

ANNUAL REPORT 2020



**SOS CHILDREN'S
VILLAGES**



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* Some names in the articles have been changed to protect the identity of the individual(s).



National Director's Report

In South Africa, companies shut down and individuals lost income and employment. Some donors withdrew funding; others could no longer support us on the same scale as before.

Covid reduced our income and erased any notion of achieving subsidy related self-sufficiency status for the third year. Fortunately, the SOS International Federation helped stabilise our finances with a generous grant from the Hermann Gmeiner Funds.

This funding absorbed the pressures of unbudgeted expenses related to Covid-19. It was our saving grace. It enabled us to set up isolation and quarantine rooms in the villages and to keep children safe with sanitisers and PPEs as well as to provide all the necessary support such as food and medication to communities in our Family Strengthening Programmes (FSP).

The provision also helped augment our budget so we could complete construction projects and install security and water infrastructure. We are grateful to our Federation for this meaningful and impactful intervention.

SOS Children's Villages in South Africa in 2020 posted a 992% improvement in surplus against 2019 as demonstrated by our 2020 audited annual financial statements.

This financial report shows we increased our surplus dramatically to R7.3 million in 2020 from a deficit of R0.8 million in 2019. This can be attributed to a number of factors, among them cost efficiency spin offs and delays in the fundraising programme activities and spending as a result of the COVID-19 pandemic lock down.

Cost savings were also made as a result of working out-of-office, such as paper and ink, water and electricity, and travel. We did however incur other costs to allow staff to work from home, such as airtime and data.

It was a balancing act but SOS Children's Villages in South Africa is now on the cusp of generating a surplus. We are going to continue working very hard to try to realize additional surpluses over the next years that will be reinvested in our children, our programmes, our mothers, and our communities.

In 2020, I set out three top priorities and the SOS Children's Villages in South Africa team made an outstanding effort to achieve them. These were to build a cohesive senior management team; to develop a strategy to contain and manage the Covid-19 pandemic; and to ensure our financial stability by maintaining close relationships with our financial supporters.

We also strengthened relationships with civil society organisations and fellow non-profits within the child protection network. We collaborated on advocacy campaigns for government to prioritise child and youth care workers and staff in the Covid-19 vaccination drive; and on the importance of extending the Covid-19 social grant while families were still losing employment.

The economic devastation of Covid-19 pushed South Africa's unemployment rate to 32%. The stress of families cooped up at home during lockdown, often without employment, tipped many relationships over the edge. Parents divorced and familial relationships broke down. Children often bore the brunt of the turmoil. We saw an increase in the number of children abandoned, vulnerable and destitute.

Our Alternative Care and Family Strengthening Programmes provided services to over 4700 children and young people in 2020.

We could not have done this without the support of stakeholders and donors, new and old. Thank you for helping us alleviate the implications of poverty.

We call on you to continue to partner with SOS Children's Villages in South Africa as we absorb children; and provide them with a loving home and essential services like medication, food, school uniforms, and online learning.

Together, we will find ways to increase our impact so that many more vulnerable children and young people can grow up in a loving family environment.

Patrick Kulati

National Director

SOS Children's Villages in South Africa

The 2020 financial year was a difficult, unexpected time for us all. I had just taken up the position of National Director in January when Covid-19 began to rear its enormous head. It caused tremendous fear and had a major global impact on health and economic sectors. Millions died. We lost friends and family.



Chairman's Overview for 2020 Audited Financial Statement Priorities

It is now well known that the year 2020 was unprecedented in recent human history. The year was dominated by the Covid 19 pandemic and the economic havoc it wreaked. The Board had to guide and navigate SOS Children's Villages in South Africa in uncharted and turbulent waters of coronavirus, the lockdowns and their related ramifications.

The pandemic and the lockdowns shook and brought some of the strongest economies of the world to their knees, decimated the balance sheets of many companies, oversaw the closure of many small businesses and unleashed loss of incomes and unemployment of many people. This included a number of our individual donors, which forced them to cancel their funding subscriptions (committed giving) to SOS Children's Villages in South Africa.

Although many of our corporate partners suffered financial losses, they graciously continued to support SOS Children's Villages in South Africa financially and in many other ways. For example, the KFC Social Responsibility Trust, through Add Hope, continued their financial support providing food security for vulnerable children, Family Strengthening Programme families, children and youth in alternative care. The Old Mutual Staff Volunteer Fund Trust continued to partner with us, by funding the renovating/painting of six SOS Children's Village Mthatha's Family homes and building an ablution facility for the beneficiaries using the SOS Children's Village Mthatha Safe Park. HSBC Bank donated speedily and generously, shortly after lockdown began, towards our Covid-19 emergency appeal helping us purchase urgently needed PPE, sanitizer and other humanitarian aid.

Apart from the financial impacts, Covid-19 also created a global health crisis that overwhelmed many public and private health systems. Many people, including our staff and children/youth were infected. Three programmes were particularly impacted, namely Pietermaritzburg, Gqeberha and more recently, Ennerdale. Working with the management team, we oversaw the implementation of a Covid-19 response plan and setting up of institutional arrangements to ensure that we prevented our staff and children from being infected by the virus. Our plan received a tremendous boost from the SOS Children's Villages International Federation's Solidarity Grant funding which helped us to pay for Personal Protective Equipment, medication, setting of isolation rooms and other resources. As a result of all these interventions, the majority of our infected staff recovered fully. Although we sadly lost three of our mothers, none of them died due to Covid-19.

One other issue we are proud of is the fact that we approved a six point strategy for the next four years. The strategy was drawn from the Global Federation 2030 strategy as well as the ESAF regional strategy, while including locally relevant issues.

