

ANNUAL REPORT 2019

35 YEAR CELEBRATION



Cover picture 35 year celebration.



SOCIAL CHANGE
ASSISTANCE TRUST

Vision:

A South Africa with vibrant rural communities.

Mission:

To partner with rural community owned agencies in order to promote social justice.

How we do it:

SCAT works with Local Development Agencies (LDAs) in rural communities which promote social justice and address cross cutting issues in their communities. SCAT provides support in the form of small grants, fieldwork and capacity building. Our focus areas are access to justice, gender, food security and youth empowerment.

SCAT ANNUAL REPORT 2019

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TRUSTEES



Nkosikhulule
Xhawulengweni
Nyembezi
Chairperson



Sue Anderson
Vice Chairperson



Lorenzo Wakefield
**Finance Committee
Chairperson**



Valerie Jonathan
**Finance
Committee**



Jeremy Chennells
**Human Resources
Committee
Chairperson**



Deena Bosch
**Programmes
Committee
Chairperson**



Khoboso Nthunya
**Programmes
Committee**

TEAM



Joanne Harding
Director



Seth Tladi
Programme Director



Hishaam Nordien
Finance Manager



Colleen Alexander Julies
Programme Officer



Vuyo Msizi
Programme Officer



Nokukhanya Mchunu
**Programme Officer
(appointed end 2018)**



Abigail Steedsman
Administrator



Mzolisi Nombewu
Bookkeeper



Nosimilo Filita
Finance Administrator



Nobuzwe Banda ILDA Uitenhage and Nomboniso Gaya Port St Johns Advice Office

CHAIRPERSON'S REPORT

THE POWER OF RESILIENCE TO OVERCOME TRYING TIMES

Nkosikhulule Xhawulengweni Nyembezi

My uppermost memories of the period under review are of a celebratory space, marked by a series of events and activities to commemorate the 35-year anniversary of the Social Change Assistance Trust.

This space allowed SCAT members and partners from all corners of South Africa and abroad to reflect and affirm that the best response to social injustice, poverty, and hunger is resilience.

During this time, SCAT was also afforded the opportunity to adopt innovative ways of implementing its mandate with a full complement of the Board of Trustees. Following the stepping down of Priscilla Sigila as chairperson at the end of her term in 2019, there were changes introduced to strengthen the board as well as its committees.

These changes included my election as chairperson, Sue Anderson as vice-chairperson, Lorenzo Wakefield as finance committee chairperson, and Deena Bosch as programme committee chairperson. Mandisa Shandu was appointed a trustee, thus adding valuable knowledge, skills, and experience to the team.

One of SCAT's most distinguishing features is the absolute commitment of trustees and staff members. In the case of trustees, this is also reflected in attendance and active participation in all meetings in a professional manner that nurtures individual and collective ownership of responsibilities while optimally benefitting from collegiality.

Since the dawn of democracy in South Africa there has been remarkable progress in making human rights real, but there are still many challenges.

Our daily experiences in the period under review were shaped by alarmingly high levels of hunger and household food insecurity, drought and disease, regular electricity blackouts, high unemployment and poverty.

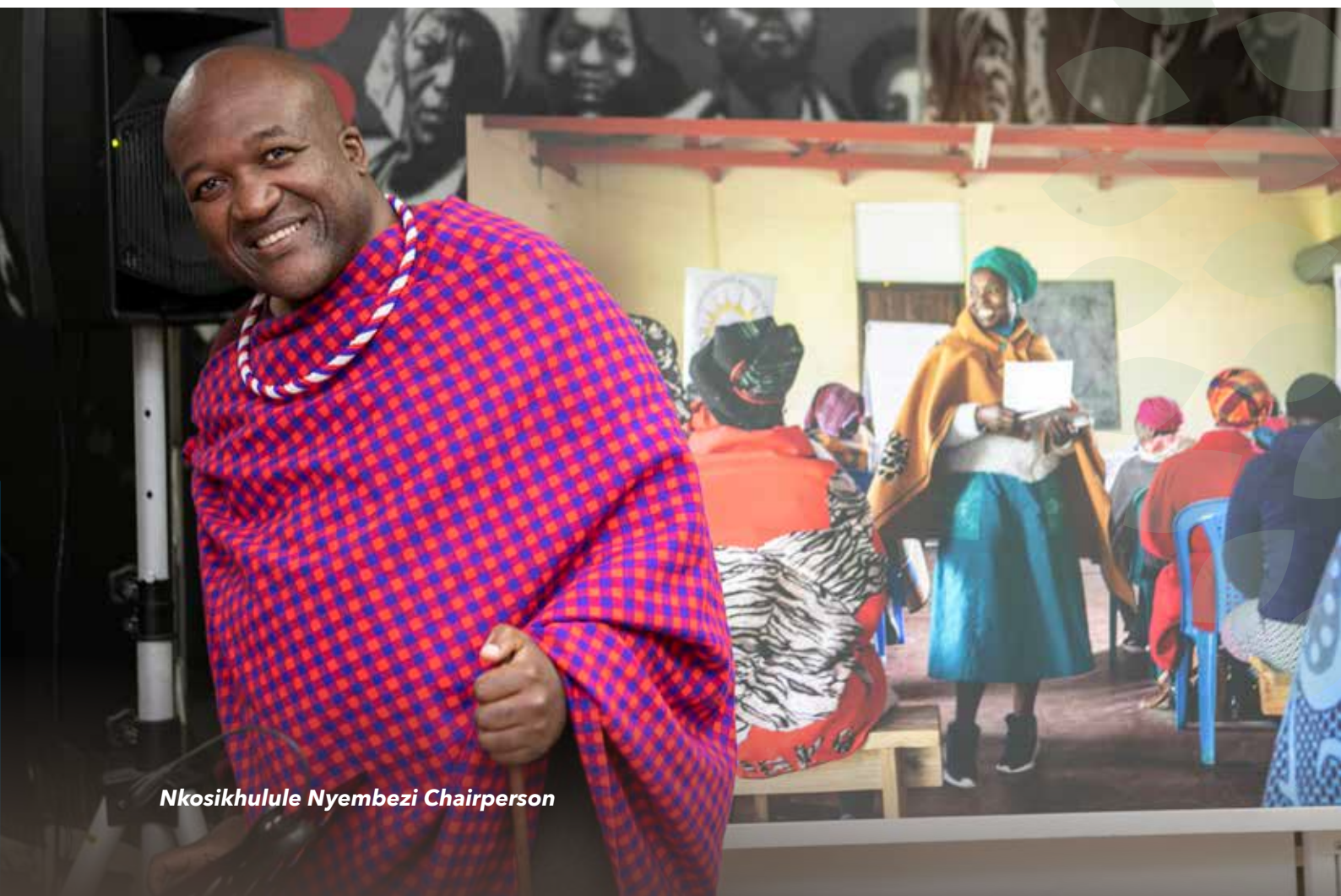
In the course of assisting partner organisations, SCAT has amassed new insights into the lived experiences of communities struggling to survive while weighed down by these life challenges. These insights amplify the importance of the work of SCAT and the need to constantly remind ourselves of the intrinsic value of courage, resilience, and mutual support.

"This space allowed SCAT members and partners from all corners of South Africa and abroad to reflect and affirm that the best response to social injustice, poverty, and hunger is resilience."

Because of the commitment and courage of SCAT members and partners, we did not hesitate to roll out accredited training through various workshops, including the 2019 Dullah Omar School for Paralegalism. The provision of accredited training benefits the social justice sector by ensuring the availability of a wide pool of suitably qualified individuals to provide legal advice to the poor and vulnerable individuals and communities.

We did this in order to build capacity for broadening access to social justice and human rights at a time when the scourge of gender-based violence in the form of femicide and infanticide is tearing our society apart. The extent of our programmes in these areas and the scale of investment is reflected in this report.

Over the past years we have constantly reminded ourselves that SCAT's mission is about empowering communities, strengthening civil society and promoting social change. Creating opportunities for empowerment and meaningful participation in all socio-economic aspects of life is not easy when communities are faced by extreme conditions of deprivation. In addition, rural communities are deeply impacted by climate change which has caused drastic changes in rainfall patterns and water shortages. Most poor South African communities, in particular rural communities find themselves disconnected from the fourth industrial revolution, with low or no digital connectivity - denying them access to essential information from government, NGO's or funders.



Nkosikhulule Nyembezi Chairperson

Despite the many flaws and fissures in post-apartheid South Africa, we have built great institutions of democracy. Even though our country is still mired in inequality, poverty, unemployment, violent crime, racial and political intolerance and corruption, we are also learning to coexist and co-operate with each other despite our divisions.

This mutual support is visible in the Local Development Agencies (LDAs) and their surrounding communities which SCAT serves. Their work is an embodiment of the African spirit of ubuntu. A spirit of caring, respect, generosity and reciprocity that is found in the most impoverished communities in our rural hinterland where people reach out and help each other. This spirit is also evident in the generosity of our donor community without whom our programmes would not exist.

