxiliary Social Work learner ship	4
Barrister Training	3
ECD learner ship	1
Found employment	3
Garden	2
Incubator	2
Kitchen	8
Radio Programme	1
Social Media	2
St Johns Volunteering	1
eLearning	3
<b>Total</b>	<b>30</b>

# STORIES OF THE YEAR

## National Youth Development Programme

Many coordinators of the National Youth Development Volunteer Programme have noted that the programme can really change the whole community. In one area, the coordinator reported that the volunteers, who were members of two separate gangs, started the programme with high levels of animosity and resentment towards each other. Within 10 days however, their membership within the programme began taking precedence over their membership in the gangs. It is nearly impossible to believe that they started to work together to improve the lives of other communities members and gradually they also started to get along with each other. It is needless to say that this positive development has significantly improved the safety as well as the general living conditions in this area. This incredible story is not an isolated incident as many similar stories have been reported to the Khulisa Head Office on a daily basis.

## Corporate Volunteering – Khulisa’s co-operation with Standard Bank

Khulisa has started a successful co-operation with Standard Bank in the field of Early Childhood Development. Standard Bank has committed to improve the situation of the local Nqutshini Crèche at Nibela Reserve that was not completed by the local council. Khulisa assisted the process by identifying the needs of this crèche and designing suitable interventions. It was only possible to complete the building with the generous support from Standard Bank and they also sponsored a new outdoor play area, stationary and office equipment as well as play and learning resources. The volunteers of Standard Bank were so inspired by this successful intervention that they decided to adopt the crèche and offer the so much needed continuous assistance.

## Xenophobic Violence

As a reaction to the xenophobic violence that shocked South Africa again in the beginning of 2015, Khulisa initiated a Xenophobic Violence Project called “Social Justice for All”. George Lai Thom, Khulisa’s National Restorative Justice, Conflict Resolution and Peacemaking specialist, assisted by mediator, Nkosinathi Mtembu, started a pilot project in Atteridgeville in form of a dialogue including all parties. They could successfully reduce the violence in this area and promote the approach of Restorative Justice to prevent further attacks and reduce negative sentiments against foreign nationals living in South Africa.

