

WE BELIEVE WE CAN END HUNGER

•••••

But we need you. Make a commitment wherever you can in your life to help put an end to world hunger.

TOGETHER, WE CAN CHANGE THE WORLD

CONTENTS

4 CHAIRPERSON'S REPORT

5 CEO REPORT



12 Heifer projects in Sa

PHULISANANI PROJECT 12
GQUNU AND NGXAKOLO PROJECT 13
SIPHENATHI PROJECT 14
KHONGODE PROJECT 15
SAKUMA POULTRY PROJECT 16
ZUSIPHE PROJECT 17
THUSANANG PROJECT 18



CREATING CHANGE







24 CORPORATE PARTNERS



26 FINANCIAL STATEMENTS

FINANCIAL POSITION 26
COMPREHENSIVE INCOME 27
CHANGES IN FUNDS 28
CASH FLOWS 29



31
GENERAL
INFORMATION



CHAIRPERSON'S REPORT

This has been a very exciting year for Heifer International South Africa (Heifer). During 2013, Heifer began two new large-scale projects (more than 500 families) in the Eastern Cape. The process of scaling up impact continues and funding has now been secured for a new project in the Limpopo Province that will reach over 2000 families.

Funding continues to grow with Heifer's annual income increasing significantly for the second year in a row. At the same time, Heifer has succeeded in forging relationships with many new partners, including foundations and NGOs, as well as government departments. These partnerships will enable Heifer to assist far more families to move out of hunger and poverty in coming years.

A comprehensive capacity building programme, supported by CIDA, has helped to sharpen the skills of programme, administrative and other staff during this year, laying the foundation for a strong focus on improving programme quality and further developing systems in 2014, as well as continuing to grow our income, impact and scale.

Heifer International South Africa continues to be successful in helping end hunger and poverty for the most vulnerable South African families because of the amazing funding partners, donors, staff, interns and volunteers who are so deeply committed to our goals and the mission and vision we all share.

Best regards,

Angela Lasiter Heifer International South Africa Board Chair

Angila Lasiter

TOGETHER
WE HAVE POWER OVER
HUNGER AND POVERTY



Above: Angela Lasiter



CEO'S REPORT



Our work starts with you. It ends in a world without hunger and poverty.

Heifer's 70 years of working with small holder farmers has lifted 18.5 million families beyond addressing just the needs of handfuls of families. We are now focused on empowering groups of thousands at a time to collaborate in order to take advantage of economies of scale and participate in markets as an organised group. Building this social capital, working with farmers' existing agricultural assets to increase productivity will

In 2012/13. Heifer directly assisted 8030 individuals in South Africa.

In 2013/14, 1000 new small holder farming families will become part of the cycle of positive change. And they in turn will pass on possibilities and shared successes to

None of this work would be possible without the dedication of the thousands of small holder farmers with whom we work and our loyal supporters and partners.



Varisia Lleau







CREATING CHANGE

For close to 15 years, Heifer International South Africa has been empowering people to change their lives.

MISSION

The mission of Heifer International South Africa is to work with communities to end hunger and poverty in South Africa and to care for the Earth.

VISION

Heifer International South Africa (Heifer), in partnership with others, is transforming communities, achieving sustainable community development, improving the livelihoods of thousands of families and caring for the Earth through extensive training, crop production and the provision of livestock.

STRATEGIC PRIORITIES

Enterprise Development, Resource Mobilization, Environmental Stewardship, Social Development and Partnerships.

HISTORY

Heifer International began exploring the possibility of working in South Arica in 1995, soon after the end of Apartheid. After research and several successful pilot projects, Heifer International South Africa was registered in 2000. Heifer International South Africa is a non-profit organisation and a public benefit organisation under South Africa law. Since 2000, Heifer has worked in partnership with over 4000 families in three provinces - KwaZulu-Natal Province, Eastern Cape Province and Limpopo Province - providing rural farmers with the knowledge, skills and resources needed to develop their farms into sustainable small businesses capable of feeding and supporting their communities. As well as training and on-going support, Heifer International South Africa provides limited agricultural inputs such as livestock, seedlings and trees to the most vulnerable households. In addition, each recipient agrees to pass on the equivalent of what he or she receives to another poor family - Passing on the Gift®. Through this simple concept, more and more families are achieving selfreliance through successful small farming.