The strategy contains the following focus areas:

- **Advocacy**
To influence the policy environment, network with other organisations and government and increase the visibility of SOS Children's Villages in South Africa in various audiences.
- **Build financial sustainability**
To increase our funding and diversify our sources of funding.
- **Child and Youth Empowerment**
Prioritising the improvement of children and young people's quality of life and skills to be independent, self-reliant and well-adjusted and productive members of society.
- **Digitalisation and IT infrastructure roll-out**
To modernize and digitalise our operations nationally and in the programmes.
- **Empowerment and development of staff**
This is about staff retention, better staff remunerations, capacity building and performance management system.
- **Facilities Improvement, management and maintenance**
We focus on maintaining and improving our facilities and generate income from them.

Now that we have a strategy in place, proper governance and financial performance, we are positioned to improve the impact that SOS Children's Villages in South Africa can make. We are in the process of developing an execution plan so that we can take the organisation to the next level of its growth.

In conclusion, our hearts go out to the families of our staff members who lost their lives to Covid-19 and other causes. We express our commiserations to our supporters who lost their incomes and our gratitude goes to all those that continue to support us even under difficult circumstances. We sailed through the storm with the leadership of our Board and management, the diligence and hard work of our staff, the support and guidance of our international and regional offices as well as the support of our partners. We end 2020 on a good financial footing, which is huge achievement because we have been in the process of reducing our deficit and increasing our surplus, without compromising our service delivery. We will use this foundation to further build SOS Children's Villages in South Africa.

Gordon Nzalo
Chairman, SOS Children's Villages in South Africa
June 2021



Covid-19 forces a review of top 5 priorities

SOS Children's Villages in South Africa has spent the past few years developing Strategy 2030. This is a roadmap that will lead us on the path of innovation and development and take us closer to our goal of growing with sustainability.

The strategy contains 7 Strategic Initiatives and 5 Priorities that will make a substantial impact by 2030 on the wellbeing of children and young people without parental care or at risk of losing it.

In 2018, we started reviewing the strategy for approval at our next General Assembly. Who knew that the Covid-19 pandemic would overtake just about everything?

It became essential to respond proactively and to adapt Strategy 2030 to the challenges of Covid-19. The 7

Strategic Initiatives have brought us to where we are today and remain unchanged. But for the next four years (2021 to 2024), we will focus on 5 Priorities that present the greatest opportunities to scale our impact on vulnerable children and young people.

These priorities will guide us to achieve the ambitious goals of Strategy 2030: to ensure that many more children succeed in life and to lead the world's largest child care movement.

In 2020, we began a process of prioritizing projects within the 5 Priorities, based on impact, feasibility and Covid-19 relevance. This process identified 10 highest-rated projects Federation-wide: three for global implementation and seven for national/regional offices as optional. A further 13 projects can also be implemented if additional funding is available.

Each member association decides which of the 5 Priorities are most relevant to them as they navigate through the uncertainties of the pandemic.



Coping with the sudden onset of Covid-19

South Africa went into a national 21-day lockdown on 26 March 2020 when there were about 700 Covid-19 cases in the country. All South Africans, with the exception of certain categories like essential workers, had to stay at home. Essential staff and those who provided direct care to children and youth remained on duty to continue their important care work.

For SOS Children's Villages in South Africa, it was a trying time. We had not planned nor budgeted for what was to come.

The movement of staff, especially in the villages, was restricted. SOS Mothers couldn't go to the shops or clinics or even visit their biological families. Our children could not go to school or leave the villages.

However bad the situation, SOS Children's Villages in South Africa staff exhibited forbearance, endurance and courage.

The senior management team guided our response to the pandemic, providing leadership and support to other staff.

The Communications Department produced a special edition Covid-19 internal newsletter to inform mothers about the virus. The newsletter contained essential information about the need to practice care and prevention, basic protective measures, and educating children about the virus. The department still continues to produce valuable Covid related content.

SOS Mothers went to great lengths to protect and entertain their children. They took on additional teaching duties; they

gave cooking lessons and art classes; and they made sure children learnt basic hygiene protocols.

At SOS Children's Village Ennerdale, two mothers converted an unoccupied house into a colourful classroom for their Grade R and Grade 1 learners.

At SOS Children's Village Mathanjana, young people learned computer skills. Some had never touched a computer or sent an e-mail before the SOS training programme. Initiatives like these ensured that learning continued during lockdown.

Unfortunately, some children and mothers were infected by Covid-19. SOS Children's Village Gqeberha (formerly known as Port Elizabeth) was most ravaged by the virus. Two of the mothers who were infected said it was a painful experience – but they expressed their gratitude to other mothers and staff for caring for them. This value of ubuntu is the glue that holds us together.

It was a tough year but we also witnessed great resilience, strength and innovation. Despite the upheaval, we remained true to our mission to care for every child in a safe and loving home, so that they develop to their full potential.



OUR 5 PRIORITIES:

- 1 Increase local relevance of our programmes.
- 2 Grow and diversify income.
- 3 Empower people and member associations.
- 4 Build partnerships to scale up our impact.
- 5 Embrace digitalization to boost our future readiness.



'Every day it was only me and my books'



The 2020 academic year was a turbulent one for children, especially Grade 12 learners like Lihle from SOS Children's Village Cape Town's FSP.

Lihle faced his matric year under lockdown with no laptop, no access to WIFI, and attended school on a rotational basis. He worked through his curriculum on his own. But against all odds, this 18-year-old triumphed and completed his Grade 12 exams with a Bachelor's pass.

"When schools closed, it became a challenge because we had to learn online using mobile data. My grandmother couldn't afford to buy data. I had to use free community Wi-Fi of 15 minutes a day."

