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CHAIRMAN’S REPORT

The highs and the lows
The year ‘2010’ has been on the minds, hearts and lips of most South Africans ever since we were awarded the soccer world cup many years ago. As was expected, the country was engulfed for most of the year with this historical moment in the life our nation.

As exciting and absorbing as this event was, it also highlighted the sadness of a country that has not used the same ability it demonstrated in hosting the world cup, towards more important local priorities of good governance for the socio-economic benefit of all it’s people, especially the poor.

Many statistics also underline the constant erosion of moral values and ethics, sinking people deeper into poverty. For example:

- According to the Department of Education, over 17,000 pregnancies were recorded in our Kwazulu-Natal schools in 2010, and this excludes any unrecorded one’s;
- Child headed homes have increased by over 25% in recent years;
- The SA Institute of Race Relations reported last year that the number of social grant beneficiaries has increased by more than 300% in the last nine years – totalling nearly 14 million in 2010.

Add to this the information that our country’s life expectancy is decreasing at a rapid pace, the continuing brain and skills drain syndrome, ongoing fraud and many other statistics that highlight a country in trouble.

Given these circumstances, we in ACAT take heart from the words of Jesus when he said that ‘without me you can do nothing’. This was the attitude we adopted this past year and therefore any achievements recorded here, are to His glory and honour.

An overview of ACAT
The essence of ACAT is to facilitate sustainable transformation to disadvantaged rural communities, families and individuals by providing relevant development services that are delivered with excellence. In this past year, we were privileged again to witness God’s intervention in bringing about lasting change in the lives of people.

These services have been offered since 1979, and have assisted 1000’s of rural families in Kwazulu-Natal to improve their livelihoods. This was initially done by mobilizing people and their resources through the savings club concept. Over the next 32 years, we have constantly applied ourselves to improving every aspect of ACAT’s work, including:

- Programme design with an increasing focus on sustainability for the target group and ACAT;
- Training – input, materials and facilities;
- Extension work – visits, workshops, advisory services, referrals and networking;
- The skills and capacity of trustees, leaders, staff and all the community structures of groups and individuals;
- Governance, administration and finance – improved management and accounting systems, sustainability fund and general maintenance of all assets.

Most important of all, we have witnessed over these years a verifiable improvement in the impact of the programmes on the lives of people as they have been equipped with numerous and multi-levelled skills to come out of the desperate conditions of poverty they were in.

This past year has seen a continuation of all these improvements, benefitting those to whom God has called us, namely the poorest, neglected and marginalized members of rural communities.
Impact of ACAT’s work
In 2010, nineteen 30km radius areas – or 168 communities – benefited from one or more of ACAT’s programmes involving most of the magisterial districts of KwaZulu-Natal. We estimate that over 7,400 new family members benefited directly and indirectly, from ACAT’s services this past year and over 437,000 since restructuring in the year 2000. When including the savings clubs, which benefited a further 110,000 people, the total estimated number of people impacted by ACAT in KwaZulu-Natal is 547,000. These figures do not include the cascading effect, which ACAT has through the influence of beneficiaries on others in the wider community context.

Activities achieved this year included:

| 3429 | One-day workshops; |
| 8319 | Extension visits; |
| 160  | Cross visits between programme participants, involving 1625 group members; |
| 24   | Week-long courses at ACAT’s centre; |
| 1226 | New food gardens were started this year, totalling 11,161 since the year 2000. |
| R110,200 | Was given out in small loans to 228 entrepreneurs (a total of over R1,896,068 million to over 3,700 members since ACAT started issuing loans) |
| 500  | New subsistence famers have joined the programme |
| 570  | People were given the opportunity to start their own survivalist enterprises |
| 334  | Volunteers assisted their communities |

Through personal stories and photographs, visits by staff and community volunteers, programme reports and ‘flash’ evaluations, these activities have brought about significant change in the lives of people. We have observed change in terms of behaviour, new found self-confidence, increased income levels, improved health and greater involvement in development activities.

HIV and AIDS
ACAT’s mainstreaming of HIV and AIDS through all it’s programmes remained both relevant and effective. Training materials have been developed and improved to enable the target group to understand the virus, how to manage it, and how to assist and care for others. To improve on impact, we have this year equipped each extension staff member with audio-visual hard and software to show community members carefully selected DVD’s on this topic and this had generated more interest.

Over 3600 people received relevant exposure to information on HIV and Aids. This was done through one-on-one discussions, group meetings, training, and on-site visits.

Youth programmes
The programmes continued to involve young people who have engaged themselves in various development activities. Of particular interest, were the 151 young people who attended a week-long course on basic life skills, specifically designed by ACAT for the youth. All reports indicate that they benefitted from the course,
that their lives and attitudes have changed, and that they deeply valued the time spent at ACAT.

**Partnership Programme**
Requests for assistance were channelled through our Partnership Programme, which is aimed at mentoring others on how to implement ACAT’s programmes or elements of them. In total, 290 trainees from 40 different organizations where trained this past year.

This is just a brief sketch of some specific achievements this year, which in so many ways has given us evidence of the further fulfillment of ACAT’s VISION, which is to be an instrument in God’s Hand in the transformation of the poor people of Africa from their spiritual, mental and physical poverty into a sustainable lifestyle, which is God-centred and people orientated.

The same can be reported on the ongoing achievement this year of our MISSION, which is to design and implement training and mentoring programmes aimed at equipping people to be sustainable in every aspect of their lives and to influence, motivate and assist others to achieve the same.