BIG CHANGES START SMALL

As the Spanish Civil War drew to a close, an American relief worker, Dan West, found himself forced to decide which poor refugee children would get the meagre cups of milk he was handing out. Realising that this kind of aid could never be enough, he started an organisation dedicated to giving poor families livestock so that they could feed their own children, instead of relying on hand-outs – a cow instead of a cup. The first shipment of cows was sent from the US to Puerto Rico in 1944. Now, nearly 70 years later, Heifer is still helping poor families to become small farmers so that they can feed and support their families. Since it first started, Heifer has assisted more than 18.5 million families in over 126 countries, including 4000 in South Africa.

GOAL: IMPROVED GLOBAL SUSTAINABLE LIVELIHOODS

Increase in Food Social Women Income & **Security & Environment Empowerment** Capital **Assets** Nutrition



EVERYTHING STARTS WITH A DESIRE FOR A BETTER LIFE AND A BETTER WORLD.

ENDING HUNGER AND POVERTY

•••••

Our work starts with you. It ends in a world without hunger & poverty.

THE HEIFER WAY

We believe all people deserve dignity, opportunity, and a future free from hunger. We believe we provide the



tools of transformation to bring about that opportunity. We believe one cow can transform a life. But we know one animal alone doesn't lead to sustainable change.

We believe in equipping our people with the tools, education and livestock to bring about positive transformation. Together, through every small step forward, we're transforming the world for the better.

THAT IS THE POWER OVER POVERTY.

That's real impact.

PASSING ON THE GIFT®

•••••

At our heart lies Passing on the Gift®. The nature of our work allows families to become the cycle of positive change; those who received Heifer gifts become donors and Pass on the Gift of possibilities and shared successes to others in the community.

HOW IT WORKS

After a Heifer project is established, families that received resources from Heifer—such as livestock, seeds or training—pass on these gifts to other families in need in their community, allowing them to help others as they have been helped. So, a family that receives a goat will Pass on the first offspring or kid of that goat to another family in need.



TOOLS OF TRANSFORMATION

•••••

We're just the catalyst. Sharing these tools gives people the skills and resources they need to expand their options for their future and the 12 Cornerstones for Just and Sustainable Development create the spark people need to take their family farm and transform it into a family business.

SIMPLE TOOLS. PROFOUND RESULTS.



Passing on the Gift®



Sharing & Caring



Improved Animal Management



Accountability



Sustainability & Self-Reliance



Nutrition & Income





Training &







Genuine Need & Justice



Improving the



Participation

PHUHLISANANI PROJECT

SUMMARY

The Phuhlisanani Project is located near the town of Alice in the Nkonkobe Local Municipality, Amathole District, Eastern Cape Province. The project started in July 2012 with 402 members. All members were trained in vegetable production, livestock management, HIV, basic business skills and, of course, Heifer's Cornerstones. Spinach, cabbage and green pepper seedlings were delivered to project members in October 2012. 354 families are currently eating vegetables every week from their home gardens. 13 mini-nurseries had also been constructed.

In November 2012, the first fifty families received 31 chickens each. Families are managing their chickens using a free range system and collect eggs regularly. Many of the chickens are also beginning to produce chicks that will be used to Pass on the Gift to new families. By June 2013, 7560 chickens had been delivered to 252 families. 150 families in this project will also be farming with goats. 291 goats have been delivered. In the next year, 201 additional families will join this project and will receive chickens through Passing on the Gift®.



I am planning to use the livestock to make my life and my parents' life better. I hope I will be able to show other youth in my area that as youth not employed we can make a living out of raising livestock and make an income to live a better life.