This realisation amplifies SCAT's gratitude to our donor partners for their solidarity. The resilience of our partnership has ensured continued sustainability of our programmes. SCAT's healthy financial state, as reflected in this report, speaks to our commitment to our long-term vision to promote locally driven solutions to access to justice, gender equality, youth empowerment, service delivery, and food security.

This commitment will continue in the coming months and years, even as we grapple with new uncertainties brought about by the threat to human lives and livelihoods associated with the coronavirus pandemic. The pandemic has changed and will continue to change the way we run the organisation and its programmes in the future.

Our schedules are disrupted, and our priorities change as we continue to confront the varying degrees of vulnerability in our society. We look forward to the future knowing that we do not remain the same. This is true of our partner organisations as well as communities in which they exist.

These are not the best of times, but we have seen worse. It might do well for us to view these abnormal times as an opportunity to ask more of ourselves, to reflect on our relations with each other in order to preserve the partnerships we have forged at various levels of SCAT networks. These times call on us to think critically about improving the social, economic and political structures that shape our lives. This reflection will help us to stay relevant, responsive, and caring. We can draw inspiration from those who have surmounted high obstacles in the past 35 years of SCAT's existence, and vow to make the new social change that we aim to bring about, better, more just and more secure than the old.

We are honoured and privileged to be the trustees of this organisation during these challenging times, encouraged by the commitment of those who work together to realise its mission and objectives, and thereby making a difference to the lives of many individuals and communities.



Jeanette Mqomo Kgatelopele Social Development Forum



Makotuleng leboto Mount Fletcher Advice, Kefuwe Tabohane Mount Fletcher Advice, Pontsho Moshoeshe Siyanakekela Community Development Organisation

EXECUTIVE DIRECTOR'S REPORT

35 YEARS LATER OUR LITTLE GRANT MAKER IS STILL MAKING A BIG IMPACT

Joanne Harding

It has been a privilege to work for an organisation like SCAT for at least half of its life. Celebrating 35 years of existence since the Trust Deed was signed on 14 April 1984 was a big milestone, especially since the event marking this moment was a demonstration of our deep rural roots and our significant contribution to addressing social justice and promoting human rights in rural communities. Having made thousands of grants to community-based organisations over the years, is an achievement few can lay claim to. As Gordon Young a founder trustee says in our book Rural Voice II: 35 Stories for 35 Years, we are "The little grant maker that made a big impact".

2019 was an extremely busy year for SCAT which went by in the blink of an eye. Our local development agency (LDA) partners started the year with voter education in preparation for the national elections on 09 May. The purpose of this was to ensure that people knew what to expect when they reached the polling station and to ensure they made their mark as they intended. Although this work is non-partisan, the LDAs had to be conscious of the highly charged political environment and navigated this with caution. As SCAT, we were cognisant of the manoeuvring of different political parties to secure votes. For rural people these promises seldom result in real change as they continue to navigate poor infrastructure and service delivery, ill-equipped schools, a crumbling health system and a legal system which does not ensure access to justice for the poorest and most vulnerable in our country.

The May 2019 elections secured another victory for the African National Congress despite the damaging effects of what has been coined 'state capture' and the near decade of misrule by the Zuma administration. Compounding the structural inequalities that were shaped by apartheid, we saw another year of shrinking economic growth and increasing unemployment.

'Ramaphoria' was short lived as the new President Cyril Ramaphosa navigated the complex dynamics of factional divisions in his party which severely impacted on the promises of change by the new dispensation. Ramaphosa came into the position with a tainted past. He had been Deputy President of the country during the height of state capture and his complicity in the Marikana massacre remains a scar on the nation's recent history.

"As SCAT, we were cognisant of the manoeuvring of different political parties to secure votes. For rural people these promises seldom result in real change as they continue to navigate poor infrastructure and service delivery, ill-equipped schools, a crumbling health system and a legal system which does not ensure access to justice for the poorest and most vulnerable in our country."

THE ZONDO COMMISSION

The year 2019 was characterised by the Zondo Commission, a public inquiry launched by President Ramaphosa in August 2018 to 'investigate allegations of state capture, corruption and fraud and other allegations in the public sector including organs of the state'.¹ A weakened National Prosecuting Authority with new leadership under Shamila Batohi has struggled to charge and prosecute corrupt politicians and business people, limited by a lack of thorough investigations by the SAPS and Hawks and political interference in the NPA.² The NPA is also fighting cases with people who have deep pockets requiring prosecutors to make sure they 'have all their ducks in a row before they prosecute'.³

Civil society and the media played an important role in exposing the corruption of state and business over the past decade and are valuable agents for monitoring government's service delivery and civil servant's adherence to the Batho Pele⁴ principles. In rural areas LDAs are an important role player monitoring corruption and poor governance. This is often hidden due to the isolation of rural people and lack of access to police functions like the Hawks. The LDA's task is made more difficult by the fear of retaliation for whistleblowing in small communities where people know each other well. Judge Zondo himself has expressed dissatisfaction at the public's lack of enthusiasm to come forward with evidence.⁵

LOCAL DEVELOPMENT AGENCIES IMPROVE THE QUALITY OF LIFE IN RURAL COMMUNITIES

SCAT LDA partners are focused on ensuring an improvement in the quality of life of the people in their communities. They do this by monitoring access to basic services, such as housing, water and power. Their management of home-based care programmes and implementation of sustainable livelihood projects such as food gardens and soup kitchens ensure the health and welfare of people and provide access to job opportunities. All of this is done in addition to the important role of providing access to justice in rural communities. The LDAs we support have through their paralegal work advised over 30 000 people annually. The majority of these cases were social grant cases (30%) followed by labour cases (26%). SCAT is concerned with the case management by paralegals and to this end we have engaged in discussions on case management.

According to Stats SA's Public Safety and Justice Survey 2018/2019, 12% of the population experienced one or more disputes or justiciable problems during the past two years.⁶ Stats SA argues that this is way below common estimates which fall in the range of 30-60%. The majority of disputes experienced by women was the disruption

1. Parliamentary Monitoring Group (22 June 2018). "Judicial Commission of Inquiry into Allegations of State Capture (Call for evidence/information)". pmg.org.za.

2. Pierre De Vos. Why the wheels of justice are turning so slowly? Daily Maverick. 30 September 2019.

3. Ibid.

4. Batho Pele, a Sesotho word, which means "People First", is an initiative that was launched in 1997 to transform the Public Service at all levels. Batho Pele was launched because democratic South Africa inherited a Public Service that was not people-friendly and lacked the skills and attitudes to meet the developmental challenges facing the country. <https://www.gov.za/documents/transforming-public-service-delivery-white-paper-batho-pele-white-paper>

5. The Zondo Commission from a Corruption Watch point of view. 21 August 2018. www.corruptionwatch.org.za.

6. Governance, Public Safety and Justice Survey GPSJS 2018/2019. Statistical Release: P0340 Governance and Access to Justice.

of services while for men it was corruption or bribery by government officials. The second highest disputes for women was disagreements with neighbours and for men it was unpaid debt by friends or non-family members.

Interestingly, this data does not corroborate SCAT's own case statistics which show that the majority of cases seen by paralegals are related to social grants with the second highest being labour cases. According to Stats SA, 24% of people get information on how to resolve disputes from electronic media. About 29% of people seek help from family or friends, with 9% going to police for help and 8% going to courts or tribunals. On average it takes 338 days to resolve a dispute and 873 days to give up on resolving a dispute. The average amount of money spent on resolving a dispute is R1 730, but some spent as much as R200 000. Three quarters surveyed thought that the financial impact of resolving a dispute was too much. Stress, ill health or injury were seen as consequences of disputes experienced by 60% of the population.

PARALEGALS NEED REGULATION AND RECOGNITION

The high cost of resolving disputes are important motivations for supporting the work of community advice offices (CAOs) which provide free legal advice. In order to deliver effective services, paralegals need training, mentorship and support. They need the backup of the legal profession for cases which are beyond their jurisdiction and skill. They also need technology and data to ensure access to the latest case law. Resources must be updated such as the paralegal manual and there is the need for software to ensure improved case management. For all of this to happen there must be sustainable funding from both the state and independent sources. There is a legal obligation on the part of the Legal Practice Council to make a recommendation to the Department of Justice on the recognition and regulation of paralegals by October 2021.

Slow progress is being made by the DOJ in consulting the sector. SCAT and many of the advice offices we fund participated in consultations led by the Foundation for Human Rights and Community Advice Offices South Africa (CAOSA) which will feed into the legislative development process. CAOSA, as the membership and representative organisation of the CAO sector, has been championing a campaign to secure recognition and funding from the Department of Justice. At the start of 2019 CAOSA announced that funding had been secured from the European Union through Treasury in partnership with the Department of Justice for the Programme for Legal Empowerment and Access to Justice (PLEAJ).

At the SCAT 35 Year Celebration, the Deputy Minister of Justice made a commitment that the majority of PLEAJ funds will be used for the funding of advice offices. The sector remains ever hopeful that the PLEAJ programme will come to life soon, ensuring

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that a large number of offices have some funding for the future. SCAT, along with other intermediaries, has played an important role in enabling advice offices to keep their doors open, ensuring they have been trained, mentored, supported and enabled to respond to the legal needs of their communities.

