



ZIMELE

HELPING PEOPLE STAND ON THEIR FEET

2010/11 Annual Report

Our friends and partners,

2010/2011 was the 4th incredible year for **ZIMELE DEVELOPING COMMUNITY SELF-RELIANCE** ! In the last year, we have again, made significant progress with 5047 women and children enjoying a better life:

- Self-Help-Groups: We are working with 721 women in 54 vibrant Self-Help & Savings Groups and 9 Cluster Organisations. The total number of household members benefiting from this programme is 5047 of whom 1650 are 18 years and younger.

Through new community initiatives, 26 orphaned and vulnerable children received care and food, 24 sick patients were nursed and 46 children enjoy safe day care at a Pre-school.

The total amount saved to date is R207 000 and women were able to borrow R351 000 from these savings. The total number of loans was 2767. During 2010, we conducted 116 training workshops in the SHG modules and 173 workshops in the CLA modules thus affecting 700 women.

- Income Generation Programme: 70 Crafters received training in production of 8 different products. Zimele sold crafts to the value of R260 355 and R295 670 was paid out to crafters. This increase in income directly benefited children, increasing their meals per day, their ability to cover educational transport costs and improved health.

I want to share with you our numerous successes as well as our setbacks, which we are not shy to share as we strive for total transparency and honesty.

Thank you for your continued support, as we would not be able achieve any of this without you. We hope that the following pages will provide an encouraging insight into the life changing work which you are enabling us to do for the people of KwaZulu Natal, South Africa.

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Rosetta Stander
Founder/Director

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Andre Coetzee
Chairperson

ZIMELE Overview

Zimele was founded on the vision of confronting the root causes of poverty and removing the barriers to self-sufficiency for women in rural communities in KwaZulu Natal, South Africa. We pursue this vision through our mission of empowering women with the skills, resources, and support networks to sustain themselves and their communities.

According to UNAIDS Statistics, 5.6 million people were living with HIV and AIDS in South Africa in 2009, more than any other country. It is believed that an estimated 310 000 South Africans died of AIDS in 2009. Approximately one-in-three women aged 25-29, and one-in-four men aged 30-34 are living with HIV. The epidemic also has a devastating effect on children. In 2009, there were an estimated 330 000 children under the age of 15 living with HIV, a figure which has nearly doubled since 2001. Furthermore, there are 1.9 million AIDS orphans – children who have lost one or both parents to the disease – in South Africa.

In the Umgungundlovu and uMshwathi communities, where Zimele works, an estimated 75% of residents live in impoverished mud homesteads with relatively poor access to basic services compared to people living in urban districts. A major proportion of the population in the older age group have absolutely no schooling and only 27.9% have some level of primary education.

What we do:

The Zimele project is based on the Self-Help Group programme model initially developed in India. Our programme model is structured around 3 community development phases: Phase 1: Self-Help Group (SHG); Phase 2: Cluster Level Association (CLA); and Phase 3: Federation. We integrate 6 core strategies throughout each phase to enable women to achieve their goals and objectives: Life Skills Training; Financial Literacy Training; Business Training; Administrative Training; Mentoring and Networking.

How we do it:

The Zimele staff invites women in rural areas to participate in Self Help and Savings groups of 10 – 12 women per group. During their weekly meetings, Zimele provides training and ongoing mentoring and assistance to help nurture the growth of each individual and group. We use different forms of learning techniques and each group establish their own charter and rules. Through positive peer pressure the members, who are mostly women encourage each other to save a portion of their very small income on a weekly basis. Depending on the group rules, members are allowed to borrow against individual or group savings. Many borrow for the purpose of paying for their children or grandchildren's schooling, buying food or starting a micro business. Since 2007, we invited 1000 women to participate in the Self Help and Savings groups. Of these women 721 are active members. These 721 members managed to save more than R170 000 ZAR and over this period 2442 loans were granted to the value of R292 932 ZAR. This is an example of how Zimele's programme confronts the root cause of poverty by removing the barrier of access to money. Research done by Zimele found that 27% of the money saved was invested in small business activities and the profits from these small businesses were spent on family needs. The balance of 73% was used to cover school expenses for their children and buying food.

Our accomplishments the past year: Transforming lives!!!!

- 1. Self Help Group Programme:** By the end of 2010, there were 721 women in 54 vibrant Self-Help & Savings Groups and 9 Cluster Organisations. The total number of household members benefiting from this programme were 5047 of whom 1650 were 18 years old and younger.

Collectively the women saved R207 000, and the total nr of loans was 2442. During 2010 we conducted 116 training workshops on the SHG module and 173 workshops in the 9 CLA modules affecting 700 women. We assisted 9 Clusters and 3 projects to develop their Constitutions. Five of these Constitutions were submitted to Department of Social Development and await Non Profit status.

Two Clusters developed their social care projects further and are now in the position to receive donor funding. These projects are: a crèche to care for children aged from 03 to 06 during daytime, a Home Based Care programme caring for dying community members and an Orphaned Care Programme, caring for child headed families.