- Mahlangabeza Vuyolwethu (29)





STATS

- Project families 402
- Project members who are women **240**
- Project members who are youth 45
- Total number of people benefiting from the project 2010

This project is supported by:

- UKAid (UK Department For International Development)
- National Lotteries Board
- WesBank Fund Heifer International South Africa



SOUTH AFRICA

GQUNU AND NGXAKOLO COMMUNITY PROJECT

SUMMARY

The Gqunu and Ngxakolo Community Project started in October 2011. The project is located near the town of Qumbu in OR Tambo District, Eastern Cape Province. The project started with 146 members. Families were trained and in April 2012, 61 families received 31 chickens each. All project families also received vegetable seedlings and fruit trees. During this year, 176 goats and 96 sheep were delivered to 85 families. In April 2013, the first Passing on the Gift® ceremony was held. In the last few months, 287 chickens and 20 goats have been passed on to 43 Pass-on families. During the coming year, the remaining 79 Pass-on families will receive chickens, goats or sheep. The project also has two mini-nurseries and an animal run for handling of livestock.



I am very excited to see that this [animal delivery] has come; people did not believe that this was going to take place. It is a dream come true. Thank you, Heifer. - **Mrs Mchaphazeli, chairperson of the Gqunu Farmers' Group**



STATS

- Original project families 146
- Pass-on project families **122**
- Total number of people benefiting from the project **1340**

This project is supported by:

- National Development Agency, Eastern Cape



SMS 'HEIFER'
TO 49040 TO
DONATE R15

SIPHENATHI PROJECT

SUMMARY

The Siphenathi Project, located near Bizana in the Alfred Nzo District of the Eastern Cape, started in January 2012. The project began with 100 families who were trained on vegetable production, chicken management, basic business skills and Heifer Cornerstones. Between January and April, each for the 100 families received 31 chickens. In June 2012, project families had vegetable gardens and many were collecting between one and 24 eggs per week. During the past year, the project members have focused on working together to begin earning income through their farming activities. Eggs are collected every day at central points and sold to other members of the community. Some of the project members also sell vegetables. In addition, several members of the group have invested their own money to buy incubators, so that they can hatch and sell chicks. This has proved to be a very successful business. Three members earned between R300 and R4000 during June selling chicks. 88 new families have received chickens through Passing on the Gift® during this year.



There is a lot that I gained from training. I am using the training effectively and it helped me improve my vegetable production. I gained [knowledge about] how to manage my chickens and they are well. - **Mr Thokozani M phandle (49)**



STATS

- Original Project families **98**
- Project memberswho are women **195**
- Pass-on project members 139
- Total number of people benefiting from the projec 1185

This project is supported by:

- National Lotteries Board
- Industrial Development Corporation







KHONGODE PROJECT

SUMMARY

Heifer International South Africa has been working with the members of the Khongode Project in northern Limpopo Province since 2011. The project started with 25 families and has now grown to 32 families through Passing on the Gift®. Project families work together and with the local Department of Agriculture officials to ensure that their goats are productive and healthy. During the past year, members of the original project group have trained new Pass-on members to receive goats and to join the group. Khongode Project members have also begun working with the local municipality to sell some of the male goats that have been produced. The Khongode Project is now ready to become an independent project. Heifer will continue to communicate with the project members but the group will now function without Heifer's direct support – becoming a sustainable, self-reliant small-scale farmer group.

66

I am so happy that I cannot explain how happy I am. For me to receive goats from Khongode it is a great privilege. I always wanted to farm with goats and did not know how to start as I had no money to buy them [goats] and the breed has a market and the price for it is so high. Three of the goats that I have are pregnant. Today my heart is beating very fast. I feel like [crying] tears of joy. – **Gladys Munzhelele (49)**





STATS

- Original project families 24
- Pass-on project families 8
- Total number of people benefiting from the project
 160

This project is supported by:

- Heifer International South Africa





SMS 'HEIFER' TO 49040 TO DONATE R15

SUKUMA POULTRY PROJECT

SUMMARY

The Sukuma Poultry Project is located near Port Shepstone in KwaZulu-Natal Province, South Africa. The project began in 2011 with 172 members. After training, project members received vegetable seedlings, fruit trees and 31 chickens each. During this year, project families have worked hard to maintain their vegetable gardens and begun to enjoy the benefits of farming, eating eggs and vegetables and beginning to sell their surplus produce to other people in the community. In November 2012, the first Passing on the Gift® ceremony for the Sukuma Poultry Project took place. The first 43 Pass-on members are now farming with chickens and vegetables.