WORKING TO END GENDER BASED VIOLENCE

In 2019 the alarming levels of GBV were accentuated by several cases which reached notoriety because of the work of the media and civil society. Yet another campaign was launched highlighting the problem of inefficient coordination and limited budget commitments in support of prevention and the provision of services. The National Council on Gender Based Violence established in 2012 has been ineffective, mired in political challenges and a lack of funding for its mandate. Civil society, through marches across the country, demanded a fully funded National Strategic Plan on GBV and a multi-sectoral inclusive strategy to address GBV. President Ramaphosa responded by setting up the Interim Steering Committee on GBV and Femicide which is already mired in controversy with challenges related to the setting up of a GBV fund and reports of dissension in the ranks and concerns raised by the Portfolio Committee on Women, Youth and Persons with Disabilities of a lack of accountability.⁷

SCAT conducted its own study of the Responsiveness of LDAs to GBV in partnership with the Centre for Law and Society at the University of Cape Town.⁸ The findings from this research identified some key challenges the LDAs face in dealing with the legal and health system when addressing cases of GBV. An important finding is the complexities of victim help-seeking journeys which are affected by family and cultural expectations as well as socio-economic limitations. These factors make LDA interventions complex, compounded by discriminatory attitudes, disinterest and poor training by police, court personnel, health care providers and social workers. This study identified the need to properly skill paralegals to be able to support victims in their decisions to seek help. It also highlighted the need for LDA staff to receive debriefing and support due to the frustrations they experience in attempting to support their clients.

One of SCAT's interventions to support LDAs was to provide legal training to paralegals in partnership with the North West University. In 2020 we are planning several other interventions to support our partners in their responses to GBV in communities.

CELEBRATING 35 YEARS

It felt necessary and appropriate that after a few challenging years for SCAT and a sterling recovery we celebrate this milestone with an event where our LDA partners were centred. We spent a significant amount of time working on our book *Rural Voice II: 35 Stories for 35 Years*, which with the guidance of our editor Heather Robertson and the beautiful pictures by Zeke Du Plessis, the very personal stories of why people in LDAs do the work they do, were brought to life. The book was launched at an event

7. Jennifer Smout. Interim body tasked with tackling gender-based violence and femicide is law unto itself. Daily Maverick. 19 March 2020; Committee expresses concern over lack of accountability from the interim steering committee. Parliament of South Africa. Press Release.

8. Karimakwenda, N, Mout, K, Jefthas, D and Teele, T. 2019. Striving for Change from Within: A Study of Rural Community Based Organisations Engagement with GBV. Cape Town: SCAT and CLS.



Pete Smith ex Trustee, Joanne Harding, Gordon Young Founder Trustee and Nkosikhulule Nyembezi Chairperson



Nkosikhulule Nyembezi, Lorenzo Wakefield Trustee, Deputy Minister Dpt of Justice John Jeffrey and Joanne Harding

attended by over 200 people including LDA staff, old trustees, funders, partners and friends of SCAT. The Deputy Minister of Justice John Jeffrey made a commitment to supporting the work of advice offices and ensuring that there would be recognition and funding in the near future. Every celebration requires a cake and we made sure the cake that was cut reflected the beautiful diverse organisation with a rich history that we have collectively built.

FUNDING

SCAT has a diverse base of funders built up over the past few years which include international foundations: CS Mott Foundation, Ford Foundation, Open Society Foundation of South Africa and the Global Fund for Community Foundations. It also includes local donors and foundations: Constitutionalism Fund, Raith Foundation, Social Justice Initiative, Ackerman Pick 'n Pay Foundation and Joan St Leger Lindbergh Foundation. We also receive foreign government funding from the Irish Embassy.

With the support of our donors we increased our income from R10,088,912 in 2018 to R16,127,143 in 2019. In addition to donor income we earned R3,810,733 in dividends and interest. We remain forever grateful to our forward-thinking trustees who took the initiative and invested in Ditikeni Investments which continues to generate a generous dividend for our work.

OUR STAFF-THE DRIVING FORCE BEHIND OUR SUCCESS

The staff at SCAT remained constant with the only change being the recruitment of Nokukhanya Mchunu to the Programmes Team. Nokukhanya has made a valuable contribution to our organisation and brings a wonderful new energy to the team. Nosimilo Filita the finance administrator was offered a full-time position which has also increased our administrative capacity. Hilda Gertze joined our team as a communications consultant working part-time with SCAT to build the profile of the organisation.

The team of highly skilled and experienced individuals led by Seth Tladi (Programmes) and Hishaam Nordien (Finance and Admin) makes the SCAT strategy come alive. Colleen Alexander Julies and Vuyo Msizi complete the Programmes Team, and Mzolis Nombewu and Abigail Steedsman the Finance and Admin Team. I am ever grateful for the staff's dedication towards their work which is harrowing with lots of travel over long distances and navigating complex community dynamics. The staff must always balance their power as a funder with the intention of SCAT, which is for the voices of the LDAs we support to be elevated and made visible.

"The findings from this research identified some key challenges the LDAs face in dealing with the legal and health system when addressing cases of GBV. An important finding is the complexities of victim help-seeking journeys which are affected by family and cultural expectations as well as socio-economic limitations. "

The finance and admin team are the backbone of the organisation ensuring we are supported as we do this challenging yet fulfilling work. In the past year finance and admin staff have also travelled to LDAs assisting with training in their field of work.

In support of building the capacity of the team, all staff at SCAT were trained as Accredited Advanced Facilitators. This enabled us to register the SCAT ACADEMY as a training provider accredited with the Services Seta. In addition, the Programmes Team travelled to New York to attend the United Nations High Level Political Forum on Sustainable Development. The purpose behind this was to expose all programme staff to the thinking behind the SDGs, and to international debates and discussions on the reviews of progress. This was the first time South Africa submitted a Voluntary National Review Report. Colleen Alexander Julies and I also attended the World Justice Forum in The Hague, where I presented on Alternative Funding for Access to Justice and shared the SCAT Fundraising Incentive Scheme (FRIS) model.

CONCLUSION

SCAT is a small team of remarkable individuals that has taken an organisation that was about to consider closure in 2016 to a well-funded, organisation which is making a significant difference on the landscape of rural South Africa. Community based organisations such as the LDAs we support are often the unsung heroes and heroes of the struggle for social justice and transformation of our society. With much less resources than most civil society organisations, and little security for the future, these CBOs make a marked difference in their communities, assisting the most vulnerable with their problem solving and dispute resolution, addressing complex and demanding GBV cases, dealing with systemic social problems and in addition tending to the more immediate development needs of their communities.

The money they receive from us is a drop in the ocean compared to the positive impact their work has on the lives of their clients and their communities. Our work is to transform the discourse between those in power and the people the money is intended to help. Having access to financial resources enables communities to determine their own priorities and ensure that the needs of their communities are addressed. The trust relationships that SCAT has built with its partners is critical in a country like South Africa with its high level of inequality.⁹ Supporting local leadership is key to ensuring that we build a strong, vibrant and inclusive society.

9. Victor Sulla, a senior economist for the World Bank in charge of southern Africa said South Africa was the most unequal country in the world, with wealth in the hands of a small elite and over 50% of the population living in poverty. <http://documents.worldbank.org/curated/en/530481521735906534/Overcoming-Poverty-and-Inequality-in-South-Africa-An-Assessment-of-Drivers-Constraints-and-Opportunities>



Mpho Ndebele previous SCAT director and Professor Njabulo Ndebele

PROGRAMME DIRECTOR'S **REPORT**

BUILDING AND STRENGTHENING THE CAPACITY OF OUR LDAS

Seth Tladi

At the heart of what we do as a programmes team at SCAT is to help capacitate and nurture local development agencies managed by passionate and caring community members who are totally in tune with the social justice and development needs of the people they serve.

The great strides made by our LDA partner, CARE Alicedale is just one of many examples of SCAT's model of grant making, capacity building, mentorship, and support. CARE Alicedale is located in a small rural town in the Eastern Cape district of Makana about 100km away from Port Elizabeth. The LDA was formed by community members who were deeply concerned about the high rate of unemployment, poverty, women and children abuse, a high rate of school dropouts, teenage abuse, substance abuse, HIV/AIDS, and TB.

The organisation has developed to run multi-prong services including a job creation bead making project, backyard vegetable gardens, counselling, trauma debriefing services to women and girls who have been abused, home based care services, and an after-care programme for learners.



Seth Tladi SCAT Programme Director and MC for the event

Through training and networking with other organizations facilitated by SCAT, CARE Alicedale is now taking part in the Putting People in People's Parliament Programme and were part of Government Budget monitoring in Parliament. In the words of their director Phumla Gojela: "With all this networking, we have crafted a better and more efficient system to improve in service implementation and delivery to our clients and community."

SCAT MODEL

SCAT delivers on its vision, mission and four strategic focus areas namely, access to justice, gender, food security and youth empowerment by providing specific support to organisations at different phases of their development. We categorise LDAs as emerging, developing, and established organisations. Various levels of support are provided depending on these phases of development.