**2011 and Beyond**
There are many challenges in the months and years ahead, many of which are not even known to us yet. What we do know is that, as a Faith Based Organization, we have a clear God given mandate to bring sustained hope and transformation to the lives of those we serve and work with, and that our trust must remain in God alone, who through Jesus is still in the business of reconciling Man to Himself.

We remain committed to providing ever improving programme interventions in the year ahead, so that people can continue to succeed in overcoming the vicious and destructive impact of poverty on the lives of its victims.

We in ACAT take heart from the words of the Apostle Paul who said in Romans 8:31 that ‘if God is for us, then who can be against us’. In other words, if we can ensure that the work we do is God’s purpose for us, His promised support will see us through all circumstances.

**Gratitude!**
I end this review of 2010, by once again using this opportunity to express, on behalf of the whole ACAT family, our heartfelt appreciation firstly to God for his provision and intervention this past year, and to so many others who have enabled us to achieve the results recorded in this report, especially our funders, community volunteers, trustees, leadership, staff and prayer partners. It is your diligent and reliable support that makes it possible to translate a vision and its related objectives into a daily reality for the benefit of the poor and to the glory of God!

**Rev F von Fintel**
Chairman : ACAT KwaZulu-Natal
Introduction
The centralized and shared functions of governance, strategic management, centre training, fund raising and administration were provided to all ACAT programmes this year, which are serving 168 rural communities throughout the Province. These services, which are specialized and essential for the on-going impact of each programme, were provided from ACAT’s centre at Lidgetton which is close to Pietermaritzburg, the capital of the Province of Kwazulu-Natal.

Governance
The full Board of Trustees met three times during this year for ordinary Board meetings and an Annual General Meeting to consider the overall progress and position of the Trust. The ordinary Board meetings focussed on policy issues, planning, annual budgets, partnerships with others, and the receiving of financial and narrative reports from the various programme interventions. Programme leaders continued to attend all the Board meetings, a decision taken in the previous year to improve their contact with the field operations and for the leaders to benefit from exposure to practices of good governance.

One of ACAT’s founding trustees, Mr John Schroeder, retired from the Board this year, having served faithfully on the Board since the Trust’s inception in 1979! The entire ACAT family says a ‘big’ thank you to John for his remarkable diligence over so many years to ensure that the work continues to grow and impact the rural poor. To his wife Jean, we also give thanks for the many years of supporting ACAT and releasing John to be the blessing he has been to the organization. We wish them both many God given blessings and special grace as they continue on their journey together. The same is said of Mrs Elsie Khanyile, who also retired this year.

In addition, the Board’s Finance and Audit Committee and Sub Committee met 7 times to consider, in varying degrees of detail, financial statements, budgets, investments, partnerships, fund raising and income generation for ACAT, and any other assignments given to them by the Board.

Central Training Services
ACAT’s target group, Community Volunteers, Partners and staff once again benefitted from the various courses held at ACAT’s training centre. Fewer trainees were trained than planned. This was due to the significant loss of income resulting from the poor exchange rate. 820 Trainees (914 in 2009, 753 in 2008 and 370 in 2007) attended training at the ACAT Centre during the year.

Due to Government’s significant policy changes on the procurement of ABET materials, ACAT’s selling of these materials was minimal this past year. Policy changes included centralized purchasing and limiting service providers to providing only a select number of learning areas in terms of training materials. This period under review was therefore spent improving existing materials, especially for our field operations and for our Partnership Programme.

Even in the case of local Further Education and Training Colleges (FET’s), some of whom had in the past purchased and used much of ACAT’s materials, nothing has materialized in spite of all the interest shown.
A new training room was completed during the year, which has been most useful in providing extra training, seminar and meeting facilities, especially with all the increased activity at the centre.

**Strategic Management and Human Resource Services (SMS)**

**Fund Raising**
A significant proportion of every year’s agenda includes negotiations for funding. 2010 was no exception, and included:
- Tying up loose ends for 2010 funding contracts as well as for those contracts which were coming to an end at the end of the year.
- Negotiating with funders for the timely processing of tranches to avoid or minimize cash flow problems.
- Completing the 2009 Annual Reports and the 2010 six monthly narrative and financial reports, according to each funding contract.
- Meeting with existing and potential funders, including field visits.
- Ensuring that ACAT fulfils all its contractual obligations, involving 16 contract based funders.
- Finalizing the detailed budgets for 2011 and 2012.
- ACAT’s own income generating projects.
- BEE status for BEE related funding.
- Module sales to Further Education and Training Colleges.
- Contact was made with the Government’s fledgling Rural development Department to expose them to what ACAT is doing on the ground, and to try and establish a partnership for the benefit of all.
- We wish to gratefully acknowledge the support received from the Anglo American Chairman’s Fund towards ACAT’s Programme.

**Funding, cash flow and sustainability**
Again, only a few funders submitted their payments on time, which meant that ACAT had to constantly access some of its reserves to honour all our regular commitments. The unexpected sustained strong Rand, coupled with a weaker Euro, meant that extreme caution was required with the management of our finances. We are happy to report that in spite of all these odds, we were able to balance the budget with respect to our ‘survival’ budget. A policy, which is gaining in popularity, is not to allow recipients to roll over any funds that were saved from the previous year’s budget, a practice that prevents organizations like ACAT from stretching funding resources in cases like exchange rate losses or other circumstances beyond our control.

Careful and astute management of ACAT’s sustainability fund was again applied this year. This is particularly relevant when bearing in mind the local and global economic circumstances. Although our investments fluctuated in value during the year, they finished strong by year end.