I would like to take this opportunity and thank Heifer for giving us hope in life. We never thought that we could produce eggs from our family. Keep on doing the good work of helping poor families. - Miss Romana Khanyisile Khumalo (45)





STATS

- Original Project families **172**
- Pass-on project members **87**
- Total number of people benefiting from the project 1295

This project is supported by:

- Heifer International





ZUSIPHE PROJECT

SUMMARY

In February 2012, the Zusiphe Project, located near Nkandla in the KwaZulu-Natal Province, began with 104 project members. During the first few months of the project, project families focused on vegetable production. Fruit trees and vegetable seedlings were distributed to all members and families planted very successful vegetable gardens. For many, this was the first time they had planted winter vegetables, ensuring healthy food for their families all year around. With the support of Heifer, the project also set up a mini-nursery to produce new seedlings. In March 2013, the first 34 project families received 75 goats. The project members continue to work well together. Over the coming year, all remaining original families will receive goats and 104 Pass-on members will be trained and begin benefitting from the mini-nursery. An agricultural hub, with a small agricultural store, a market place and an auction facility for livestock is also planned for this project.



Heifer has helped me and my family in terms of knowledge and now we are a proud family in the community. The family is working together to become successful with what we have received from Heifer - **Baduvile Sbongile Sikhakhane (60)**





STATS

- Original project families 104
- Project members who are women **90**
- Project members who are men **14**
- Total number of people benefiting from the project 520

This project is supported by:

- WesBank Fund
- National Lotteries Board
- DOW Chemicals





SMS 'HEIFER' TO 49040 TO DONATE R15

THUSANANG DAIRY PROJECT

SUMMARY

The Thusanang Dairy Project began in January 2013. The project aims to assist 600 families in the Matatiele area of the Eastern Cape to become successful, small-scale dairy producers. During the first few months of the project, project members were trained in Heifer Cornerstones, vegetable production, livestock management, HIV, basic financial management, agro-ecological practices, leadership, farm record keeping and gender awareness. Vegetable seedlings were also distributed to project families to begin vegetable gardens. Project families have now planted fodder and are working towards constructing shelters for their cows. During the coming year, 250 families will receive in-calf dairy cows and begin producing milk.



Since I started attending trainings I have learnt a lot. The Cornerstones worked wonders in my life. Also in the vegetable farming; I did not know about the planting season but through trainings I have more knowledge than before. I am currently not working but I believe that this project is a great opportunity for me. I will work hard and my future plan is to have my own farm one day. – **Mongezi Ndlovu (26)**



STATS

- Original Project families **291**
- Pass-on project members 105
- Total number of people benefiting from the project **1455**

This project is supported by:

- The Jobs Fund
- Mutual and Federal Community Trust







YOU CAN HELP A FAMILY IN NEED TURN DESPAIR INTO DREAMS.



CHILDREN CHANGING THE WORLD





HOW READ TO FEED WORKS:

1.READ

Read to Feed encourages a love for reading. Through Read to Feed, students are inspired to read books for the sheer joy and pleasure of reading. The more they read, the more they learn about the amazing worlds reading can open up for them and the more they help those less privileged than themselves.