- 1.1 The Crèche:** The Siyazama Cluster had the vision to start a day care facility. In 2008 a group of women expressed their concern about the safety of young children while their parents worked in the fields. One woman saw this as an opportunity to serve their community, and to fulfil their passion for teaching and earn and income. Zimele facilitated the training of teachers. Two schools have grown from strength to strength despite of the primitive settings. What we are most delighted to report on is the ability of the management committee to manage the school. They are currently designing a new financial system. 52 Children receive intellectual stimulation, a safe environment to learn and emotional support.

- 1.2 The Orphaned and Vulnerable Children (OVC) Project:** Many children in Swayimane live without parents, food and proper shelter. Zimele realised the importance of building the capacity of women to provide a support service to these children. 15 Women received training in parenting skills, psychosocial support to orphaned children and information about Government services. This project impacts on 10 orphaned and vulnerable child headed households and 35 children. Independent of Zimele, the women assist the orphaned children to access Government Grants, distribute food parcels, school uniforms and have even built a house for three young girls. These women received training in donor relations and are able to provide narrative and financial reports to donors.



- 1.3 Home Based Care:** Every member of Zimele Self Help Groups is directly affected by HIV/AIDS. A neighbour or a family member might be dying, while life for their children needs to continue. It is normally the oldest child, often younger than 18 years old, who bears the burden of caring for his/her siblings and dying parent. These project members received training in Home Based Care,

HIV/AIDS and Tuberculosis prevention, treatment and counselling. The project has a constitution and registered with the Child in Distress Network in Pietermaritzburg. They currently serve 10 patients at a time and able to provide narrative and financial reports to donors for funding received.

Thembanani Cluster

We are proud to announce that, Thembanani Cluster, one of Zimele's clusters won the Cluster Level Achievement Award for 2010. They received a Certificate and Cash Prize. This award was for the Cluster that best demonstrated evidence of strong linkages and networking on behalf of their Self Help Groups, had strong Self Help Groups in their Cluster and had made a significant impact on their community through projects they had initiated and coordinated.

This is the second time in a row that Zimele's Clusters have won this prize. Zimele is one of the 16 organisations implementing the Self Help Group concept in South Africa in partnership with Sinamandla, a local funding organisation. This is also a great achievement for the Zimele Staff and a source of inspiration as they continue mentoring the other 8 Zimele Clusters.

2. Income generation

Highlights in the craft programme:



In March and in August Zimele attended our first National Trade shows and sold products well over the value of R90 000.

New popular products!



The angels were our most popular product of 2010.



We brand our products and the packaging was widely accepted by the market.

2.1 Handi Crafts Products: ZIMELE focus on crafts as a form of income because for many rural Zulu women, crafts are a natural way of earning money. From baby steps to GIANT LEAPS... are the only words to describe what has been happening with Zimele Craft over the past year. Until 2010 our focus was on training crafters to produce quality products. Since 2010 we added a most important aspect to our programme; a profit driven marketing division. The purpose was to increase production volumes so that crafters could increase their income. We were able to sell products to the value of R260 355; 50% higher than 2009. We expand our product range to 20 specially designed products and crafters learned how to embroider, sew, bead and felting.

Finally, after two years, ZIMELE was able to expand the craft programme to crafters on the SHG programme in Swayimane and Granny Sebensile's was the first crafter and Self-Help member in Swayimane to add extra income to her household. She learned how to produce the Zimele Happy Pens, a beaded ball point pen. Soon, she earned R430.00 (\$61.00) per month. She was excited to learn that her products met the Zimele product requirements and she is now ready to expand her beading business. Prior to her involvement on Zimele Craft programme, she was selling her beadwork in Durban, a City about an hour's drive away. But this is expensive and her profit margin was very small. Working through the Zimele marketing programme, she is able to maximise her profit.

This experience built Sebensile's confidence and she started to question her illiteracy. She realised that she is powerless and vulnerable when other people write in her savings book. As a Cluster representative, she felt she could add much more value to the development of her community if she was literate. By midyear, she enrolled in an adult literacy programme!!!!

2.2 Cultural Guesthouse: Thanda is a member of the Cebolenkosi Self Help Group. She is 27, orphaned and care for her brother and sister. Thanda's dream is to own a cultural Guesthouse in Swayimane. She attended a training course in hospitality, offered by Department of Economic Development. Before the end of the year, Thanda was able to host her first visitors, a group of scholars from Germany.

2.3 Food Processing: Thanda, together with 20 other women, completed a course in food processing of which the first training session was how to cook Jam. This enabled Thanda to open a new market in her community. Subsequently she is known as 'the jam lady' in her community. The food processing course is an accredited training and women are now able to access markets outside their local community. The demand for fresh produce in Swayimane created a local economy that did not existed before.



2.4 Agriculture: Most of the women on ZIMELE's programme are subsistence farmers. But at the same time, many households are food dependent because of unavailability or lack of purchasing power, inadequate agriculture infrastructure and lack of knowledge in production methods and agriculture related business management. In 2010 ZIMELE implemented a three year capacity building programme to support the farmers. Fifteen women graduated after doing the Agri Planning course. This course focus was on costing Agriculture as a businesses, record keeping, calculating input and output, calculating income, mobilising each other in their productive roles, so that they have a complete team. They also look at planning a seasonal calendar over a year. 15 Women received training in crop and financial management and marketing of agricultural products.