We sadly have to bid farewell to a number of funding partners who have over many years been exemplary in their useful and faithful support of ACAT. This has not only been with monetary assistance, but also technical expertise. Many of their funding policies have changed one of which includes withdrawal from South Africa.

To these partners, some of whom do not wish to be named, we acknowledge with heartfelt thanks, your contributions over so many years, which have really benefited ACAT and its target group in countless ways. Some of these donors have been with ACAT for 14 years! We will never forget the immense value you have added to our work!

Although 2011 will be extremely challenging, a few new funders have shown an interest to fund ACAT and for this we are grateful. However, there is still a long way to go before the end of the year. Efforts are constantly focused on accessing the support of new donors, whilst budgets are regularly scrutinized to find ways of reducing costs.
Overall day-to-day Leadership of ACAT
During these 12 months, SMS provided ACAT with leadership and direction in terms of:

- Financial management, including 6 general and donor specific audits;
- Increasing the capacity of staff by organising and facilitating staff workshops;
- Facilitated successful staff disciplinary procedures to address matters of program performance and vehicle management;
- Overall monitoring of each ACAT Programme, addressing any problems that emerge in terms of program implementation;
- Managing the Leadership Forum activities;
- Seeing to the implementation of all Board and Finance and Audit Committee decisions;
- Assisted with the development of appropriate training materials;
- Management of our 27 strong vehicle fleet, which involves a combined travelling total of about one million kilometres each year;
- Continued to spearhead the Partnership Programme.

Networking
ACAT continued with appropriate networking opportunities, most of which are informal as many of the formal networks have either ceased to function or operate effectively.

Programme Planning, Monitoring and Evaluation
One of the inspiring elements of ACAT’s work, is that each year a total of about 200 NEW groups are brought into the ACAT programme. This translates into 1000 NEW families or 7000 NEW beneficiaries who have never benefitted from the programme before. To add value to this figure, all these groups, families and individuals are assisted by ACAT to become sustainable, rather than dependent on the programme.

By the end of December, 214 new groups had been formed against a target of 190. In addition to on-site visits, and monthly progress reports, a performance sheet is produced and used each month to monitor the timely achievement of all the main objectives, strategies and activities of the programmes. This is produced by area and by staff member and serves as an early detection system for any problem areas.

To get an idea of the impact of ACAT’s programme on the lives of the people and families involved, we conducted a ‘flash’ evaluation of just 40 families, asking them pertinent questions on changes in health, income, assets, behaviour and many others. Details are contained in a separate report, but one of the tangible areas of impact is the acquisition of new assets that involvement in ACAT has brought them. 90% Of those interviewed have been able to purchase new assets with the increased income from their programme activities. These include additions to homes, new homes, appliances and equipment. This information serves as a significant encouragement, not only for the beneficiaries themselves, but also for the staff and leadership of ACAT, especially when one adds to this benefit improved health, better nutritious eating habits and positive behavioural changes.

Staff matters
Last year we reported on a very difficult year in terms of staff health. Although some continue to struggle, we have also witnessed some encouraging improvements. We will in the year ahead, continue to pray for God’s supernatural intervention! Sadly, due to limited financial resources for 2011, we have had to reduce our staff complement by three members and a further staff member has resigned to pursue a career in teaching.
Partnerships
During this period ACAT received numerous requests for assistance to implement ACAT type programmes or elements of it. Leadership courses were conducted at the ACAT centre, at the venue of one of our Informal Partners, and in Kenya, Tanzania and Uganda. These courses focussed on equipping learners with the leadership skills to address poverty and in total, 110 people attended involving 17 different organizations.

The Basic Life Skills (BLS) course, which is the entry-level course ACAT runs for our target group, was attended by 104 people from 8 different organizations. As with the leadership course, we made a few exceptions this year by training away from the ACAT centre on two occasions. The first one was in northern Kwazulu Natal at the venue of one of our Informal Partners. The second one was in a town called Kabwe in Zambia, which came about by the motivation of one of our staff members who is a Zambian, and is very keen to see the work of ACAT start in Zambia. By attending this course Partners are exposed to what ACAT teaches and how we use the training material.

The third course designed for Partners, is the one on ‘How to implement, manage and administrate the Programme’. Only one person was trained in this as this is more for those people who are keen to implement the entire Programme of ACAT.

In total, 290 trainees from 40 organizations (of which 14 were Community Governing Boards) were trained this past year. However, this Programme is not just about training courses, but includes visits to the ACAT centre, field visits, mentoring, meetings, extensive correspondence, phone calls and at times visits to the Partners themselves. 65 Meetings/contacts were achieved involving 43 organizations. There were 12 countries where meaningful contact and influence was realised in 2010, with some of them planning to send trainees to ACAT in 2011.

There are currently 4 Formal Partners, 10 Informal, and many more Potential Partners. There are some concerns, especially regarding the quality of implementation by some of the Formal Partners, but these are not new this year and are receiving attention, either by way of guidance from ACAT or the consideration of changing to an Informal Partnership status. One Mission Society (OMS) has also included ACAT on their website as one of their Partners.

Administration
During the year the annual and 6 monthly audits were carried out successfully and we continued to administer nearly 40 bank accounts. The new format and details added in 2009, have this year proved to be most helpful in the improved accuracy of monitoring ACAT’s finances. Additional software was purchased to speed up the production of all the fund accounts, and this enabled the staff to improve vastly on the timely production of our monthly management accounts. This was particularly helpful with the close monitoring of income and expenditure required to ensure that we remain within the greatly reduced income due to heavy exchange rate losses.