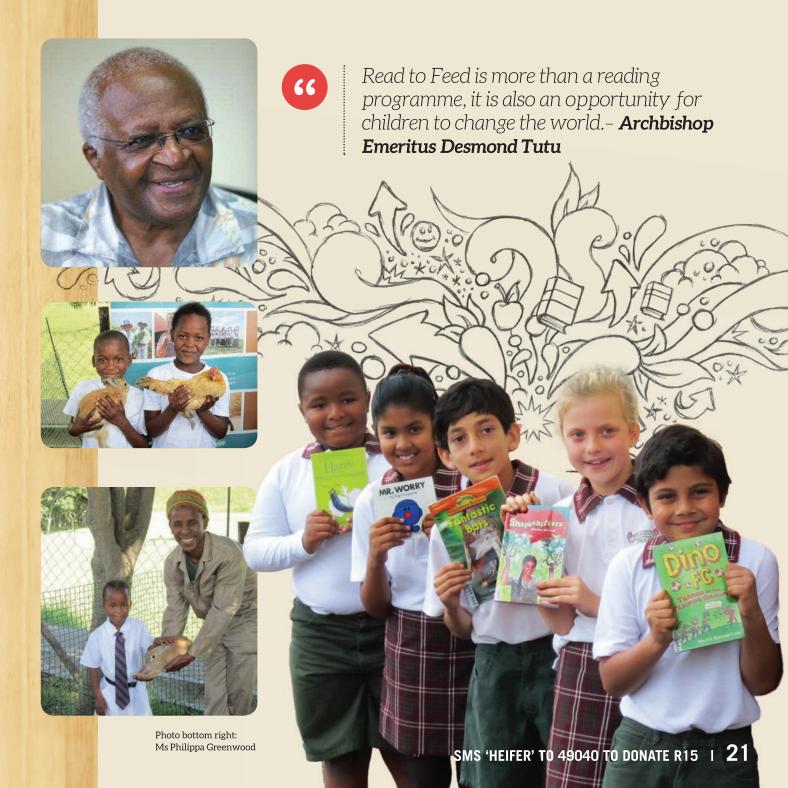
2.LEARN

Through Read to Feed, children have the opportunity to learn about hunger and poverty in South Africa and beyond, and to discover how Heifer's work can solve this problem. Most important, children learn that their small actions, like reading a book, can change the world for the better. They will discover that every little donation makes a difference in someone's life.

3.END HUNGER

Read

For every book they read, children collect small sponsorships. The funds they raise help Heifer International South Africa assist thousands of rural people to grow healthy food for their families to eat and to sell by providing seeds, trees, livestock and intensive training and support.



VOLUNTEERING

•••••

As a volunteer you share in Heifer's mission. Volunteers educate people about hunger and poverty and provide support to the organization. There are many ways to utilize your talents and skills.

READ TO FEED VOLUNTEER

Partner with a school to implement Heifer's Read to Feed programme and help children change the world by reading books to raise funds and support Heifer's work.

PERSON TO PERSON VOLUNTEER

Join a team of volunteers visiting events and public places to tell others about world hunger and the Heifer way.

COMMUNITY VOLUNTEER

Volunteer where you are. Take the time to tell others around you, in your suburb, at your workplace, in your circle of friends and acquaintances or at your church, club or community group about the problem of hunger and poverty and how they can help. Community volunteers can also set up local fundraising activities to support Heifer's mission.

TEAM HEIFER

Take up the challenge with Team Heifer! Run a marathon, cycle in a race, give up chocolate for a month or collect five cents from everyone you know. Choose your challenge, set your target, recruit your family and friends to join your team, raise money and support Heifer's mission.

FOR MORE INFORMATION ABOUT OUR VOLUNTEER PROGRAMME VISIT OUR WEBSITE WWW.HEIFER.ORG.ZA

EXPLORE THE POSSIBILITIES. CREATE A SPARK. INSPIRE CHANGE. TRANSFORM LIVES.



PRIVATE + PUBLIC = IMPACT

....

The private sector is a powerful engine for economic growth. Through trade, manufacturing, investment and technology, corporations provide opportunities for millions of people in lowincome countries to lift themselves out of poverty.

Heifer International South Africa works closely with corporate partners to raise awareness, to develop new market opportunities for smallholder farmers and to raise funds in order to reach more families across South Africa and the rest of the continent.