SCAT defines an LDA by the following characteristics: they are run by local people and have a governing structure; work in the local community to promote social change and social justice; are accountable to the community and funders who support them; and have a constitution.

SCAT LDAs generally have an "access to justice" element to their work and to this end provide a paralegal service to the community and campaign for equal treatment of all people including women, girls and boys, the elderly, disabled people, and all people irrespective of their gender identity.

Each LDA determines its own priorities. These include addressing gender-based violence, promoting fair treatment of farmworkers and domestic workers, monitoring social security pay-points and administration of social grants, housing for women and access to municipal services.

OUR GRANT MAKING

1. Core grant funding

LDAs have attended to more than **35 000** cases with approximately **70%** of the cases resolved within the advice offices. The rest were referred to relevant institutions such as law enforcement officers, social workers, legal practitioners, and other mediation services available to the community.

Core grant funding



35 000
cases attended to

Fundraising Incentive Scheme (FRIS)



R267 259
paid out as rewards

2. Fundraising Incentive Scheme (FRIS)

The FRIS grant funding scheme is aimed at creating and inculcating a culture of local philanthropy within communities and to minimise funding dependence from outside sources by these organisations and communities. In 2019 SCAT paid out a total of **R267 259** as rewards for local fundraising claims submitted by the LDAs. This figure is **68%** higher than the amount paid out in 2018 and more than double the amount claimed in 2017. Seven of our LDAs submitted claims above the **R10 000** budget limit with claims ranging between **R12 000** and **R37 000**. The highest claim submitted was **R37 410** by the Cederberg Matsikama Aids Network based in Citrusdal in the Western Cape. CMAN held two fundraising events. One was approaching local businesses in and around the community to help them fundraise towards the purchasing of a building which they would like to convert into a clinic. The total funds donated came to **R30 000**. The second event was a food sale during a sporting event held to promote netball as a sport amongst the youth in the community. The LDA was able to make **R1 430** profit from the event of which SCAT matched to the total of **R7 150 (R5 for every R1 profit)** bringing their total FRIS claim to **R37 150**.

3. Development Fund for Training (DFT)

The Development Fund for Training (DFT) is available to LDAs for institutional capacity building, human rights, and social justice awareness workshops in their respective communities. Last year a total of **R197 440** was claimed by **22 LDAs**, representing a **41%** increase from the amount claimed in 2018. The type of workshops and capacity building sessions included organisational development workshops for staff and members of management committee. In addition, 17 of the LDAs held workshops focused on gender-based violence as a result of the gender-based violence workshop facilitated by SCAT Staff in July of last year. Other LDAs held human rights and social justice workshops on creating awareness of the social grants processes, empowering youth with job readiness skills, capacity building for youth participating in the YouthBank project.

Development Fund for Training (DFT)



R197 440
claimed by **22 LDAs**

Barry Streek awards



R84 000
awarded to **8 LDAs**

4. Barry Streek awards

As part of **SCAT's 35-year anniversary celebrations**, SCAT paid out a total of **R85 000** in the form of awards to **8 SCAT funded LDAs** in recognition of the excellent work done in their respective communities. This will be an incentive for LDA staff and management committees to continue their quest to make access to justice accessible in poor and marginalised communities. SCAT has made a strategic decision to make these awards an annual event going forward.

5. YouthBank project

In 2018 SCAT decided to make youth development one of our strategic focus area. For the past year and a half SCAT piloted this project in nine communities in partnership with 9 SCAT funded LDAs.

As at the end of 2019 a total of **R199 093** was paid out in the form of grants to the nine LDAs and YouthBank projects. A total of **116 young people** from the nine communities were involved in the project.

6. Food security projects

In 2019, SCAT has supported **12 communal food garden projects**. In total **R21 110** was paid out in the form of LDA grants, stipends to master gardeners and funds set aside for the purchasing of equipment, tools and other necessities needed to sustainably run and grow these projects.

YouthBank project



R199 093 paid out
in grants to **9 LDAs** and
YouthBank projects

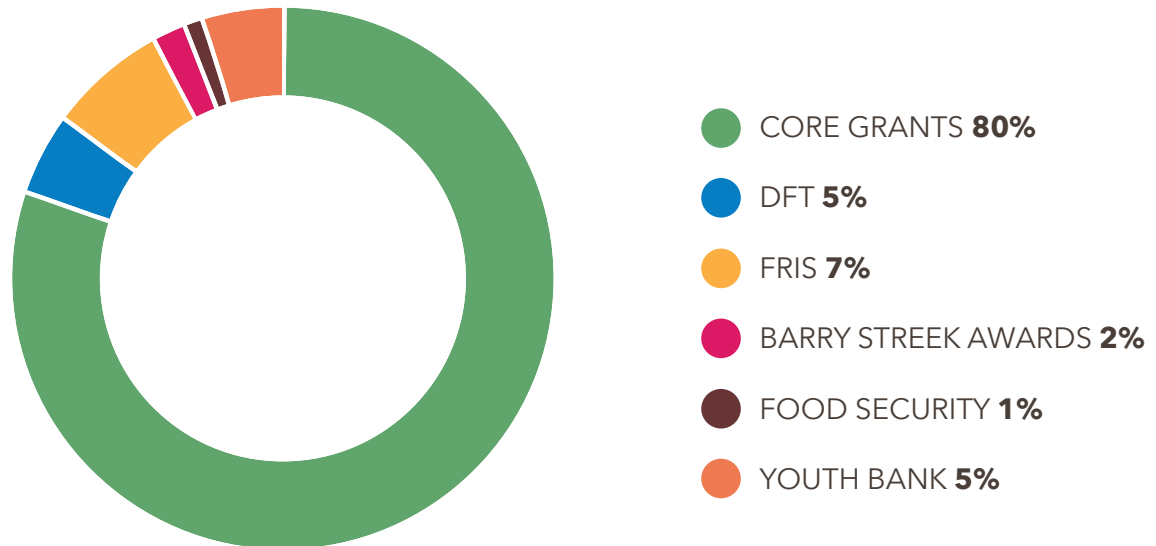
Food security projects



12 communal food garden
projects **R21 110** paid out in
grants to LDAs

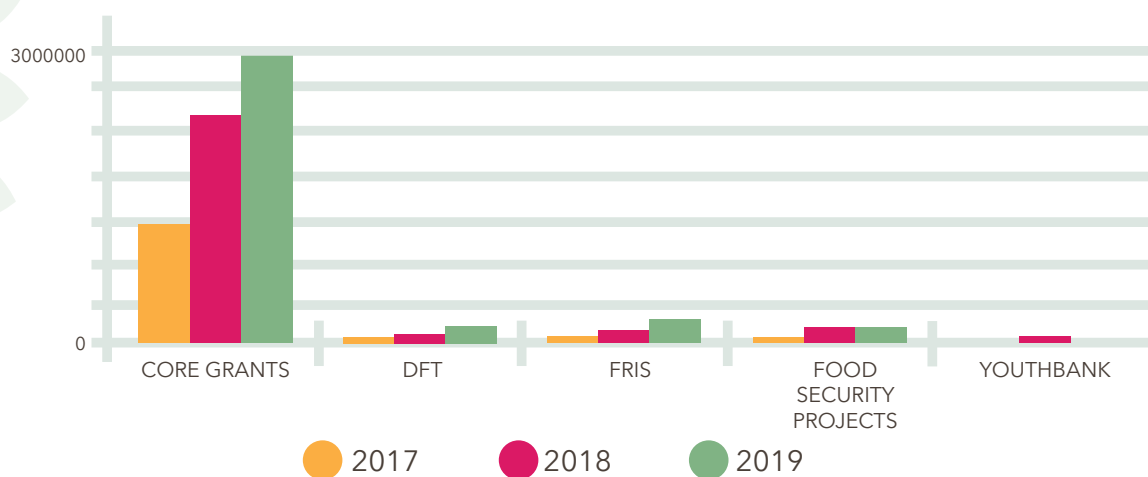
The pie chart below is a presentation of the total grant funding breakdown by SCAT to its partner organisations.

2019 Grant funding breakdown



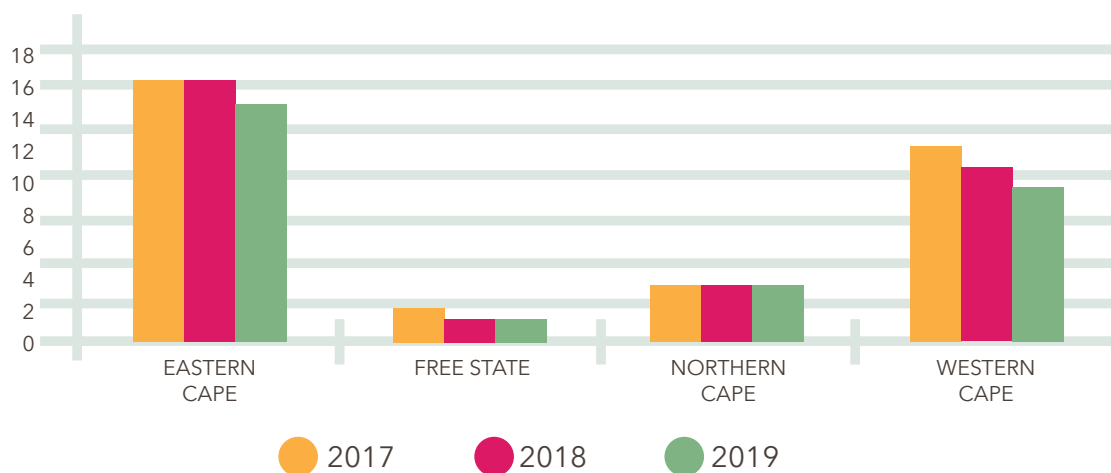
The graph below is a depiction of the SCAT grant funding trends for the 3-year period, i.e. 2017 to 2019.