The audited statements for the year do not reflect any information that is materially different from 2009. There are self-explanatory notes within the financial statements, which explain some of the peculiarities of ACAT’s fund accounting system.

Other services included reception, secretarial back-up, computing, purchases and general office duties.

Conclusion
Although a challenging year, it has nevertheless been a satisfying year especially given the verifiable improved quality of life experienced by those in the various ACAT Programmes. Objectives have been achieved, expenses were kept in line with reduced income, the sustainability fund has grown in spite of the economic climate, Partners have benefitted significantly from their contact with ACAT, and our training centre has once again been expanded and improved. However, the most important progress observed in 2010, was the continued transformation of people’s lives, especially with so many deciding to make commitments with regard to their faith. For all these achievements, under circumstances that have not been easy for staff, trustees and communities, we remain deeply grateful to God for all the results of 2010! As Jesus said in John 15:5 ‘Without me, you can do nothing’.

Gerald Dedekind
(Director)
**Overall purpose**
The overall purpose of this programme is to use sustainable agriculture as a means to enable disadvantaged small farmers to overcome poverty in a sustainable way, and for them to influence and assist others to do the same. This will involve:

- **Promoting** and **teaching** sustainable agricultural practices
- **Applying** specific development principles, and
- **Considering** the context, needs and problems facing small rural farmers, which include past, present and future circumstances.

**Achieving the overall purpose during 2010**
During this reporting period, the following activities were carried out towards achieving the overall purpose.

<table>
<thead>
<tr>
<th></th>
<th>By Community Volunteers</th>
<th>By Extension Officers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home food Security</td>
<td>370</td>
<td>233</td>
<td>603</td>
</tr>
<tr>
<td>Agribusiness</td>
<td>239</td>
<td>148</td>
<td>387</td>
</tr>
<tr>
<td>Causes of Poverty</td>
<td></td>
<td>282</td>
<td>282</td>
</tr>
<tr>
<td>HIV and AIDS</td>
<td></td>
<td>199</td>
<td>199</td>
</tr>
<tr>
<td>TOTALS</td>
<td>609</td>
<td>862</td>
<td>1471</td>
</tr>
</tbody>
</table>

Extension visits have been conducted by SAP and farmers have benefited from the following activities:

- 1274 Individual group visits were conducted by Extension Officers and 1822 by Community Volunteers.
- 57 Cross-visits were achieved, which provide opportunities for farmers to learn from each other.
- 670 New home food security gardens were facilitated bringing the total gardens to 5280 since the year 2000.
- 52370 Vegetable seedlings were facilitated by Extension Officers to the farmers.
- 119 Specialization meetings were conducted in agriculture.

Some of the additional activities that SAP Extension Officers have been involved in are:

- Attending community meetings.
- Transporting farmers to the ACAT Centre for training.
- Condolence visits.
- Staff training.
- SAP planning meetings.
- Field network meetings.
Statistical cumulative report
The table below shows the cumulative number of farmers impacted by SAP and it includes those who were identified during this reporting period.

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>G5s</td>
<td>N/A</td>
<td>237</td>
<td>105</td>
<td>100</td>
<td>442</td>
</tr>
<tr>
<td>Farmers</td>
<td>3340</td>
<td>1185</td>
<td>525</td>
<td>500</td>
<td>5550</td>
</tr>
</tbody>
</table>

Objectives
To provide the active disadvantaged small farmers with the opportunities, passion and capacity to achieve the following, and influence, motivate and assist others to do the same:
• Be members of sustainable community structures.
• Achieve self-reliance and sustain an ever-improving quality of life, including the reconstruction of families.
• Address the causes of poverty.
• Enjoy home food security and for some to make farming a career.
• Own a profitable agri-business that will serve as a role model.
• Be aware of, understand and actively address the HIV and Aids pandemic with a special focus on causes, symptoms, transmission, avoidance, stigma, alternate lifestyle, management of the virus and the provision of community based support and care.

Report on the strategies used to achieve all objectives
Certain strategies have been carefully selected which, if implemented, will achieve each of the above stated objectives.

Strategy One: Identify the target area and the target group
SAP has not identified any new areas during this reporting period. However, 4 new zones (where ACAT is not currently operating), have been identified to implement ACAT’s programme.

Strategy two: To form and equip groups to mobilize the community against poverty
i) Formation of groups of five (G5)
During this reporting period a total of 100 new G5s have been formed and are being equipped in sustainable agriculture practices and other developmental skills in all 8x30km radius areas in which this programme currently operates. This means that 500 new families benefited this year from SAP.

All the new G5s have sent their representatives to the ACAT Centre for the Basic Life Skills training course.

During this reporting period, the groups received a total of 3096 group visits from EOs and CVs. The following outcomes have been achieved as a result of these visits:
61 Sector groups have been formed and are starting their advanced businesses.
563 Group members have started to save cash generated by their businesses.
637 Groups have started income generating activities.
670 New home food security plots have been developed.
1257 Members have started to grow their own seedlings.
52370 Seedlings have been bought by group members.

ii) Centre training
The following training took place at ACAT’s main centre during this reporting period.