But Lihle was determined not to give up. "My teacher inspired me to focus on my school work. She never forgot to remind me that Grade 12 is my destination. My grandmother encouraged me to pray. This is how I got motivated to work hard on my own without internet or laptop. It was only me and my books every day."

Lihle was born in the Eastern Cape and moved to Cape Town when he was two, after his parents passed away. He went to live with his grandmother, aunt and four cousins. He started school at Mzamomhle Primary School and went on to Zisukhanyo High School.

"I grew up thinking that my grandmother is my mom. She is the sweetest, kindest person. When I was 13, she explained that my parents had died. I was heartbroken. I never got the chance to know them."

Lihle's grandmother and aunt are unemployed and struggled to provide for their family on social grants. Then in 2013, they joined the SOS Children's Villages in South Africa Programme and their lives were transformed with the support, donations and parenting skills. The children took part in youth programmes, youth empowerment and life skills. This support has made all the difference to the family.

"SOS Children's Villages in South Africa plays a huge part in my life. They support my family with food and stationery. Last year they took me to a career expo to learn about career options. I thank SOS Children's Villages in South Africa for their kindness. They have done a lot for my family and for other families. It means a lot to us."

"My wish is to graduate from university so that I can make my grandmother proud."

Now that Lihle has reached his first destination – Grade 12 – he is ready to tackle the second. "My dream is to be a Further Education Training lecturer or Social Worker. SOS Children's Villages in South Africa helped me with applications to various universities although I have not yet been successful. Everything is complicated because of Covid-19. In my spare time I am involved in the Go Teach programme and youth forums. My wish is to graduate from university so that I can make my grandmother proud."

The best travelling companions

SOS Children's Villages in South Africa would not be able to keep children safe, nourished, educated and healthy without the generosity of every single donor. They are valued travelling companions on our journey to protect and provide for children.

Corporate partners have a particularly profound impact on the lives of children. Some corporates have partnered with us for many years.

KFC is our longest standing corporate partner. We first partnered with KFC's Social Responsibility Trust in 1986: 35 years ago! In 2009, the focus of the partnership moved to nutrition when the Trust established the Add Hope Foundation. SOS Children's Villages in South Africa has been a beneficiary of Add Hope ever since. This support has funded millions of meals for SOS Children's Villages in South Africa.

In 2020, 823 440 meals were served to 752 children and young people in Alternative Care in SOS Children's Villages in South Africa; while 1 217 children and families in FSP received food parcels containing enough food for 444 205 meals. And at our Drop-In Centres and Safe Parks, 1 227 children received 532 728 meals.

Happily, KFC has renewed their support for the 2021 to 2022 funding cycle, which runs from 1 April to 31 March each year. Thank you, KFC!

We thank our donors for your continued support. As long as we never stop fighting, we will help build a world where more children grow up with more opportunities.



1,800 373
meals provided in 2020!

TOP 20 DONORS IN 2020

- KFC SOCIAL RESPONSIBILITY TRUST
- HGFD SOLIDARITY FUND
- HSBC BANK
- OLD MUTUAL STAFF VOLUNTEER FUND TRUST
- CONTINENTAL TYRE SA
- ICI DULUX
- FAURECIA EMISSIONS CONTROL TECHNOLOGIES
- SCHAEFFLER SA
- FRANK VON GLEHN
- CAPE GRACE HOTEL
- SILICA HOLDINGS
- FRANK ROBB CHARITABLE TRUST
- CONSOL LIMITED
- DAVID ROBB
- ADIENT SA
- ROOSSENEKAL FOODS
- VSC SOLUTIONS
- RG BROSE AUTOMOTIVE
- ORKILLA SOUTH AFRICA
- VOESTALPINE HIGH PERFORMANCE METALS AFRICA



Celebration of the special days

Mother's Day

Mother's Day is one of the most cherished days at SOS Children's Villages in South Africa – because SOS Mothers are some of our most cherished figures! These are the women who uproot their lives to live in an SOS Children's Villages in South Africa community and take on challenges with love and courage. Without SOS Children's Villages in South Africa Mothers, there are no SOS Children's Villages in South Africa.

On Sunday 10 May, children in our villages paid homage to mothers in their own special ways. Some children made their mothers breakfast, others gave them a hug and a homemade card expressing messages of love and appreciation. These incredible women don't need big celebrations – but they do love heartfelt gestures like these.



To our loving moms on Mother's Day ...

"To our loving mother: We would like to wish you a happy mother's day and like to thank you for loving us unconditionally and being there through tough times. You always bring a smile to our faces."

(Thabo)

"Mom, I love you so much, I will never forget the love that you give me."

(Thabang)

SOS Day

June 23 is a special day for the Federation. It's SOS Day: The birthday of SOS Children's Villages International founder Hermann Gmeiner. He was born in Austria in 1919 – 102 years ago. SOS Children's Villages in South Africa marked the occasion with small household gatherings and songs, poems and dances. Some messages were shared on social media. The G-Meiners, a band of musical colleagues from SOS Children's Villages International, held a virtual benefit concert which was streamed live from the Vienna office.



World Children's Day

Celebrations of World Children's Day on 20 November were limited by Covid-19 restrictions, but we commemorated it on our digital platforms and distributed an amazing children's book created by SOS Children's Villages International. Titled "You Have the Right to Care and Protection! The Guidelines for the Alternative Care of Children", this book was shared with staff and children.



Acts of love help us through Covid-19

When South Africa went into lockdown, no one was ready for it. As we went through the various alert levels, our movements were heavily restricted, economic activities ground to a halt and places of worship closed.