SCAT grant funding trends - 2017 to 2019

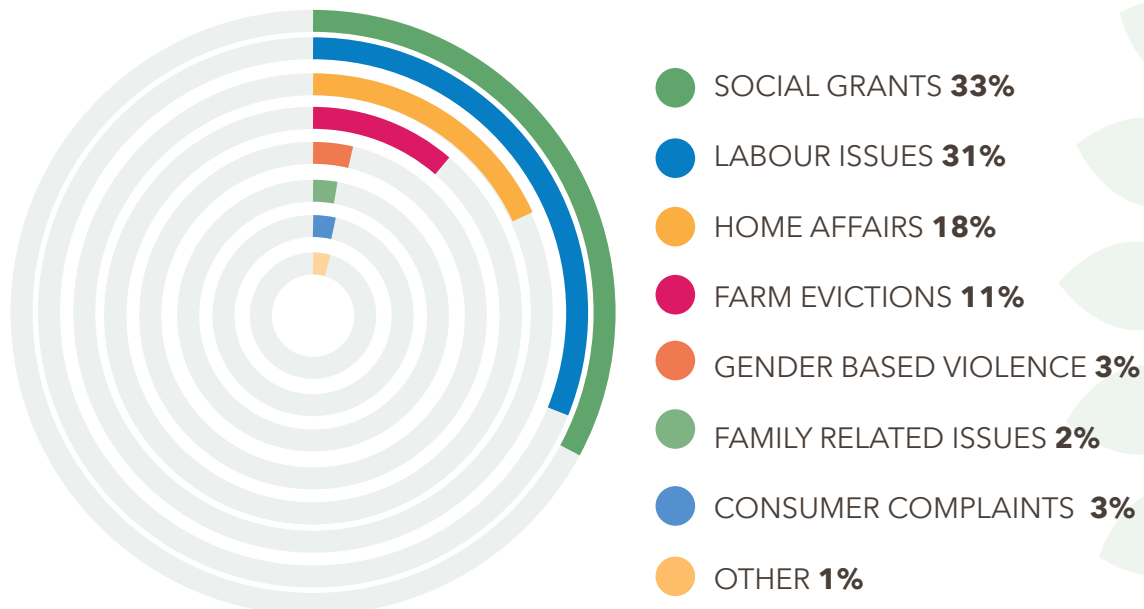


Below is an analysis of a three-year trend of the number of LDAs SCAT has supported in the past 3 years, i.e. 2017 to 2019

Number of LDAs and special projects supported



2019 LDA case stats





SCAT Local Development Agencies receiving certificates of appreciation



IN RECOGNITION OF THE LDA
GRACE TO YOUR COMMUNITY

Presented to
**Flagstaff Community
Advice Office**

35
YEARS
OF
SERVICE

IN RECOGNITION OF THE LDA
GRACE TO YOUR COMMUNITY

Presented to
**Citrusdal
Advice Office**

35
YEARS
OF
SERVICE

IN RECOGNITION OF THE LDA
GRACE TO YOUR COMMUNITY

Presented to
**Inter-church Local
Development Agency**

35
YEARS
OF
SERVICE

IN RECOGNITION OF THE LDA
GRACE TO YOUR COMMUNITY

Presented to
**derburg Matsikama
Network**

35
YEARS
OF
SERVICE

MENTORING, SUPPORT AND CAPACITY BUILDING

SCAT capacity and monitoring support consist of two phases, namely the on-site support and monitoring visits by the SCAT Programme Officers and capacity building workshops facilitated by the SCAT staff or experts where required. The on-site visits or field visits are an opportunity for SCAT programme officers to engage with the LDA staff and members of the LDA management committees. This is an opportunity to acquaint themselves with the activities of the LDA, assess progress against agreed to action plans and to offer on-site support and mentoring to the LDA staff and management committees. On the other hand, the capacity building workshops are held to strengthen the capacity of the LDA staff and management to govern and manage their organisation.

The focus of our support and capacity building in 2019 was on building and strengthening the capacity of our LDAs to respond to the increased rate of gender-based violence in communities. In our interaction with LDAs it became clear that they constantly have to deal with such cases but needed refresher training and coaching.

The entire process started with the training of SCAT staff on the various aspects of gender and gender based violence. This was done to enable us to train our LDA staff on this aspect of their work. To this extent 60 LDA staff from the 30 SCAT funded LDAs were taken through a three-day gender based violence training by SCAT programme officers. The impact of the training was demonstrated by an increase in the number of GBV workshops and community awareness sessions conducted by these LDAs in their respective communities.

In total 17 gender-based violence workshops were conducted by these LDAs. This was followed up by a university registered workshop on GBV and the law facilitated by the North West University. This was attended by 60 LDA staff from all SCAT funded LDAs. What was also a spin-off of the training is that LDA staff are now able to distinguish between domestic violence, family disputes and cases of gender-based violence, while previously all cases were reported as domestic violence or family dispute cases.

Another highlight of our capacity building programme was the writing workshop facilitated for all SCAT funded LDAs. In total 30 LDA staff attended the 3-day workshop. The main aim of the workshop was to capacitate these LDA staff to be able to write stories of their work which were published in the SCAT's 35-year anniversary book. To this extent these LDA stories are captured in the SCAT 35th year anniversary book published as part of our anniversary celebration.

SCAT capacity building support has really strengthened the LDA's capacity to respond to issues on the ground. A good case in point is the gender-based violence workshop facilitated by the SCAT staff to all the grant funded LDAs. Secondly, we are impressed with the partnerships and collaborations that LDAs formed around this issue. LDAs facilitated these workshops in partnership with the South African Police Services (SAPS), local Social Workers from the Department of Social Development, community leaders and other civil society structures within their communities. Other workshops facilitated by SCAT staff were on organizational governance and management, basic

bookkeeping for emerging and developing LDAs and food garden training for volunteer master gardeners in the three food garden projects.

ACCESS TO JUSTICE

SCAT LDAs have provided access to justice services to more than 35 000 community members during 2019. This was in the form of paralegal services, mediation, and conflict resolution support services. To track these cases more successfully SCAT has been exploring case management systems which will assist LDAs to be more effective in their case work and will ensure the effective collection of data.

DULLAH OMAR SCHOOL FOR PARALEGALISM

SCAT in partnership with the Black Sash and CAOSA ran the 5th instalment of the Dullah Omar School over a six-day period, from the 06 - 11 September 2019 in Cape Town

A total of 48 community-based paralegals attended the university registered introduction and advanced short learning programmes facilitated by the Northwest University Law Clinic (Potchefstroom). Twenty-six paralegals attended the introductory phase with twenty-seven attending the advanced phase of the programme. The main purpose of the training was to afford CBPs an opportunity to gain credits towards a qualification within the legal stream.

A total of 74 CPs took part in the following four accredited and non-accredited streams:

- Services Seta Accredited Business Management facilitated by SCAT,
- Social Assistance and Social Security facilitated by the Black Sash,
- Social Enterprise facilitated by the Social Enterprise Academy.

The last stream was for the CAOSA stalwarts and leaders which focused on strategic issues for the sector.

At the end of the 6 day school those completing the introductory phase of the university training were awarded certificates of attendance, and the 22 paralegals who were registered for the advanced learning programme were presented with their certificates of competence for having successfully completed the first phase of the programme in 2019. Those in the introductory phase of the learning programme will receive their certificates in 2020, should they be found to be competent by the university.

Approximately 60% of the CBPs attending the school were women. There was also a large contingency of youth taking part in the school. This is in the light of the strategic decision taken by the three organisations to have more women and youth in the school. The involvement of the youth in the sector will contribute to the sustainability of the sector and to ensure that the sector has a pool of young CBPs that can be drawn to step in should the need arise in the future.

One of the highlights of the school was a guided walk of the Bokaap and a presentation by the Reclaim the City organisation for the delegates. After-hours sessions for delegates included a presentation on improved access to the CCMA co-ordinated by

the Casual Workers Advice Office and The Black Sash session on a new campaign for a basic income grant for unemployed people between the age of 18 to 59 years.

RESEARCH ON HOW LDA'S RESPOND TO GENDER BASED VIOLENCE

SCAT in partnership with the University of Cape Centre for Law and Society conducted research on gaining an understanding of how the SCAT funded LDAs responded to issues of GBV in their respective communities. The study involved focus group sessions with staff from all the SCAT funded LDAs facilitated by the UCT and SCAT staff. The findings and recommendations of the study will be used to inform SCAT's GBV intervention and support to our LDAs. A comprehensive report of the findings and recommendations has been finalised and will be published in the new year. SCAT is conducting the second phase of the study to gain a deeper understanding of some of the issues highlighted in the first phase of the research. This will be done parallel to a GBV incident "tracking system" project designed to track GBV reporting processes within an LDA office until its ultimate outcome. We hope to have the research completed by the end of October 2020.