## Creating Shared Value

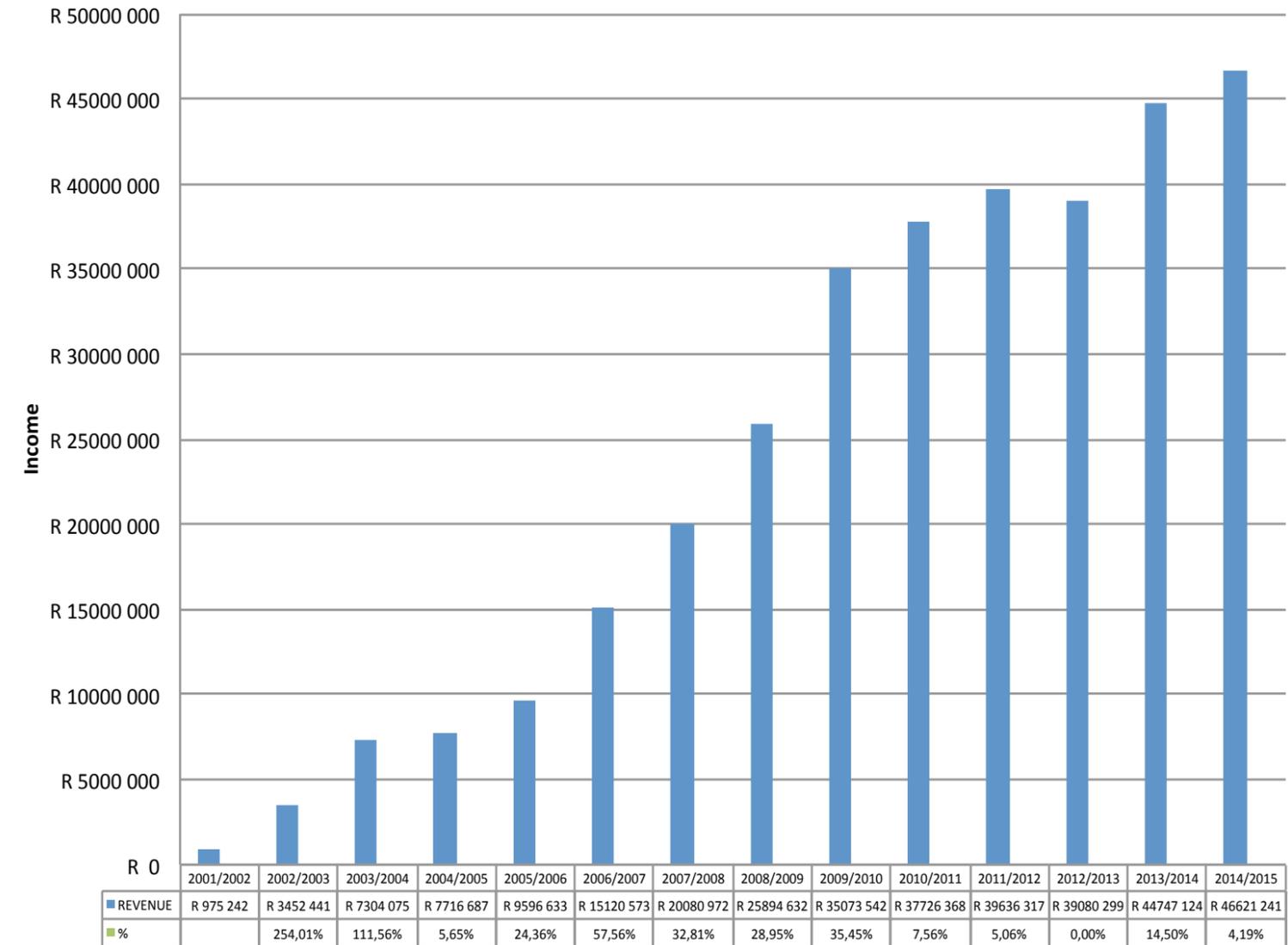
Richard is one of our employees that says about himself that he was empowered by Khulisa after a difficult time that resulted in 6 years of imprisonment. In the end of 2014 he was promoted to work as the Stakeholder Engagement Officer for the Mpumalanga Office and he says this was his greatest achievement in life. He has been very successful in spearheading Khulisa’s pioneering to establish the concept of shared value in the eMalahleni area.

## Make It Better Programme in Westbury

A total of 136 students were trained as peer educators as part of the Make It Better Programme between 2013 and 2015. They successfully established 15 Ubuntu Clubs at 15 schools in Westbury, run a feeding support scheme for 350 HIV positive children at a hospital and reached 300 learners with a school holiday programme in April and June 2015. This shows how the positive impact of Khulisa’s programmes in an individual’s life is multiplied and can have a positive impact on the whole community.

# FINANCIAL REPORT

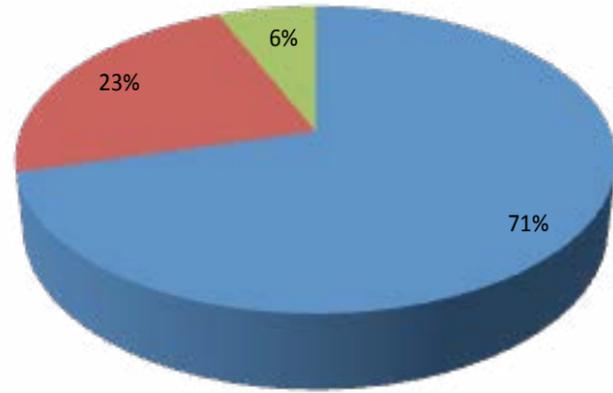
## Khulisa Funding Growth



In spite of the difficult circumstances of many funders, Khulisa has held its own in terms of funding, taking into account inflation. The funding base is beginning to reflect a broader base of programmes, e.g. diversion 72% at March 2014, 62% March 2015, in line with the current strategy.