It laid bare the poverty, inequality and unemployment in our country.

However, we saw individual and corporate donors opening their hearts to ensure children in our programmes were taken care of. We also saw our own children and staff rallying to take care of each other.

At SOS Children's Village Rustenburg, Grade 12 student Karabo was the only learner to embark on his final school exams. The children at SOS Children's Village Rustenburg gathered together and delivered warm messages of encouragement. Karabo was reminded that he is loved – and he is not alone on his journey.

South Africa experienced such high demand for food parcels during lockdown that suppliers sometimes experienced shortages and distribution delays.

Most vulnerable families without any means of income – such as those without documentation or who earn an income from recycling – were excluded from many government feeding programmes because of registration criteria. Thankfully, the SOS Children's Villages in South Africa model of care allowed us to consider and support these families with food parcels.

In May, SOS Children's Village Ennerdale held a food parcel drive for their FSP families. National Director Patrick

Kulati boosted spirits when he arrived to help hand out the parcels to hungry families and children.

At SOS Children's Village Mthatha, the Old Mutual Staff Volunteer Trust Fund sponsored repairs to six family homes in our village. The houses needed maintenance like painting, damp sealing and ceiling repairs. The Trust also built an ablution facility with toilets, basins and safe running water at the Mthatha Safe Park to promote Covid-19 hygiene protocols.

The Trust established the SOS Children's Village Mthatha Safe Park in 2018 and it is thriving. It offers homework support, meals and supervised play to up to 250 children. The Trust also funds the stipends of 10 park facilitators. The children were thrilled when the park reopened and the facilitators could return to work. Attendee numbers are limited to comply with lockdown regulations; and children are supplied with masks and practise social distancing and handwashing.

We thank everyone who played a role in giving children shelter, access to PPEs, homework support, and caring and loving mothers at all 11 SOS Children's Villages in South Africa's programmes across the country.

It's in the face of great hardship that your acts of kindness mean so much.



Placing children on the right path

Youth empowerment is one of our driving goals at SOS Children's Villages in South Africa. We aim to raise children who can enter the real world as confident, well-rounded, self-sufficient adults. And we have succeeded, thousands of times!

In the past 70 years, SOS Children's Villages in South Africa has reached over four million children and young people globally through quality programmes that are tailored to their needs.

In South Africa, the 2020 lockdown meant that many youth had to stay at home and their training programmes were temporarily disturbed. But they were not terminated!

The Continental Tyre SA BestDrive Learnership Programme in Gqeberha (previously Port Elizabeth), for

example, reopened to accept interns from both SOS Children's Village Mthatha and Gqeberha.

Helping SOS Children's Villages in South Africa beneficiaries acquire qualifications and a competitive edge in today's job market is a huge accomplishment. One young FSP beneficiary from Pietermaritzburg, Mncedisi, recently wrote to let us know how SOS Children's Villages in South Africa put him on the right path in life.



Dear SOS,

I write this letter full of gratitude and appreciation for the assistance I received from SOS Children's Villages in South Africa and the FSP.

In July 2020, I approached SOS Children's Villages in South Africa for assistance with accommodation and meals allowance. I was doing my final undergraduate year and staying at home was becoming increasingly difficult. The adversities I faced were affecting my ability to study. Fortunately, SOS Children's Villages in South Africa management and the FSP team were able to assist me and I could return to campus.

The assistance allowed me to focus and steer

the direction of my academic success. I was able to complete my Bachelor of Accounting at the University of Johannesburg. I have now been accepted to do my honours Certificate in the Theory of Accountancy. This is compulsory for me to achieve my dream of becoming a Chartered Accountant.

I hope this letter conveys my profound appreciation and gratitude for this assistance in the middle of the economic upheaval caused by the pandemic. I extend my greatest appreciation and gratitude to SOS Children's Villages in South Africa and especially the FSP team. May God bless you in abundance. Ngiyabonga kakhulu.

Mncedisi



A legend moves on: Tata Makunga

It's sad but true: Barrington Makunga, Programme Director at SOS Children's Village Mthatha, has retired.

A renowned Social Worker and thought leader, Barrington has spent 31 years in the child and family development field. Affectionately known as Tata Makunga, he joined SOS Children's Villages in South Africa in 2008 and was appointed Programme Director in 2015.

"When I arrived at SOS Children's Villages in South Africa, everyone was working in silos. I could see broken windows, which I associated with anger and frustration among children and youth. I set up systems immediately. Now, one can feel love and a welcoming atmosphere. The programme is enjoying the services of a strong, united team with independent, motivated individuals. It's a healthy environment."

One of Barrington's proudest moments was the official opening of the Safe Park at SOS Children's Village Mthatha. Barrington led the Safe Park initiative and saw it blessed by government officials and high profile traditional leaders. This was a dream come true.

"This idea comes at the right time. The world is changing. The concept of residential care for children and youth is being reinterpreted. Residential programmes are shifting from custodial to protection and care, and then treatment. Surely this is my legacy."

Barrington thanked donors for offering protection and support to children. "I have observed bad situations. Your kindness and warm hearts help address these issues."

He also thanked his colleagues. "I've enjoyed working with such a dedicated team. Remember! The children have endured enough trauma. They expect only a caring home with understanding individuals."

Barrington has been a true asset to SOS Children's Villages in South Africa. Always there to give emotional support and guidance, he is a father figure to all.

He plans to establish a small consulting organisation to continue contributing to society. Thank you Tata. You will be missed.

"By leaving SOS Children's Villages in South Africa, he is only taking off to fly. Tata, this is not goodbye because we will continue to work together as we better the lives of children in Africa."