<table>
<thead>
<tr>
<th>BLS</th>
<th>Youth</th>
<th>CVs</th>
<th>CGBs</th>
<th>Co-ops</th>
<th>Nursery</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>106</td>
<td>76</td>
<td>104</td>
<td>36</td>
<td>23</td>
<td>23</td>
<td>368</td>
</tr>
</tbody>
</table>

Note: Basic Life Skills (BLS), Community Volunteers (CVs), Community Governing Boards (CGBs)

iii) Home food security plots (HFS)
670 New gardens have been planted which have provided 670 additional families with fresh food. Some group members have started to sell the surplus from their harvest and are generating extra income. A total of 603 one-day HFS workshops have been facilitated during this reporting period and 4602 participants were equipped in different agricultural skills.
ACAT’s staff members have also assisted group members with methods of food processing which helps them preserve food for the future.

iv) Own profitable agri-businesses that will serve as role models
Group members start small businesses resulting from the business lesson they received during the Basic Life Skills Course. In the process they are made aware of their ability to earn extra income through owning a small business. To encourage the start of businesses, the SAP team facilitated and ran 441 one-day area business workshops, with a total of 1722 group members benefiting. Through these business activities, some group members have been able to pay for the tertiary education of their children.

Role models like Mrs Dlamini from Emnambithi, Mr Manyathi from Ngatu, Mr Ntombela from Nkandla, Mrs Nyathi from Ndewdwe, Mr Ndlovu from Entumeni etc, have helped us with practical examples of profitable agribusinesses. New group members joining the programme now have examples that they can see and learn from.

These role models not only provide guidance and technical advice, but they also (where they see the need) provide the start up resources for the new businesses, e.g. seedlings, piglets, chicks, seeds, etc. This helps new group members with resources and ideas and this has led to more businesses starting each year.

v) Meetings
Group members are encouraged to participate in meetings with other group members, as an effort made by ACAT staff to get new members to start participating more in their development. The types of meetings involved include:
- Individual group meetings (organised per group on a weekly basis).
- 192 Combined group meetings were held by EOs and 1307 members attended. 264 Combined group meetings were held by CVs and 1666 members attended.
- 168 Zone community meetings were held in all SAP areas and the EO attended 84 of these meetings.
- Community Governing Board meetings were facilitated monthly.
- 119 Specialization meetings were held by EOs to help group members consider forming themselves into cooperatives.

vi) Spiritual Development
The information in the Basic Life Skills Manual gives a firm foundation for living a new life. This is to help the group members to realise the need for God to be at the centre of all that they are doing. 171 Bible study circles were started during this reporting period and 130 have made commitments. The availability of DVDs in the areas has provided more clarity on the lessons taught.

vii) Causes of poverty (COP)
During this reporting period, COP were discussed at 282 meetings in which 1304 members participated.

viii) HIV and Aids issues
During this reporting period, 133 awareness workshops were facilitated and 1270 group members attended. In addition to these, HIV and AIDS issues were discussed at 199 meetings where 1721 members attended.
ix) Exposure visits
42 Local and 15 inter-district exposure visits were conducted during this reporting period, and 524 group members participated.

x) Networking
Networking is an activity conducted by SAP to provide the target group members with skills to access services they need, which are outside SAP’s scope of intervention. SAP continues to network with various organisations in order to refer the target group members as the need arises.

Strategy Three: Identify and capacitate Community Volunteers to assist in implementing the programme (CVs)
To date, SAP is working with 170 CVs who are active in equipping their fellow community members. Of these, 96 have been through the 5 week CV training at the ACAT Centre, 32 have done 3 of the 5 weeks and 42 are working without training due to family commitments.

Strategy Four: Promote and facilitate the establishment of Sustainable Community Structures
Over the years ACAT has developed and equipped community structures to ensure sustainability of the programme and to multiply the impact of the programme beyond ACAT’s existence. As soon as members join the programme, they are linked to community structures, which are at different levels.

i) Groups of five
Sustainable community structures start as early as the G5 formation stage who send representatives to their zone committees and eventually are represented at the CGB level.

ii) Zone Management Committees
A total of 29 new zone management committees have been formed in all 8x30km radius areas. Of these 10 were formed during this reporting period. The main purpose of the ZMCs is to manage the implementation of development in their areas.

iii) Community Governing Boards
Community Governing Boards have been formed in all 8x30km radius areas SAP operates in and are being equipped to lead effectively. They have started to send their members to the ACAT Centre for the advanced Management Course. 18 Members have been to 3x4 day workshops at the ACAT Centre. All 8 CGBs are at the moment working towards registering with the Department of Social Welfare from which they will get their NPO numbers.
Entrepreneurial Development Programme (EDP)

Objectives
To provide the active disadvantaged rural families with the opportunities, passion and capacity to achieve the following, and influence, motivate and assist others to do the same:

- Be members of sustainable community structures.
- Achieve self reliance and sustain an ever-improving quality of life, including the reconstruction of families.
- Address the causes of poverty.
- Benefit from Home Food Security.
- Own a profitable business that will serve as a role model.
- Be aware of, understand and actively address the HIV and Aids pandemic with a special focus on causes, symptoms, transmission, avoidance, stigma, alternate lifestyle, management of the virus and the provision of community based support and care.

Strategy One: Identifying the Target Group and the formation of Entrepreneurial Groups of 5

Activity: Forming Groups of 5 (G5s)
The forming of groups has now been completely transferred to the Community Governing Boards (CGBs). By the beginning of this year 1 027 Groups of 5 had been established during the life of the programme. This year we report that a further 114 groups were established, making the total now 1 141. The plan was to establish 110 groups in the year. We have therefore achieved our target.