CORPORATE PARTNERS 2012 - 2013

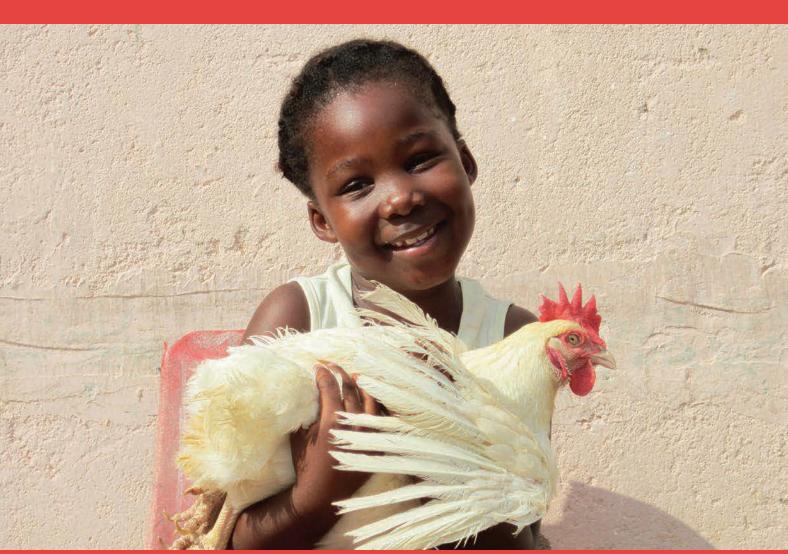
WesBank Fund has been a Heifer supporter for many years. They currently support food gardening in three Heifer International South Africa projects, assisting more than 500 families to achieve food security and begin to earn income through farming.

Mutual and Federal Community Trust supports the Thusanang Project, an exciting dairy project that began this year in the Eastern Cape. Through this project, 600 poor families will become successful small-scale dairy producers.

Spur Foundation partnered with Heifer International South Africa in 2013 to provide financial support towards a new project in the Limpopo Province. Spur volunteers also visited the Zusiphe Project on Mandela Day and helped to plant trees and distribute goats.

DOW Chemicals has supported Heifer's work in KwaZulu-Natal for many years. This year, their support provided goats to more than 30 poor, rural families. Employees of DOW Chemicals also visited the project to help distribute the goats they had sponsored.

MAKE AN INVESTMENT TO END HUNGER AND POVERTY.



(Registration number 2000/015804/08)

Annual Financial Statements for the year ended 30 June 2013

STATEMENT OF FINANCIAL POSITION

Figures in Rand	Note(s)	2013	2012
Assets			
Non-Current Assets			
Property, plant and equipment	2	4,058,308	4,131,610
Current Assets			
Trade and other receivables	3	4,097,964	443,094
Cash and cash equivalents	4	2,898,260	3,298,541
		6,996,224	3,741,635
Total Assets		11,054,532	7,873,245
Funds and Liabilities			
Funds			
Asset funds	5	4,058,308	4,131,609
Accumulated Excess Fund		2,553,267	2,279,299
Restricted Funds			
Project Funds		4,203,481	1,284,730
		10,815,056	7,695,638
Liabilities			
Current Liabilities			
Trade and other payables	6	239,476	177,607
Total Funds and Liabilities		11,054,532	7,873,245

(Registration number 2000/015804/08) Annual Financial Statements for the year ended 30 June 2013

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	Note(s)	2013	2012
Revenue (Classified by type)			
Restricted Funding		13,379,263	7,678,609
Educational Programme Funding		354,877	81,074
Unrestricted Funding		205,450	187,335
Other Income	7	0	81,080
	7	13,939,590	8,028,098
Other income			
Interest received		98,411	108,277
Operating expenses			
Fundraising Expenditures		(1,081,143)	(709,510)
Programme Expenditures	10	(8,671,783)	(5,409,275)
Operational Expenditures		(1,092,356)	(1,029,135)
		(10,845,282)	(7,147,920)
Operating surplus	8	3,192,719	988,455
Finance costs	8	(228)	(177)
Surplus for the year		3,192,491	988,278
Other comprehensive income		-	-
Total comprehensive income for the year		3,192,491	988,278