Sipelile Kaseke, SOS Children's Villages in South Africa Head of Programmes

"You leave big shoes to be filled. Who is going to be our encyclopedia in terms of the Constitution and Children's Act? We have learned a lot from you, especially your work ethic and humble nature. You earned our respect."

Vuyelwa Sineke, SOS Children's Village Nelspruit PD



A challenging time for child protection

The hard lockdown in March 2020 brought many challenges to child protection and many violations of child rights.

Schools and early childhood development centres closed and few child protection organisations were able to operate. Those that could, reported an uptick in cases of children who witnessed the abuse of caregivers by a spouse; and/or sexual and physical abuse of children.

The mandate to stay at home resulted in some children going into lockdown with emotionally or physically abusive persons.

Living together in confined spaces – at a time when the use of alcohol and substances increased and access to support services and reporting personnel decreased – led to heightened stresses. It increased the risk of child abuse, neglect and exploitation; particularly in poor and vulnerable communities.

It also placed more stress and risks on primary caregivers in alternative child care settings such as foster care. One primary caregiver could be locked down with children of varying ages, varying abusive backgrounds, and varying behaviour challenges.

The loss of livelihoods, especially in low-income households, forced some children into income-generating activities to support their families. In addition, school closures ended the provision of free school meals and sanitary towels. This created the effect of raising the risk of young girls engaging in transactional sex.

In disadvantaged communities, the biggest challenges to child protection were:

- Children left at home unsupervised, or with reduced supervision;
- Inadequate food due to unemployment and/or the closure of school feeding programmes and early childhood development centres;
- Lack of access to social and physical relief from family circumstance e.g. school and support centres.

Rising cases of Covid-19 put a strain on the healthcare system, leading to disrupted healthcare services, de-prioritization of sexual/reproductive health services and a shortage of contraceptive and essential medication. All these could lead to a rise in cases of teenage pregnancies.

While the initial response to the pandemic was on Covid-19 hygiene, care and safety; the primary focus now needs to shift. It should be on strengthening child protection; checking on families; and reporting and responding to child abuse and gender-based violence.

Now, more than ever, we need to stand together to protect the rights of children.

Ephraim Sithole
National Child Safeguarding Officer
SOS Children's Villages in South Africa

The A to F: Six strategies from 2020

In 2020, SOS Children's Villages in South Africa developed the 'A to F': a broad strategic framework of six priorities for the near future. These are:

<p>A ADVOCACY</p>	<p>Working with civil society, non-government organisations and government to influence the policy environment for the benefit of children. A number of areas were identified, including child protection. SOS Children's Village Rustenburg led the way in May by hosting Minister of Social Development Lindiwe Zulu for the launch of National Child Protection Week. SOS Children's Villages in South Africa also advocated for the continuation of social grants during Covid-19; and for the roll-out of the Covid-19 vaccine to frontline workers like mothers, and child and youth care workers.</p>
<p>B BUILDING FINANCIAL RESOURCES</p>	<p>Building financial resources and increasing our partnership pool of corporate donors, government, institutional and individual donors is key to future sustainability. During lockdown, we turned to phone calls, e-mail and online meeting platforms to stay in touch with financial supporters. We still rely on their donations to continue our work in extremely difficult circumstances.</p>
<p>C CHILD AND YOUTH EMPOWERMENT</p>	<p>If SOS Children's Villages in South Africa was a computer factory, computers would be our products. But we are in the business of safeguarding children. We want children who become self-respecting adults who are enterprising, independent, add value to society and find employment. Our children should respect women and not take part in gender-based violence.</p>
<p>D DIGITALIZATION AND ICT EXPANSION</p>	<p>We aim to turn SOS Children's Villages in South Africa into digital villages by establishing infrastructure for Information and Communication Technologies (ICT). Each and every house must have a computer, internet, data and cell phones so that SOS Children's Villages in South Africa families can plug in and operate. The post-Covid-19 world is digital and we need to connect children to online learning. They will need ICT skills training to improve their education and match their peers. This is essential to give the children and young people the best chance to join the job market and become self-sufficient.</p>
<p>E EMPOWERMENT & DEVELOPMENT OF STAFF</p>	<p>SOS Children's Villages in South Africa staff have to be better capacitated and better paid. We want them to be happy to work for SOS Children's Villages in South Africa. SOS Parents also need ICT training to access the internet and e-mails so they can engage schools, build their knowledge and shop online.</p>
<p>F FACILITIES AND PROPERTY MANAGEMENT</p>	<p>SOS Children's Villages in South Africa has properties across the country. Many are dilapidated and in need of maintenance. Some tenants are defaulting on rent. We need to take steps to ensure we can generate an income from our facilities and maintain them to a safe standard for children.</p>

Patrick Kulati
National Director, SOS Children's Villages in South Africa

Our story is your story

We made it through the first year of the pandemic with a lot of help from our stakeholders. So to give them a socially-distanced glimpse into our lives, we produced a stakeholder video which you can view below.

The video highlights how donations kept children engaged, educated and entertained, and nourished hungry families.

It includes messages of thanks to corporate and individual donors from SOS Children's Villages in South Africa National Director Patrick Kulati and Corporate Fundraiser Mandy Spies. Donors' acts of love and personal sacrifice allowed SOS Children's Villages in South Africa to provide support, shelter, access to PPEs and, above all, caring and loving mothers to children.

This is our story. It's your story too. Thank you for facing the pandemic by our side.



The future of fundraising at SOS Children's Villages in South Africa

The swift onset of Covid-19 was a severe blow to our fundraising efforts in 2020. Many companies reduced salaries or retrenched staff members. Company and individual incomes were slashed and donations were often either discontinued or not increased.