Activity: Group visits
Extension Officers undertook 2 361 visits to groups in this year, and the Community Volunteers (CVs) reported to the Extension Officers that they had made 2 121 visits. Some other visits by CVs were reported directly to the CGBs and these are not tracked by ACAT. The interaction with groups this year can be summarised as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extension Officers’ visits to individual groups</td>
<td>2361</td>
</tr>
<tr>
<td>Community Volunteers’ visits to individual groups</td>
<td>2121</td>
</tr>
<tr>
<td>EOs’ interaction with groups at the Combined Group Meetings</td>
<td>1786</td>
</tr>
<tr>
<td>CVs’ interaction with groups at the Combined Group Meetings</td>
<td>1535</td>
</tr>
<tr>
<td>Total interaction with groups (groups are counted at each meeting)</td>
<td>7803</td>
</tr>
</tbody>
</table>

Activity: Group Training of G5 representatives at Basic Life Skills Courses
During this year, 10 Basic Life Skills (BLS) courses were held at ACAT’s main training centre. 14 had been planned, but 4 were cancelled to save on costs due to exchange rate related income losses. The strategy of training one representative per group allowed us to achieve the targets that had been planned.
The statistics of trainees this year are: EDP group representatives: 166; Sustainable Agriculture Programme (SAP) group representatives: 106; Informal partners and other interested parties: 32; Youth from participating families: 151; Total trained in Basic Life Skills courses: 455.

Strategy Two: Promote, Teach and Facilitate Household Food Security

Activity: Establishing Home Gardens
There has been a very good commitment to establishing gardens. This programme has promoted the establishment of home gardens since its inception. This activity has been undertaken with enthusiasm. Now that the National Government is also promoting home gardens, the new group members establish their gardens before undertaking any other activity. This year 556 gardens were established, which equates to 97% of the new participants. This is the best we have achieved. Since the inception of this programme 5,211 home gardens have been recorded as established.

Activity: Gardening Workshops
The attendance at workshops is generally good. 635 one-day workshops were held by Extension Officers and CVs, with 4,723 attending.

Strategy Three: Stimulate Economic Activity and Establish Survivalist Businesses

Activity: Start-up of Survivalist Businesses
45 groups and 14 replacement members used the R300 group loan (being R17,700) and 309 used their own resources to carry out the business lesson to start up their survivalist businesses. 36 very new group members are still preparing for this. These figures relate to the 570 new members coming into the programme this year – 225 received loans, 309 used their own money, and 36 have not yet done the business start-up activity. This is an improvement on previous reports.

Activity: Provision of Micro-loans
In this activity, 228 loans to the value of R110,200 were granted this year. Of these, 169 loans were granted at level 2 and 3 (R500 – R2,000) to the value of R92,200. During this period there have been discussions to promote the switching to a Savings and Credit system. All the areas and CGBs have agreed to this in principle. The repayment rate has improved to 82% from last year’s 65%. This is as a result of the effort put in by the Community Governing Boards, Community Volunteers, and Extension Officers to improve it.

Activity: Promote Savings
An introductory course on Savings and Credit was organised and held in the week of 24th August. Thirty Community Governing Board representatives and ACAT EOs attended the course. There
was much enthusiasm and a sense of expectation at the benefits that savings and credit can bring to groups. Savings is still being promoted within the programme, and there are 855 group members that are actively saving on their own, while there are 228 group members involved in their own savings and credit systems.

Activity: Business Skills Training
The business skills training workshops are well attended. The Extension Officers and capacitated Community Volunteers organise and arrange these workshops, with the oversight of the Community Governing Boards. 671 one-day workshops were conducted by Extension Officers and CVs, with 5,196 attending.

Activity: Specialisation
The group members have shown much interest in specialisation. This is where the Extension Officer introduces members from different groups to members in other groups that are doing the same enterprise, for example pigs, beef, block making, tuck shops, etc. They meet to co-operate and learn from each other’s knowledge, and benefit through combined bulk buying, transport, or training. During this year the number of interest/sector groups has increased from 61 to 96.

Strategy Four: Identify and capacitate Community Volunteers to assist in implementing the development programme.

Activity: Identifying Community Volunteers (CVs) and their inclusion into the programme
55 new CVs were identified from all the areas, and have attended the first training course. A further 10 cannot attend training for family reasons, but carry out tasks for the CGB. They are known as field volunteers. There were 164 Community Volunteers registered on our books at the end of the financial year. During the year we lost the services of 41 CVs (25%) who had been capacitated and developed. Some took advantage of work opportunities that had come up, while others went to complete their education. Unfortunately there were also 18 who passed away during the year. This is close to 12% of the CVs. The extension work of organisation, encouragement, advice, and group visits is important to the capacitation and development of the group members.

The extension work statistics for this year are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Visits</th>
<th>Meetings</th>
<th>Involving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group visits</td>
<td>2,121</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combined group meetings</td>
<td></td>
<td>407</td>
<td>1,535 groups</td>
</tr>
<tr>
<td>One-day workshops (all)</td>
<td></td>
<td>962</td>
<td>7,128 group members</td>
</tr>
</tbody>
</table>

Activity: Training held by Community Volunteers (CVs)
A total of 962 workshops were held by Community Volunteers, with 7,128 group members attending.

Activity: Community Volunteer (CV) Training
In this reporting period, 209 trainees attended the 5 CV courses.

Activity: Community Volunteer Co-ordinators (CVC)
There are a total of 7 CVCs in the programme. They assist the CGBs and the Extension Officer in co-ordinating the CVs, as well as representing the EOIs when they are not working in that area. All these CVCs are dependable and committed to the programme, and have been implementing it with understanding and enthusiasm.