YOUTH EMPOWERMENT

The YouthBank project is in its second year of existence as a pilot project with 9 of the SCAT funded LDAs in three provinces, the Eastern Cape, Northern Cape, and the Western Cape. The YouthBank concept offers young people an opportunity to learn entrepreneurial skills, leadership and project management skills whilst making an impact in the lives of the communities they live in. Through participation in YouthBanks these young people also learn about governance, organisational skills, financial management and fundraising. They are expected to set up themselves into committees of young people. These committees are then linked to a mentor organisation such as an LDA who work together to raise funds in the local community, which are used to make grants to projects which are of interest to the young people. In our case the project concept was adapted to fit with the SCAT grant funding model and uses elements of the Fundraising Incentive Scheme (FRIS) and Development Fund for Training (DFT). A pilot of this nature is indicative of SCAT's effort to be innovative and responsive to opportunities in the environment.

Initially the project started with eight LDAs spread across there provinces, namely 4 from the Eastern Cape, 3 Western Cape and 1 from the Northern Cape. The ninth LDA, Step-Up Foundation in the Western Cape, was added after one year of the project bringing the total pilot sites to 9 LDAs. These LDAs were selected based on their willingness to be part of the project and running youth development programs in their respective communities. They were all later taken through an YB training session by an YB expert Mr. Jeremy Maartman. In total 18 staff, i.e. two from each of the 9 LDAs participated in the training. The training was aimed at introducing the YB concept to the LDAs and to also capacitate them on how to strategise and manage YB projects in their respective communities. Now we have 106 youth taking part in the 9 YB pilot sites.

So far, we have had mixed results with the project. Three of these projects, namely SALDA, Dordrecht and Zanoncedo progressed to a stage where they were able to submit start-up claims for their respective YB projects for their YouthBank events. This was in the form of DFT and FRIS claims specific to the YouthBank project. Of the three projects, the Dordrecht YB project has made more progress than the other two in the sense that they were able to raise R2 000 through their FRIS event and distributed the funds between three youth social enterprise projects in their community. These youth projects started small cooking and baking projects selling food and cakes to the community and supplying the local home-based care projects with meals. As a result, 50 children are receiving a balanced meal twice a week supplied by two of the YB projects. They are also assisted by the youth group with their homework. The other project has used their proceeds to buy toys and sleeping mattresses for the local Edu care centre.

We however are concerned with the slow progress of the other 6 projects. To this extent we are planning to facilitate a review and refresher workshop to be held in Cape Town for all the YB projects members and LDA staff supporting these pilot projects. The plan is to have a review of the two-year process and come up with strategies of how we are planning to take this project forward in the new year. We will also engage players in the youth sector to assist with motivating these young people to take ownership and leadership of their future and destinies. This we hope will help motivate them to make a success of their respective projects.



Clarence Xiniwe Mqanduli Advice Office

FOOD GARDENING

SCAT supports three communal food garden projects spread across three provinces, namely Ceres in the Western Cape, Danielskuil in the Northern Cape, and Alicedale in the Eastern Cape. This is in the form of grant funding support, capacity building and expert support provided by a food garden expert in the form on-site support and capacity building to LDA staff and volunteer master gardeners working in these projects. The on-site support took the form of assistance with installation of irrigation systems and shading over the plants, to providing advice on how to deal with pests, sourcing of appropriate seeds, tools, and equipment. Sixty six master gardeners were trained in accredited basic food gardening, water management and hydroponic training as per the table below:

In support of the project SCAT engaged the services of an agricultural expert to assist with training and mentorship in climate adaptive agriculture. The same agricultural expert has been providing on site mentorship to the projects. In addition, all the projects have had water management training from a water management consultant. The projects have also had training in hydroponic farming and 27 master food gardeners took part learning these progressive methods of growing food sustainably.

The three food garden projects are at various stages of development after three years of SCAT's continued support. The change in climate continues to have a negative effect and has in many respects stunted the establishment and growth of these projects. To highlight but just one example, the project in Danielskuil has gone through periods where they experienced good harvest and produce from their communal garden to a situation where they were hit by a drought which seriously affected the project. It was only in the past 18 months that the garden has started to show signs of regaining its former glory.

Having said that, it is important to note that the support given to these projects by the food garden expert, has had an incredibly positive effect on the sustainability of the projects. The training and support given has ensured that the gardens are able to plan and survive adverse effects such as dry seasons due to efficient use of water, apply appropriate planting and soil rotation methods and be able to protect their plants from heat and pestilence. The resultant effect is that we are now at a stage where we can look at strategies to take these projects to another level, i.e. semi- commercial farming. This will be the focus of this next phase of our support to the projects.

We are pleased that we are beginning to see a semblance of a food garden development and support model as outlined below:

- Appropriate grant funding and support aimed at ensuring that these projects are empowered to play a role in the mainstream fruit and vegetable markets in their respective communities. Such grant funding support to take into consideration what is needed to set up, support and maintain a communal food garden from subsistence farming stage to a sustainable project.

- Identifying and linking these projects with local markets for their produce. Access to markets is key as demonstrated by the Entlango project in the Eastern Cape. From the beginning of the project they were linked to the local fruit and vegetable market through support from the Department of Agriculture and the Buffalo City municipality.
- Thirdly linking projects with expert support for a set period no less than 6 months to ensure that they learn and get into a habit of good food gardening practice.

We are confident that such a model will go a long way in ensuring that we have sustainable food garden projects going forward.

VISIBILITY AND PRESENCE

The SCAT programme director took part in a Donor Alliance for the Community Based Advice Office Sector. At these meetings donors share their support to the sector and strategies for ensuring the sustainability of the sector.

Discussions on the recognition and regulation of the community-based advice offices and community-based paralegals took centre stage, led by the Foundation for Human Rights (FHR). These engagements are important for the sector and for intermediaries like SCAT, as we all are interested in the development and the sustainability of the sector.

SCAT has also engaged in meetings with the Department of Justice to discuss SCAT's role as an intermediary to the sector.

SCAT's director and a programme officer, Colleen Alexander-Julies, were invited to attend the World Justice Forum in The Hague in April 2019. SCAT's Director presented on a panel on Sustainable Justice: Best Practices in Justice-Sector Social Enterprises. The session received positive feedback from those who participated.

Scat programme staff continued to take part and play meaningful roles in various forums such as the ABCD forum in the Eastern Cape, donor alliance meetings, the Philanthropic Leadership Network, and other regional and national forums. Lastly, the programme team attended the 2019 SDG Forum held in New York City USA as part of their development and exposure. The information and observations made will help inform their work with LDAs. A report of their trip was compiled and shared with all staff and the Trustees.

CONCLUSION

As this report shows, the SCAT programme team made great progress in meeting both our organisational and the local development agency goals. The challenges of rural poverty and inequality, however, require us to continue to work in partnership with our LDA partner organisations to advance access to socio-economic justice for all and build an active civil society.



Nokukhanya Mchunu, Seth Tladi, Colleen Alexander-Julies, Hishaam Nordin, Nosimilo Filita



Joanne Harding, Hilda Gertze, Vuyo Msizi, Abigail Steedsman, Mzolisi Nombewu

PROGRAMME OFFICERS' REFLECTIONS

REFLECTIONS ON 2019: PATRIARCHY, RACE, GENDER AND VIOLENCE

Colleen Alexander-Julies

"Hit the ground running" is a phrase I finally understand after the start of 2019. Looking back, I am amazed at all the things we have accomplished as the Programmes Team and even more so our LDA partners. A lot of growth has taken place for me professionally and emotionally and no piece of writing will be able to capture it all.

Reflecting on our work this year, I am aware that we still have a long way to go in achieving universal access to justice for all, especially for rural black women, and victims of gender-based violence. SCAT's work around GBV and its commitment to ongoing staff development led me to participate on regional and international platforms such as the Centre for Sexualities, AIDS and Gender Partner Forum in Zimbabwe during March; the High Level Political Forum on the Sustainable Development Goals in the USA in July; and the World Justice Forum in May in The Netherlands.

All the above events, in addition to the SCAT facilitated gender-based violence workshops, has sparked in me an intense reflection on the violent society we live in, and the ways we are all shaped by it. I realise how different forms of violence, from gang violence on the Cape Flats to abuse of women and children, and other forms of violence in the outlying rural areas, is also further entrenched by patriarchy, capitalism and racism.

We all carry the scars of these traumas that have been passed on from previous generations and will be further passed on by us to subsequent generations if the cycle is not broken. This concept has been coined as transgenerational trauma and I see a lot of the work we did last year as starting the process of healing this trauma in ourselves, as well as the individuals in the organisations we work with.