Much of our fundraising work relies on personal contact through visits, events, activations at programmes and new donor recruitment. But these activities were hamstrung.

Our face-to-face teams could not go out to recruit new donors because shopping malls were closed. We could not go out to meet corporate clients as staff were working from home.

Face-to-face donor acquisitions had to be halted for more than six months, making it impossible for us to reach our target of acquiring 5 000 new donors in the period.

It was a shocking new normal. The fundraising department had to quickly adopt a new mindset.

SOS Children's Villages in South Africa was also not fully equipped for the rapid switch to online technologies. Initially, we had to work in a digital space without sufficient ICT hardware and data. We were also short of one corporate fundraiser and the corporate team leader was doubling-up as the acting Head of Department.

It was a shocking new normal. The fundraising department had to quickly adopt a new mindset. Instead of face-to-face contact, we relied on telephone calls and e-mails to engage and appeal for donor support. At first, donors were happy to support. But as the lockdown persisted, and strict regulations impacted livelihoods, they too had to reduce or stop their financial and other support.

We took the opportunity to embark on a process of bringing face-to-face recruitment in-house. This started with reallocating funds from the Impact Fund 4 Children that would have been used for face-to-face recruitment via



agencies. Our own in-house team should be fully established by the end of 2021.

Going in-house means we will have more control over our messaging. Our team has first-hand experience of our programmes and can share heartfelt stories with prospective donors. Our focus is on quality donor acquisition as opposed to quantity. While corporate funding is often ring-fenced for programmatic objectives; individual giving is a valuable source of unrestricted funding.

SOS Children's Villages in South Africa successfully applied to the Hermann Gmeiner Funds for humanitarian aid. This presented a learning opportunity for our National Association to apply and manage a large grant. The Institutional Partnership Development works with international organisations and multilateral donors, such as the United Nations and the European Union, and is an income stream we would like to grow in future.



Hands busy, hearts happy

Empowering children and youth to find their rhythm in life is something that SOS Children's Villages in South Africa loves to do. At SOS Children's Village Mthatha, a group of six boys uncovered some talents during lockdown – and are now using their skills to reupholster sofas and repair items like stoves and shoes.

They're doing amazing work – and it all started when they overheard a housemother saying she intended to dispose of her tattered old sofas.

The boys convinced her they could make the sofas as good as new, if only they were provided with fabric. This marked a significant moment in their lives; and they began learning new skills like needlework and upholstery. They will grow and carry these skills into their adult lives.

The boys, aged between 12 and 15 years, have formalised their work into a project and continue to showcase their natural talents. They've already created a battery-operated desk fan which is very useful during power failures.

“The boys have done impressive work. We're proud of them for the initiative they took. This is good motivation for the other children. Our aim is to see more emerging talents nurtured and to help young people develop into contributing citizens.”

Barrington Makunga,
SOS Children's Village Mthatha
Programme Director

The Safe Park attached to SOS Children's Village Mthatha's programme is also playing a role in bringing co-workers and park facilitators closer to the children. It's in this environment that they are able to identify talents and emerging skills in the young people.

We are grateful to our donors and to each and every SOS Children's Villages in South Africa's co-worker for their commitment to child development. Let us remember what SOS Children's Villages International's founder Hermann Gmeiner said: “Good happens when people do more than what is required”.



BEFORE >



AFTER >



Village life in the time of Covid

The alarming spread of Covid-19 led SOS Children's Villages in South Africa to take immediate steps to ensure the health and safety of staff and beneficiaries at all 11 programmes nationwide.



The measures put in place by the team are adjusted from time to time to fall in line with the various alert levels. These measures include:

- Promoting regular use of sanitisers, gloves and masks at all programmes.
- Urging mothers to stock up on household items such as food and medicine, especially during holidays.
- Increase access control.
- Suspending all non-essential face-to-face meetings, gatherings and forums; and reducing contact among children from different households.
- Prohibiting all international travel and non-essential local travel.
- Restricting the movement of children and staff outside the village; and restricting external visits to the programmes.

National Director Patrick Kulati activated a Crisis Response Team which continuously assesses the spread and containment of Covid-19; and provides up-to-date information and practical prevention measures to staff and children.

[CLICK HERE TO LISTEN TO SA NATIONAL DIRECTOR PATRICK KULATI](#)





Funding in a time of Covid-19

SOS Children's Villages in South Africa pursued a fairly radical approach to fundraising in 2018 and 2019. By focusing on growing corporate donors as the main income stream, while also growing the individual giving donor base, we achieved subsidy related self-sufficiency in this period.

But these efforts were derailed in 2020.

The lockdown led to job losses and donor income fell. As a result, donations from individuals dropped by 5%.

The number of committed givers did however increase from 13 635 to 15 035, while sporadic donors grew from 17 122 to 17 323.

Corporate fundraising continued; although some donors delayed payments while others halted contributions altogether.

Those who could, went above and beyond to ensure we received some funding. Company staff stepped in to support us when their companies could not; and went to special effort to make their own contributions.

International corporate partnerships continued and donations in kind from corporates grew, especially of food, water, long life milk, PPEs and hand sanitizer.