Strategy Five: Promote and Facilitate the Establishment of Sustainable Community Structures

Activity: Establishment of Community Governing Boards (CGBs)
CGBs have been established in all the areas we serve. They were all reported to have held regular monthly meetings throughout the year. Three of the five CGBs identified as mature enough to be independent, reported that they were indeed ready to exit. The remaining two felt that they needed more input.
Zone Management Committees consist of CVs and chosen group members. They have been expected to implement and expand the programme in their zones through the experience they have gained in the programme. Training material for the Zone Management Committee (ZMC) representatives started being developed this year. These courses will start next year.

**Activity: CGB Members’ Training**
As planned, two CGB representatives from each area attended the course, which consists of three separate one-week training periods. The attendances were: 1st week 30, 2nd week 22, and 3rd week 23.

**Activity: Savings and Credit Included as an Activity of the CGB**
A decision has been made to adopt a Savings and Credit system as a sustainable economic activity within the community structure. The representatives of the CGBs, as part of the research, were exposed to this concept at the annual report-back workshop, and a positive response to this move was evident.

**Impact of this Programme**
An impact assessment was done during the year by the Programme Assistant. He completed a survey of 40 group members during his visits to the areas, in addition to his other programme activities, by having the group members complete a questionnaire. This brief exercise is an indication of the impact of the programme.

The assessment reflects the following:
- **Income generation:** All 40 families surveyed have income generating enterprises of some sort (some more than one). The average income per family per month was R762, with the lowest being R250 and the highest R1 730. This income is critical for the families.

- **Savings:** All the assessed families were actively saving, with an average of R566 saved in a savings account.

- **Assets acquired:** 90% of the respondents had acquired assets since being in the programme (more than 2 years). These included renovations to their homes, buying electrical appliances, buying cattle (culturally a sign of wealth), stock for business, and others.

- **Reasons for joining the programme:** 22% of the respondents joined because they saw the benefits for those who are in the programme. 36% Joined the programmed to receive skills training in business and agriculture. Both these clearly show that community members have seen the evidence of the programme impact in the lives of participants.

- **Gardens:** 87% of the respondents had productive gardens, with 63% seeing them as a primary source of income, while the other 37% used them for household consumption.

- **Improvement brought about by the programme:** 48% of the respondents reported that their:
  - agricultural yields had improved
  - input costs had been reduced
  - expenditure on vegetables had been reduced
  - standard of living had improved, eg health and food security

27% Reported that family relationships and behaviour had improved through putting the programme training into practice. This has had an impact in their communities, and they feel that the community members now have more respect for them.

- **Activities undertaken outside of the programme:** 38% of the respondents have become confident enough to take the lead in promoting the programme, and some have initiated their own Bible study groups. 23% Have made the decision to further their education and capacity.

- **Situation before joining the programme:** 41% responded that they previously had no future plans or direction, and were in despair and physically destitute. 35% reported that they were in dire straits, sometimes even starving and begging from neighbours. This gives a good indication of the conditions in which the majority of the group members find themselves when they first join the programme.

**Referrals and Networking**
The Extension Officers referred 344 group members to Government Departments, municipalities, and other NGOs for agricultural inputs, grants, food parcels, cooperatives, training, and buildings.

The Extension Officers networked with: Government departments; Non-Government Organisations (NGOs); Corporates; Churches; and Community Based Organisations (CBOs).
Exposure Visits
There were 7 area-to-area exposure visits, involving 117 group members, during this year. Due to budget reductions, some visits could not be undertaken. There were 96 local exposure visits that involved 984 group members, who enjoy meaningful benefits from these exposure visits, like observing, listening, and discussing issues on the successes, problems and challenges relating to business, gardens, craft production, and any innovative initiative in which group members are involved.

Mainstreaming HIV and Aids
Within the programme, the mobilisation and concern of group members to help the sick is amazing. Some group members have formalised themselves into Community Based Organisations, while others organised themselves informally to care for sick friends and neighbours. The number of deaths is also high in all areas, although there is now little publicity about this as it is now accepted as a normal part of life. The HIV issues were also discussed at the 741 combined group meetings held, covering issues of nutrition, income generation, group support (facilitating home care), prayer, and spiritual support.

Spiritual
The majority of the course participants appreciate the clarity with which the Christian lifestyle is presented, and express the desire to improve their own and their families’ quality of life by introducing the principles they have learned into their homes. Some become motivated to attend church. Others form themselves into study/cell groups to continue learning from the Bible. Study material for those who choose to do so can be purchased from ACAT.

Conclusion
The EDP Team has achieved most of the planned activities and targets for the year. This is commendable in the light of much uncertainty due to the unfavourable exchange rates affecting the funding. Within the programme itself, there are reports of some good gardens. There are growing businesses, with some receiving substantial funding from the formal sector. Impact is seen in the spiritual aspect, with many adopting the Christian lifestyle. The programme continues to benefit thousands of families, bringing security, peace, and joy to most of them.

Much effort was put into capacitating and motivating the Community Governing Boards. It has been pleasing to see the good progress made by those that are determined to develop their communities. These structures have much potential to be a development force in their areas. To all our supporters, both prayer and donor, we would like to express our sincere appreciation and gratitude for the confidence you have put in us by supporting this programme to improve the quality of life of so many people. There are many testimonies of changed lives as one travels through the areas.

The privilege we have in serving a wonderful Lord is not taken for granted. We thank Him and give Him the glory for the direction, protection, empowerment, comfort, love, and leading He has given us as we willingly serve Him. Thank You, Lord, for the opportunity to carry out your mandate of bringing life to the poor and down trodden.
The ABET Programme and Learning Centres
ACAT’s two ABET centres continued to operate for the 2010 academic year. However, it is regrettable to report that, due to budget constraints, these centres have had to close down. There were 19 learners at the Vukuzame ABET Centre at Mnambithi, and 16 at the Vusisizwe Centre at Umzumbe. The same factors have led to the closing of ABET centres run by other NGO’s in these areas (e.g. Tembaletu and Michaelmas Trust), so it has unfortunately not been possible to refer our adult learners to alternative centres to continue their learning.