Training in AgiPlanning and the results there after. Produce ready for the market.

Achievements:

- We can proudly say that Zimele was able to increase the financial independence of Self Help Group and Cluster members.
- Enable SHGs and CLAs to develop business and social service programs to support themselves and their communities.
- Decrease SHG and CLA members' dependency on charity to meet basic needs.
- Raise awareness for HIV/AIDS prevention and provide home-based care services to reduce mortality rates.
- Raise awareness for domestic violence and prevention.
- Improve the health of infants and children and decrease child mortality rates.

- Decrease the number of neglected orphaned and vulnerable children in Zimele communities.

The difference is:

- Women are able to buy seeds to grow produce, which they use for personal consumption and/or sell for a profit in different marketplaces.
- From their savings they have money to purchase items to stock their 'side walk' (spaza) shops.
- They are able to buy raw materials to make craft products to sell.
- They can purchase basic needs such as food, water, clothing, and school costs for their children.
- They are able to pay for clinical care.
- They can cover transportation costs, which enable them to expand their market and networking opportunities beyond their communities.



Summary

Our organisational philosophy is rooted in the Zulu word, "Zimele", which means, "to stand on one's own feet". Our program model ensures that the women we serve receive the highest quality training and mentor support to start savings and loans groups and invest in starting their own micro-businesses and social service projects. To date, Zimele has provided over 1200 women in rural communities of Swayimane and Winterton with the trainings and mentor support to sustain themselves and their communities.

There is a visible difference in the women's assertiveness, their energy to start and run their businesses and their passion to give back to their communities in the form of support to orphaned children, child care and caring for the sick.

Donor List

Sinamandla (NDA Funding)	R 100 000
Zimele USA	R 873 000
Our Journey	R 5 860
Broederlijk Delen	R 262 000
Vezuthando	R 111 000
Zimele UK	R 45 800
Other	R 460 500

Financial Report

DONATIONS AND PROJECT INCOME

	2011 R	2010 R
Project and office operational income	1,367,989	886,382
- Gifts and Donations - Restricted	30,714	22,842
- Gifts and Donations - Unrestricted	989,827	745,940
- Marketing - visiting teams	347,448	117,600
Programme - CBO mentoring	31,415	74,483
- Gifts and Donations - Restricted	31,415	28,859
- Gifts and Donations - Unrestricted	-	45,624
Programme - craft	105,967	680,772
- Gifts and Donations - Restricted	75,000	283,555
- Gifts and Donations - Unrestricted	221	14,555
- Prior year	-	118,469
- Craft sales	-	107,792
- Product purchase- Credit Funds	-	100,000
- Raw materials sales	30,746	16,401
- Raw materials - Credit funds	-	40,000
Programme - SHG	281,528	314,723
- Prior year	-	16,668
- Gifts and Donations - Restricted	231,056	90,641
- Gifts and Donations - Unrestricted	45,339	204,914
- Grants	-	2,500
- Training of self-help concept	5,133	-
Programme - Zimele Zimbabwe	-	504,639
- Gifts and Donations - Restricted	-	183,000
- Gifts and Donations - Unrestricted	-	321,639
Programme - Zimele fair trade	289,686	-
- Zimele fair trade	7,032	-
- craft sales	273,700	-
- postage and delivery	8,954	-
	<u>2,076,585</u>	<u>2,460,999</u>

DETAILED INCOME STATEMENT
for the year ended 28 February 2011

		2011	2010
		R	R
REVENUE		2,083,807	2,478,287
Donations and project income	5	2,076,585	2,460,999
Interest received		7,222	14,039
Other Income		-	3,249
EXPENDITURE		(2,362,671)	(2,001,173)
Auditors remuneration			
Audit: provision		15,000	12,771
prior year		13,800	-
Other		-	11,985
Bank charges		11,159	10,091
Bookkeeping fees		173,703	116,019
Computer expenses		-	789
Consultancy		1,767	113
Depreciation	2	25,137	26,870
Employee costs		363,586	322,778
Fundraising		47,053	14,336
Interest expense		30	27,085
Insurance		4,910	3,528
License		789	-
Loss on scrapping of vehicle		8,505	-
Minor assets written off		13,569	5,878
Motor vehicle expenses		10,671	17,689
Printing, stationery and postage		9,172	5,127
Project expenses			
CBO mentoring		31,286	65,049
Craft expenses		353,844	445,373
SHG expenses		482,737	376,389
Zimbabwe expenses		60,220	392,273

Zimele fair trade	333,237	-
Rent	15,000	-
Repairs and maintenance	3,184	588
Strategic planning and training	20,189	24,186
Telephone and fax	28,271	22,975
Travelling expenses	14,865	12,178
Visiting groups	308,456	81,703
Water and electricity	12,531	5,400
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NET (DEFICIT)/SURPLUS FOR THE PERIOD	<u>(278,864)</u>	<u>477,114</u>