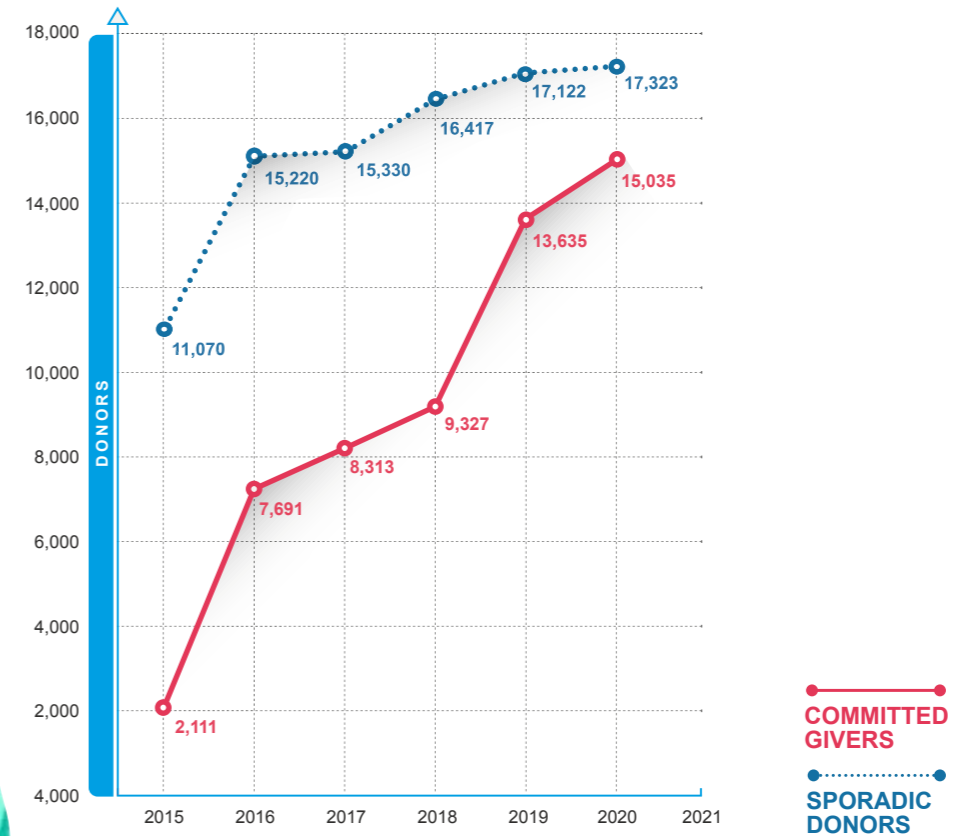
International sponsorship performed well. We achieved a 94% assessment in Eastern and Southern Africa region. This is a marked increase from 83% in the previous performance.

SOS Children's Villages in South Africa received a significant boost from the Hermann Gmeiner Funds with a generous humanitarian grant.

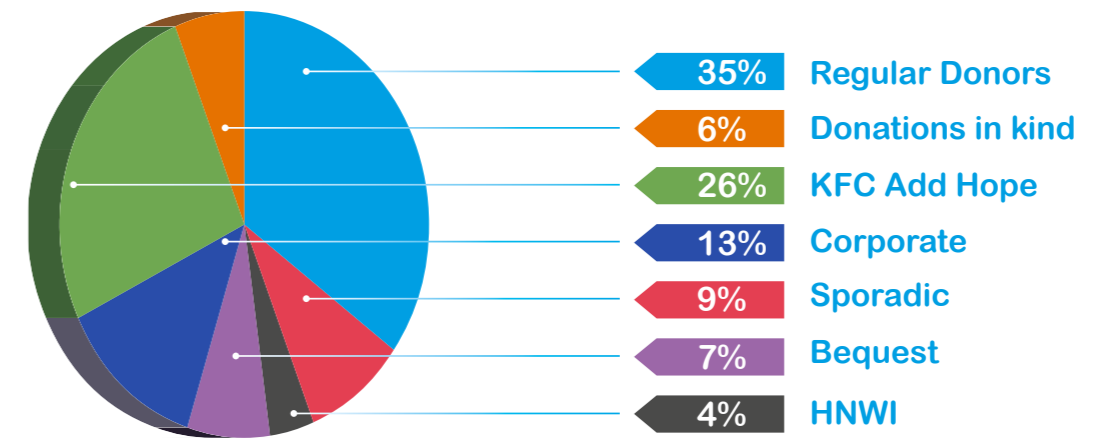
The support of our donors and SOS International Federation was felt and appreciated. At a time when the world has its back against the wall, we are thankful to those who move heaven and earth to keep children safe.

"You can't hit a target you cannot see, and you can't see a target you don't have!"

- Zig Zigler



2020 LOCAL INCOME STREAMS





Ways to Give



DIRECT DEPOSIT/ELECTRONIC FUNDS TRANSFER

Make a donation directly into our bank account:

Account Name: Fund Development Account
 Account Number: 1984 563 068
 Branch Code: 1984
 Branch Name: Randburg

LEGACY GIVING: A GIFT IN YOUR WILL

Leaving a gift to SOS Children's Villages in South Africa in your will can ensure we continue to provide support and care for children, young people and families and in doing so make a lasting impact.

SPONSOR A PROGRAMME

As a sponsor of SOS Children's Villages in South Africa you can help support the loving care, health, education and supportive community life of children who have been given a new home through SOS Children's Villages in South Africa. When we take a child into our care, they become part of an SOS Family.

CORPORATE PARTNERS

SOS Children's Villages in South Africa believes that every child deserves a loving home. The support of corporations and foundations helps us make this vision a reality for more than 4 700 children and families across South Africa.

HOUSE SPONSORSHIP

An SOS Family Home is a loving, family-like environment, for children without parental care. Your Corporate Social Investment contribution towards an SOS Family Home provides an SOS Family, with up to eight children, with a qualified carer, the SOS

Mother, an education suited to their needs, nutritious meals, access to good healthcare, clean water and minor building maintenance.

TAX BENEFITS

All donations made to SOS Children's Villages in South Africa are exempt from tax and qualify donors for deductions from taxable income in accordance with the income tax act 58 of 1962.