Our training sessions have facilitated a process that has capacitated people to recognise and challenge structural patriarchy and its interaction with cultural practices and gender-based violence. This is not an easy process as was evident from the heated discussions in our workshops when gender stereotypes and certain cultural practices were challenged. The issues are complex and the work to be done seems overwhelming. However, it is all necessary and the only place to start is with the individual. It brings to mind an inspirational quote that I have seen recently, which reads "...What we heal in ourselves, we heal in our entire family lines" and I would like to add, in our communities as well.

REFLECTIONS ON 2019: NEW TERRITORY AND COMMUNITY DEVELOPMENT

Nokukhanya Mchunu

Having started working at SCAT in the beginning of March 2019, I had to build my own understanding of the work the organisation does on the go. This made the year a very interesting and exciting one and I could not have asked for a better team than my colleagues at SCAT with whom to experience 2019.

Most of the year was characterised by learning and fully immersing myself in the rural and social justice space, together with understanding SCAT's funding, support, and mentorship model. Jumping straight into conducting field visits was one of the most eye-opening experiences, which helped me understand the advice office work our LDA partners do so passionately and persistently.

Through the site visits what became evident was how hard local development agencies work towards ensuring their communities gain access to social justice. It was also clear how appreciative LDA's are of SCAT and the opportunities SCAT makes available to them through capacity building, funding, and support. It's these elements that have ensured that rural advice offices supported by SCAT continue to do their work and ensure their communities are supported.

Mid-year the programmes team embarked on a journey to New York, to attend the High-Level Political Forum (HLPF) which played a central role in the follow-up and review of the 2030 Agenda for Sustainable Development Goals (SDGs) at a global level. I, for one, was not very knowledgeable about the SDGs and I had to bring myself up to speed hastily. Our attendance at this forum was centered on social justice as that is where our core focus is as an organisation. Global experience for the team and SCAT is very important as it puts into perspective where the world which we form part of is headed. This experience did exactly that not only for me, but for SCAT as well.

The Dullah Omar School of Paralegalism was a capacity building training session not only for the paralegals, but also for SCAT staff as this is where we got to deliver our first accredited training. This showed how responsive SCAT is to its grantee partners, because this accredited training is something LDAs had been requesting. It was refreshing and encouraging to see how many of the participants in the school were youth. This should drive us into supporting and putting more resources towards youth development to ensure that young people are capacitated and skilled enough to lead advice offices efficiently. This would have to work hand in hand with ensuring the current stalwarts develop a succession plan, to ensure the advice offices do not perish with their exit.

I have valued how the appreciative inquiry study and findings (conducted in 2017) have been reflected through SCAT's work, more especially the GBV work done thus far. 2019 was a dreadful year for South Africa when it comes to gender-based violence (not that previous years have been any better). We saw protests across South Africa against GBV, the hashtag #AmINext going viral, and a national call-out for greater





protection for women against sexual abuse and justice for victims. SCAT again stood at the forefront of this pandemic and ensured that the staff and grantee partners were capacitated in understanding GBV to improve the LDA's ability to deal with GBV cases at a community level.

One thing that has stood out for me as a new employee at SCAT, is how SCAT is invested in ensuring the staff is capacitated and their skills are continuously developed. In the short space of time I have had the privilege to become an accredited facilitator and have participated in fellowships which have helped me develop my professional and personal skills. To become well-rounded leaders and professionals as youth, we need all the support we can get from our work environments to develop new skills. This has been the case for me since joining SCAT. Young people live in a society in which creating sustainable career opportunities is complex, as we have to juggle full-time employment and try to navigate acquiring relevant skills to ensure our career trajectory continues to improve.

As small as the SCAT staff complement is, it punches well above its weight and does so impressively. This of course can be attributed to the leadership received from the director, the trustees, and the kind of partners SCAT supports. 2019 was indeed an exhilarating, insightful and great year.

REFLECTIONS ON 2019: STRENGTHENING LOCAL CAPACITY TO MANAGE FINANCES

Vuyo Msizi

The joy of journeying with an organisation like SCAT has afforded me many opportunities, but the one that means the most to me as a development practitioner is to see positive and significant change for the thousands of citizens in rural communities.

A highlight for me this year was the financial training provided to LDAs by my colleagues in the finance and administration unit. I got to appreciate the strength and capacity of our finance and administration team, particularly when I saw how they advanced our mentoring and support objectives to local development agencies.

We started this process with our bookkeeper, Mzolisi Nombewu, accompanying me in my field visits to LDAs. This was a perfect way to gather information about opportunities for learning and development. Who can forget the conversations that zig-zagged as if they would not end? Even though this took time, it was important to have these conversations so that LDA staff could understand financial management as an important part of strategic development. Within a week's time, book-keeping learning and support material was ready for implementation. Having Mzolisi explain finances in isiXhosa to mother tongue speakers in the Eastern Cape really helped.

My field visit sessions are always organized and planned around specific themes and key challenges. The ability of the administrator in Tyinira to set up basic administrative systems can be attributed to the book-keeping training session Mzolisi held in King William's Town. When they started as an organization, the Tyinira LDA did not hire a qualified bookkeeper because of resource constraints.

They took the most difficult choice of training someone with no background in finance. They recruited a volunteer who had dropped out of school to assist with administration. She had no background in financial administration, but the LDA leadership gave her a chance to rebuild her life. We have vivid memories of how she seized the opportunity to learn new skills at our bookkeeping workshop. As a result, she has made great progress in administering finances. We also see greatly improved reporting and accountability regarding the implementation of projects. The LDA is also learning how to develop proposals and design projects.

When we started with our process of mentoring and support at Entlango Primary Agricultural Cooperative in Qongqota, the team were determined to achieve their vision, mission and objectives. Entlango is run by a group of dedicated individuals with a passion for farming. After identifying their strengths and celebrating their achievements, we could not avoid addressing gaps and barriers with the team. Different roles and responsibilities were not properly assigned and executed. The administrator was more involved in the food garden assisting gardeners. It took dedication and effort to convince the team of the need to strengthen the administration of the LDA.

The basic bookkeeping training resulted in a great improvement in financial management at Entlango. After the workshop, one person was assigned to deal with financial administration. In our last visit to the project we noticed that they did not only improve on financial management, but also organisational management. In our strategic thinking session, we discussed the concept of social enterprises and how to implement them. The leaders of the project were keen and have now registered a non-profit company to take these objectives forward.

The key issue in development is learning and being able to unlearn practices that stagnate progress. With the assistance of SCAT's finance team, we were able to assist LDA's in developing sound finance and administration practices that advanced our mentoring and support objectives to local development agencies. Well managed organisations are much more sustainable and have greater long-term impact in the communities they serve.



Ms Anakho Jonas Tyinira Rural Development Initiative, Noxolo Ntamo Tyinira Advice Office, Pontsho Moshoeshoe Siyanakekela Community Development



Windisa Jimana Zanoncedo Empowerment Centre, Zandile Nkompele - former SCAT fieldworker, Mandisa Dukashe Zanoncedo Empowerment Centre

FINANCIAL OVERVIEW

MAKING EVERY CENT COUNT FOR OUR PURPOSE

Hishaam Nordien

As a small grant-making organisation, we ensure that our financial management is aligned with our mission to empower communities, strengthen civil society, and promote social change in partnership with local development agencies.

This philosophy infuses all aspects of planning, budgeting, fundraising and expenditure, ensuring that every cent that we raise and spend is always directed towards building the capacity of the often-neglected rural community-driven responses to social justice.

INCOME

SCAT relies on two main sources of income viz 1) donor funding from international and local foundations and foreign governments and 2) investments and investment income. The year started well with at least 85% of the budget secured, and during the year the budget grew from R12m to R16m with all of the expected funding secured.

1. Donor Funding

The financial results reflect a 59% increase in donor funding from R10 088 912 in 2018 to R16 127 144 in 2019.

2. Investments and Investment Income

Interest and dividend income accounts for at least 19% of the total income of SCAT. Investment income increased by 85% from R2 053 599 in 2018 to R3 810 733 in 2019.

SCAT has over the years taken up investment opportunities and has built up a reserve fund to enhance the long-term financial sustainability of the organisation. This allows SCAT to fund shortfalls in its budget by using this investment income, which is generated in the form of dividends and interest. These reserves have allowed SCAT to continue its support to partners during difficult times. The use of these funds is guided by SCAT's investment strategy which is regularly reviewed and considered by the trustees.

Through good financial management and the foresight of trustees, SCAT has some solid investments through Ditikeni Investment Company and Vunani Investments, respectively. These investments have seen a steady growth in value during favourable market conditions, resulting in very generous dividends received in 2019.

EXPENSES

Total expenditure for the period was R17,214,794, with 48% going towards capacity building workshops, programme activities, and mentoring and support of our LDA partners. 41% was spent on grantmaking, which includes core grants, development fund for training grants, fundraising incentive scheme grants, food security grants, YouthBank grants, and special project grants. We have managed to keep our operational costs down, with spend on governance, communications, and finance at 11% of the organizational budget.

With this year's increased income, SCAT continued to prioritise funding to our partners by increasing grants during 2019.