Development of ACAT’s Education and Training Materials
No new ABET manuals have been developed during 2010.

Marketing of ACAT’s Education and Training Materials
The new procurement procedure adopted by the National Department of Education last year had a dramatic impact on Vivlia’s sales of ACAT’s ABET modules. Whereas Vivlia Publishing had supply agreements with Education Departments in many of the provinces, during 2010 all procurement of ABET materials was moved to the National Department of Education. Prior to this, Vivlia’s success in the marketing of ACAT’s ABET materials resulted in significant income for ACAT.

In an effort to boost sales of non-ABET materials through Vivlia, pdf’s of ACAT’s Skills Series were forwarded in March 2010. However, no sales have been reported.

In an effort to market ACAT’s ABET and Skills manuals to the Further Education and Training (FET) Colleges in KZN, four of the nine FET colleges were visited. However, despite the keen interest expressed in both the ABET and the Skills series, no orders have yet been placed.

A full catalogue of ACAT’s training materials and an ACAT-ABET catalogue have been developed, and the ACAT website was significantly upgraded in 2010.

Our first electronic module sales were made to Alpha Farms, based in Ethiopia. Payment is based on the number of trainees trained. Their first training session was held in November 2010, attended by 29 trainees. Numerous other enquiries have been made throughout the year regarding electronic materials, but none have been followed up by orders.

ACAT’s Partnership Series
At the end of 2010, a start was made with the Integrated Livelihoods Programme (ILP) Zone Management Committee (ZMC) training manual. The first draft of the Basic Life Skills Facilitator Guide has been compiled, and additional material is being incorporated into the draft Home Food Security manual.

Spiritual Development Series
The only Spiritual Development module still to be DTP’ed in isiZulu is ‘Ephesians’

Module Sales
The sales of training materials between January and December, 2010 have been dramatically affected by the numerous problems facing ABET in South Africa. No sales have been reported by Vivlia since February 2010. This has been accompanied by a drastic reduction in 2010 of direct module sales by ACAT. Direct sales of ABET and other non-programme materials in 2010 amounted to 1,321 modules, while 2,585 modules were used in the Integrated Livelihoods Programme.
**Human Interest Stories**

**Success stories**

**Bhekinkosi Zondi** from Ndwedwe joined Ubuhlebekhaya group in 2009. He wanted to extend his knowledge in life skills including gardening. He is growing and selling different types of vegetables. He is also keeping poultry. Because of his improved situation Zondi was able to buy a business container, build a fowl-run and has saved ±R10 000 at the bank. Mr Zondi assists the neighbours where possible. Before joining ACAT he used to work for a public transport company, little knowing that he could still live without employment and it is only after he was retrenched, and joined the group that he realized that life is about careful thought for the future and working hard. “Even though I am not working, I still can bring life to my family. ACAT’s Extension Officer helped to develop my skills in many ways”.

**Mr and Mrs Nzuza** (72 years old), joined Zimele group 2 years ago. At that time they had no desire or idea to do anything about their situation. 7 of their 8 children died leaving them with 6 grandchildren to raise – and as pensioners, they were struggling to maintain these children. After joining the group, they started to grow food in a more productive way. Two years later, they have enough food for the family, have savings in the bank!

Mr. Nzuza is now the Chairperson of the Community Governing Board, and is strongly encouraging other community members to get involved in their own development.

When **Mbuso Nzama** joined Masibambisane group in 2007 he was unemployed, had very little interest in life, and was starving.

He started by developing a garden to feed his family. Later he added a timber project. He has now managed to raise enough money to buy cement to renew his house and fence the yard.

He added a nursery project to his activities, and his aim is to supply his community with seedlings. He is also an ACAT Community Volunteer and is training other community members to start their own food gardens.
Dudu Khuboni is a group member from Zizamele G5 in the Nkomazane area of High Flats. She saw the achievements of others who had joined the programme and decided to join as well. She has been in the programme for 4 years and has become a dynamic business woman. She saw an opportunity for catering as there were building contractors in the area as well as taxi drivers. She has a R4 800 turnover per month, with a R2 000 profit. She also sells drinks making R750 with R450 profit. She has a phone agency in her tuck shop which gives her R1 000 profit per month. From her profits she has bought herself a TV and bed linen.

She has cows and her own garden. Dudu says what she learned about the value of vegetables has made a big difference in her life as she used to be sickly but now she is healthy! The two most important things she learned from ACAT are saving and home food production.

The Sqalakabusha G5 has taken the skills they learnt at the Basic Life Skills Course, particularly the business and the gardening training, back to their quilting group where they now supplement their income by selling their surplus vegetables. Of course the successful gardens have enabled them to have a sustainable supply of fresh vegetables at low input cost for their families. They have only been in the programme for 9 months but say the information they have received has made them more effective and efficient. They met a community volunteer who referred them to the extension officer for assistance as they realised they were not achieving success.
ACAT 2010 team
The official photo of the ACAT 2010 Team

Some of the ACAT “team” at the centre on the day the soccer World Cup started!
Well done to all who have worked so hard to achieve these amazing results.

And to those who have supported ACAT – thank you for making a difference in the lives and communities of KwaZulu-Natal!