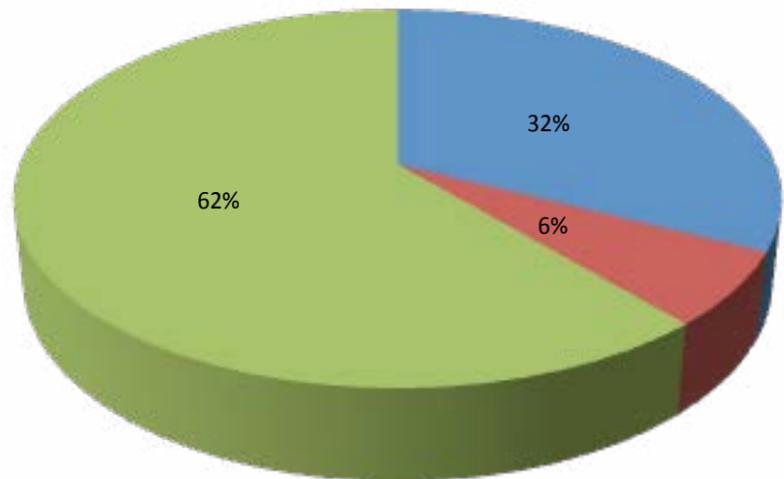
### Funding by Funder

■ Govt Funding % ■ Private % ■ Foreign %



### Funding by Programme

■ Community Development % ■ Development & Training % ■ Diversion %



# BOARD OF DIRECTORS



Dawn Mokhobo (Chairperson) – June 2014 (BA Social Science, Programme in Strategic Transformation) – “I have now found myself in a place where I can really and truly play a role in finding solutions to the real problems in our country, where it is most needed and where the impact of doing the right thing is mostly felt.”



Lesley Ann van Selm (Managing Director) – 1997 (Diploma – Creative Writing, Advanced Tourism, Short Story Writing) “The dedication and passion of our staff is the driving energy behind Khulisa. The success of our organisation is resultant from the love we have for our work and living our purpose. I am so privileged to be surrounded by and working with people who support us in accomplishing what we do in the realisation that ‘nothing great was ever achieved without enthusiasm” (Ralph Waldo Emerson)



KC Makhubele – July 2011 (MBA; B Com; Masters in Commerce) “My decision to work with Khulisa as a board member was inspired by a passion to make a difference to one person, to groups, to a community and to a country. This amazing organization continues to do exactly that - changing lives, making a difference and creating a new future. I have come to find that by helping others, I am helping myself.”

## BOARD OF DIRECTORS



Melvyn Lubega – January 2013 (Bachelor of Business Science; Actuarial Science) – “Reinventing lives is not limited to members of Khulisa’s programmes – it happens to anyone who interacts with Khulisa. This organization is world-class and I am honoured to be on the board and to have the opportunity to be continually transformed through my interactions with such a committed team.”



Ian Mann – January 2013 ((BA Hons, BA Hons, MA) “Khulisa is an exceptionally well run organisation. Its pioneering work on our social fabric will make our country a safer and better place for all to live in. I am honoured to be on Khulisa’s Board.”



Donna McCartney (Executive Director) – November 2013 (Diploma in Human Resources Management) “It has been an honour for me to be associated with Khulisa over the past 7 years. Today the organisation prides itself in having world class systems and processes in place as well as aligning itself in terms of King III and Good Corporate Governance.”



Thulani Madinginye – January 2013 (Masters in Commerce – Applied Economics; Bachelor of Business Science) “Being part of Khulisa makes me feel like I’m a part of something much bigger than just my life. I feel like I’m contributing to actual impact work within South Africa’s various communities.”

## BOARD OF DIRECTORS



Zamile Qwemesha (Deputy Chairperson) – July 2011 (BA Law; LLB; Admitted Attorney of the High Court) “Over the years, as an Attorney, it has been a great pleasure for me to see Khulisa’s growth since I joined the Board. Their governance structures, the manner in which the organisation is run, the new boundaries that have been transversed and the solid foundation on which the organisation is based, makes it a pleasure for me to be part of the Board and to contribute in whatever way I can.”