For your donation, you will receive a Section 18A tax certificate enabling you to claim a deduction from personal or corporate taxable income. Annual tax certificates will be issued at the end of the financial year unless requested earlier.



Statement of Financial Position as at 31 December 2020

Statement of Profit or Loss and Other Comprehensive Income

FIGURES IN RAND	NOTE(S)	2020	2019
ASSETS			
NON CURRENT ASSETS			
- Property, plant and equipment	2	20,468,082	21,643,310
- Intangible assets	3	23,244	17,928
		20,491,326	21,661,238
CURRENT ASSETS			
- Trade and other receivables	4	10,126,256	11,062,774
- Cash and cash equivalents	5	20,666,400	12,671,343
		30,792,656	23,734,117
Total Assets		51,283,982	45,395,355
EQUITY AND LIABILITIES			
EQUITY			
- Reserves		9,774,655	7,476,231
- Accumulated Funds		27,463,028	22,520,796
		37,237,683	29,997,027
LIABILITIES			
Non Current Liabilities			
- Retirement benefit obligation	6	575,333	580,323
Current Liabilities			
- Retirement benefit obligation	6	79,308	77,604
- Funds held on Behalf of Children	9	7,632,628	7,989,982
- Provisions	8	415,650	394,850
- Trade and other payables	10	4,247,546	3,079,708
- Deferred income	11	1,095,834	3,275,861
		13,470,966	14,818,005
TOTAL LIABILITIES		14,046,299	15,398,328
TOTAL EQUITY AND LIABILITIES		51,283,982	45,395,355

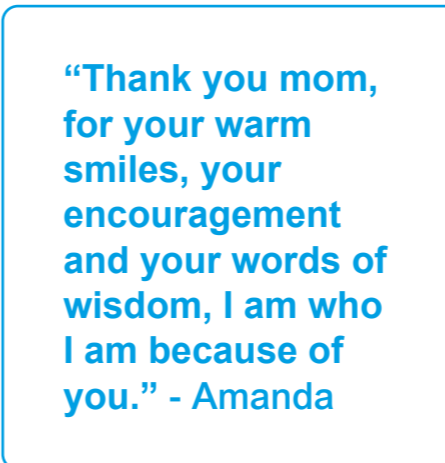
Statement of Profit or Loss and Other Comprehensive Income

FIGURES IN RAND	NOTE(S)	2020	2019
Revenue other than from contracts with customers	12	61,613,053	57,145,283
Other operating income	13	32,053,333	29,451,878
Other operating losses	14	158,992	(19,464)
Movement in credit loss allowances	15	(19,685)	(5,844)
Other operating expenses	15	(86,796,258)	(87,706,883)
Operating surplus / (deficit)		7,009,435	(1,135,030)
Investment income	16	305,540	377,600
Finance costs	17	(54,236)	(56,691)
SURPLUS / (DEFICIT) FOR THE YEAR		7,260,739	(814,121)
OTHER COMPREHENSIVE INCOME:			
Items that will not be reclassified to profit or loss:			
Actuarial (loss) / gain on defined benefit liability		(20,082)	(27,004)
Other comprehensive income for the year net of taxation		(20,082)	(27,004)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		7,240,657	(841,125)

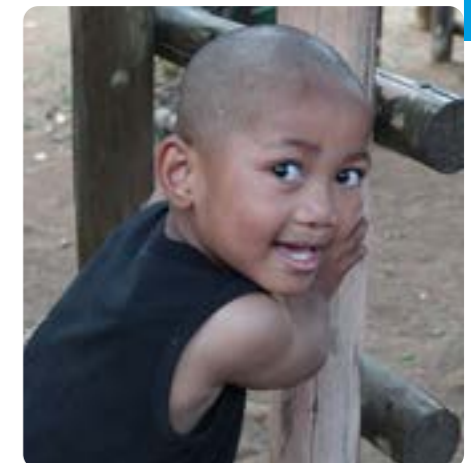


“We are lucky to have you as our mom and our best friend.” - Lerato

“You hold a special place in our hearts. We know that sometimes we give you a hard time, but we love mom.” -Vusi



“Thank you mom, for your warm smiles, your encouragement and your words of wisdom, I am who I am because of you.” - Amanda



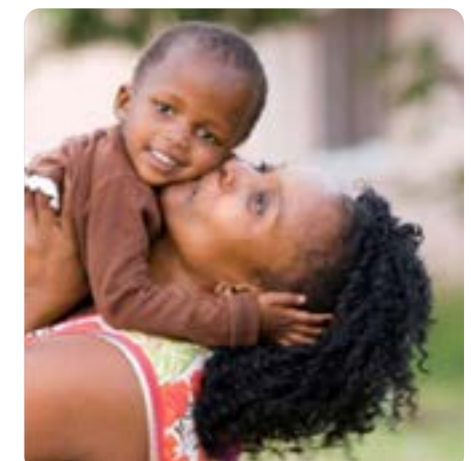
“I am thankful to you for having created a safe home for me and taking away all the fears I had in life before SOS Children’s Villages in South Africa. You took away my nightmares and turned them into dreams, which I have up to this moment. I managed to fulfil some of them and I continue to dream. I know that SOS Children’s Villages in South Africa was sent by God to make my dreams a reality and in the process restore hope to destitute children.” - Sandra



“I am so grateful to have a mother as loving as you, thank you.” - Noxolo



“I found love and warmth, not once did I go to bed on an empty stomach or worry about where my next meal would come from, thank you mom.” - Lesego





 SOS Children's Villages South Africa
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 SOSCVSA

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