SCAT trustees, management and staff remain positive, and thankful to our donors for their continued support. Our goal is to maintain and increase financial support, build capacity, on-site mentoring and support provided to LDAs., SCAT has shown that it can do so without significantly increasing its own costs.

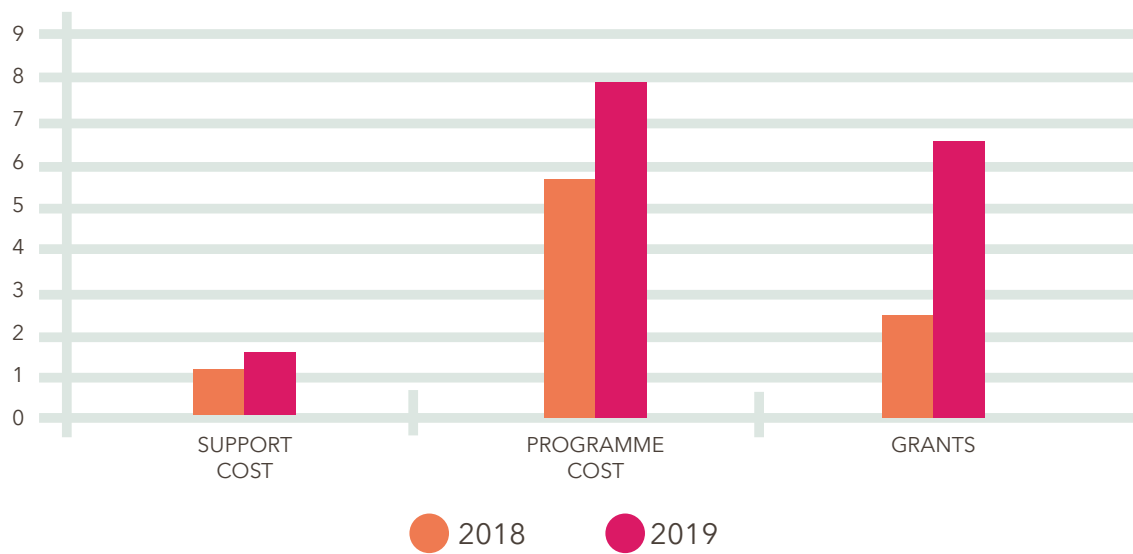
FINANCIAL MANAGEMENT

Financial management in the organisation remains the responsibility of SCAT's executive management, and the board of trustees. SCAT maintains good record keeping, with strong financial controls and systems in place, which are kept in check by reviews, and quarterly internal audits conducted by CMDs management services. During 2019 we once again reviewed our financial policies, tightening up on risk areas while being careful not to impede our ability to do our work effectively. All these checks together with a shared sense of financial responsibility that exists in the organisation has ensured that our external audit reports are once again unqualified. SCAT's 2019 external audit was conducted by Solace Consulting.

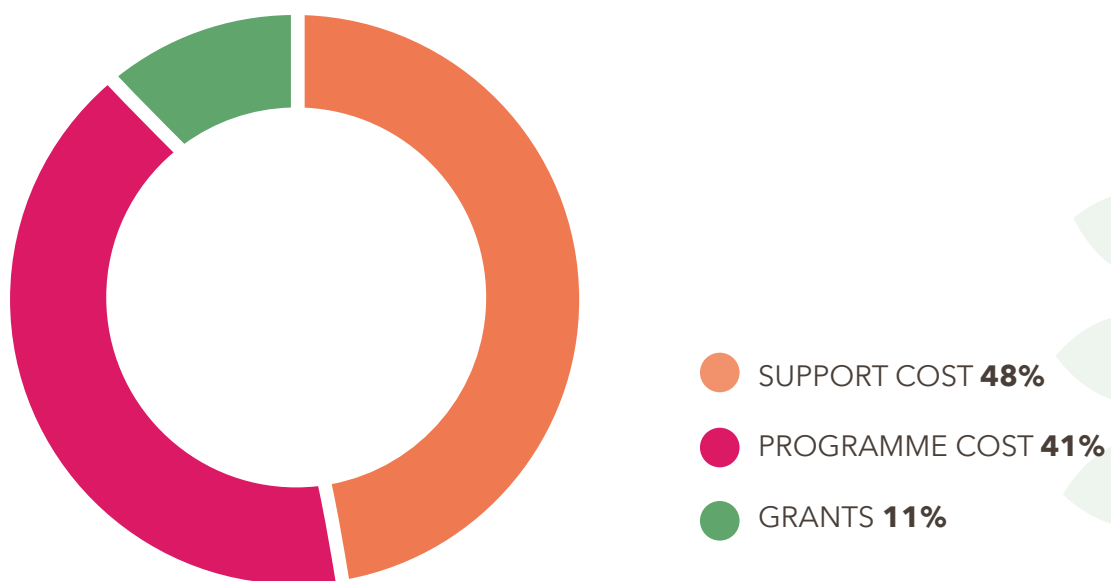


Vuyo Msizi Programme Officer, Nosimilo Filita Finance Administrator and Hishaam Nordien Finance Manager

SCAT EXPENDITURE 2018/9



OPERATING EXPENSES 2019



SOCIAL CHANGE ASSISTANCE TRUST

(Registration number (T70/85))

INCOME AND EXPENDITURE - YEAR ENDING 31ST DECEMBER 2019

Detailed income statement

| | 2019 | 2018 |
|---|-------------------|-------------------|
| Revenue | 20 015 806 | 14 264 125 |
| Funder income | 16 127 144 | 10 088 912 |
| Other Income | 3 888 663 | 4 175 213 |
| Dividend Revenue | 3 189 853 | 1 592 285 |
| Interest Received | 620 880 | 461 314 |
| Shares received | 0 | 1 976 732 |
| Sundry Income | 77 930 | 144 882 |
| Expenditure | 9 588 956 | 11 034 822 |
| Operating Expenses | 2 551 401 | 8 236 556 |
| Governance, Communications and Finance | 1 921 599 | 1 636 502 |
| Programme Costs | 1 393 374 | 1 203 377 |
| Capacity building | 6 862 266 | 4 830 850 |
| Grants | 7 037 555 | 2 798 266 |
| Core grants | 3 413 000 | 2 301 134 |
| Development fund for training | 202 440 | 140 378 |
| Fundraising incentive scheme | 301 912 | 158 996 |
| Other | 2 921 110 | 0 |
| Food security projects | 199 093 | 197 758 |
| Surplus/(Deficit) for the period | 2 801 012 | 3 229 302 |

SOCIAL CHANGE ASSISTANCE TRUST
(Registration number (T70/85))

**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2019**

Statement of Financial Position

| | 2019 | 2018 |
|--------------------------------------|-------------------|-------------------|
| Assets | | |
| Non-Current Assets | 40 824 497 | 32 431 086 |
| Property, plant & equipment | 138 128 | 99 545 |
| Investment in subsidiary | 10 | 10 |
| Other financial assets | 40 686 359 | 32 331 541 |
| Current Assets | 10 009 072 | 9 538 155 |
| Trade & other receivables | 206 386 | 181 496 |
| Cash and cash equivalents | 9 802 686 | 9 356 659 |
| Total Assets | 50 833 569 | 41 969 241 |
| Funds and Liabilities | | |
| Funds | 44 954 661 | 34 527 810 |
| Sustainability Fund | 13 739 922 | 10 938 908 |
| Share revaluation reserve | 31 214 739 | 23 588 901 |
| Liabilities | | |
| Current Liabilities | 5 878 908 | 7 441 431 |
| Provisions | 234 931 | 273 141 |
| Trade & other payables | 759 220 | 253 601 |
| Income received in advance | 4 884 757 | 6 914 689 |
| Total Funds & Liabilities | 50 833 569 | 41 969 241 |



Tanya Layne and Funeka Loza previous staff member



Nobuzwe Banda, Nomboniso Gaya and Valerie Jonathan SCAT Trustee



Mary Burton, Priscilla Sigila ex SCAT Chair, Di Oliver, Njabulo Ndebele, Makotuleng Leboto Mt Fletcher Advice Office



Deena Bosch Trustee and Michael Hands Ditikeni Investments



Emma Goliath and Arisca Johannes Witzenberg Advice Office



Sebastian Messerschmidt Consul General Dutch Embassy





Mrs Mandisa Dukashe Zanoncedo Empowerment Centre



Freddie Koopman, Emma Goliath, Boikie Chwane , Nobuzwe Banda, Nomboniso Gaya, Jeanette Mqomo, Jonathan van der Westhuizen and Monica Tyalimpi receiving awards



Jeremy Chennells Trustee and Khanyisa Balfour ex Communications Manager



Bomikazi Mhlongo Flagstaff Advice Office and Phumeza Sibengile Masiphakameni Advice Office



Erna van der Westhuizen previous staff and Patrick Chapman Joan St Leger Lindbergh Charitable Trust



Hilda Gertze Communications Coordinator



SOCIAL CHANGE
ASSISTANCE TRUST

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Woodstock

Trust #: IT70/85 | **NPO #:** 009-983NPO | **PBO #:** 930013962

Auditors: Solace Consulting | **Attorneys:** Harris, Nupen, Molebatsi

Banker: Nedbank

www.scat.org.za