Khosi Mvulane – March 2012 (Chartered Accountant; Registered Auditor) “The focus of GAD is to work in collaboration with multiple SMMEs and NPOs around the country. Khulisa is one such valued partner with the ability to scale up interventions to empower SMMEs and NPOs on a national basis. I am proud to have them as our key implementing partner.”



Robert Peacock – January 2013 (BA Criminology & Psychology; BA Honours Criminology; BA Masters Criminology; D Phil Criminology) “In our attempts to address and transcend institutional, structural and interpersonal victimisation, Khulisa provides a powerful vehicle to advance social justice, focusing in particular on the plight of the most marginalised and vulnerable in our communities. As a board member I am proud of the initiatives of Khulisa, seeking to give our world a more humane face.”



Phephile Simelane-Modiselle (Deputy Chairperson) – June 2014 (Bachelor of Commerce) “My heart is filled with gratitude at the honour and blessing of being part of this life changing organisation”

## FUNDERS

- Anglo Gold Ashanti
- API Education Foundation
- Bain & Company South Africa
- Blue Label Telecoms
- Central City Improvement District, Cape Town
- Community Chest GIVA
- Department of Criminology & Security Science - Unisa
- Department of Education KZN
- Department of Social Development Free State
- Department of Social Development Gauteng
- Department of Social Development KwaZulu Natal
- Department of Social Development Mpumalanga
- Department of Social Development National
- Department of Social Development North West
- Department of Social Development Western Cape
- DHL Supply Chain
- Dihkabeng Local Municipality
- Dr C Brink
- Duma Travel
- Finnish Children and Youth Foundation
- Foundation of Human Rights
- Gavin Varejes
- Genesis Steel Pty Ltd
- Gold Peer Education Development Agency
- Harmony Gold
- Investec Bank "Touch by Giving"
- Investec Bank Ltd
- Khulisa UK
- Matchworks Pty Ltd
- Mikko Kropela (CPUT)
- My School Card
- Natal Portland Cement
- National Lottery Fund
- National Youth Development Agency
- Orms CC
- PPC Ltd
- R B Hagart Trust
- Redcap Foundation
- SANCA
- Sasol Donations Trust
- Shintsha Health Initiative
- Sibanye Gold
- South Coast Stone Crushers Pty Ltd
- St. Pauls School, London
- Standard Bank
- Sterkspruit Aggregates Pty Ltd
- Steven Narsoo
- Taste Food Franchising Pty Ltd
- The DG Murray Trust
- The Spar Group
- Transaction Junction
- True North Coaching and Consulting
- University of North West
- Vilma Vainikainen (CPUT)
- Wartenweiller Charity Trust



## Khulisa Branches

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info@khulisa.org.za

### GAUTENG REGION

Westbury  
Krugersdorp  
Carletonville  
Roodepoort

### NORTHERN GAUTENG REGION

Hammanskraal  
Ekangala

### NORTH WEST REGION

Klerksdorp  
Vryburg  
Potchefstroom  
Wolmaranstad  
Rustenburg  
Mahikeng

### MPUMALANGA REGION

Emalahleni  
Govan Mbeki / Secunda  
Tonga / Nkomazi  
Thembisile / Moloto  
Bushbuckridge

### KWA-ZULU NATAL REGION

Newcastle  
Ladysmith  
Dundee / Umzinyathi  
Vryheid / Ulundi  
Ulundi- Hluhluwe  
Durban  
Stanger

### PIETERMARITZBURG CLUSTER

Park Rynie  
Port Shepstone  
Ixopo  
Kokstad

### WESTERN CAPE REGION

Cape Town  
Mitchells Plain  
Paarl  
Worcester  
Bredasdorp



*Khulisa would like to thank  
all its partners and funders  
who have contributed  
financially and through pro  
bono services to the success  
of the organisation.*