(Registration number 2000/015804/08) Annual Financial Statements for the year ended 30 June 2013

STATEMENT OF CHANGES IN FUNDS

Figures in Rand	Fund Balance Assets	Accumulated Excess Fund	Operational Offices	Project Funds	Total funds
Balance at 01 July 2011	4,081,451	1,819,734	-	756,017	6,657,202
Total comprehensive surplus for the year	-	-	459,565	528,713	988,278
Fund balance asset movements	50,159	(50,159)	-	=	-
Inter Fund Transfers	-	509,724	(459,565)	-	50,159
Balance at 01 July 2012	4,131,609	2,279,299	-	1,284,730	7,695,638
Total comprehensive surplus for the year	-	-	273,968	2,918,751	3,192,719
Fund balance asset movements	(73,301)	73,301	-	-	-
Inter Fund Transfers	-	200,667	(273,968)	=	(73,301)
Balance at 30 June 2013	4,058,308	2,553,267	-	4,203,481	10,815,056

(Registration number 2000/015804/08)

Annual Financial Statements for the year ended 30 June 2013

STATEMENT OF CASH FLOWS

Figures in Rand	Note(s)	2013	2012
Cash flows from operating activities			
Cash receipts from funders		10,332,723	7,786,182
Cash paid to suppliers and employees		(10,535,708)	(6,857,257)
Cash (used in) generated from operations	11	(202,985)	928,925
Interest income		98,411	108,277
Finance costs		(228)	(177)
Net cash from operating activities		(104,802)	1,037,025
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(222,177)	(386,214)
Proceeds on disposal of property, plant and equipment	2	-	42,713
Net cash from investing activities		(222,177)	(343,501)
Cash flows from financing activities			
Transfer (to)/ from Asset Funds Account		(73,302)	50,158
Total cash movement for the year		(400,281)	743,682
Cash at the beginning of the year		3,298,541	2,554,859
Total cash at end of the year	4	2,898,260	3,298,541

OUR SUPPORTERS

•••••

FOUNDATIONS, TRUSTS, GOVERNMENT AND DEVELOPMENT AGENCIES

- Heifer International
- Department for International Development in the UK (DFID)
- Department of Agriculture, Forestry and Fisheries (National and Provincial)
- National Development Agency Limpopo
- National Development Agency
 Eastern Cape
- Canadian International Development Agency
- National Lotteries Board
- Jobs Fund

SCHOOLS

- Bulugha Farm School (EC)
- St. John's Diocesan School for Girls (KZN)
- Pitlochry Senior Primary School (KZN)
- Crawford Prep In La Lucia (KZN)

- Wykeham Collegiate (KZN)
- Clarendon Primary School (EC)
- Bishops PrePreparatory School (WC)
- Springfield Model Primary School (KZN)
- Breidbach Primary School (EC)
- St Stithians Boys Prep School (GP)
- Northlen Primary School (KZN)
- St Nicholas Diocesan (KZN)
- Benjamin Pine Primary School (KZN)
- Westville Hindu (KZN)
- Home Schools



HEIFER WOULD ALSO LIKE TO THANK THE MANY INDIVIDUAL DONORS WHO SUPPORT US WITH REGULAR, MONTHLY AND ONCE-OFF DONATIONS. TO DONATE TO HEIFER, PLEASE VISIT WWW.HEIFER.ORG.ZA.

GENERAL INFORMATION

Heifer International South Africa

BOARD OF DIRECTORS

Ms Angela Lasiter, Chair Human Resources

Generalist, Southern Bankcorp

Mr Matikane Abe Makiti, Vice-Chair Self

Employed

Dr Gavin MacGregor, Treasurer Director,

Umthombo Youth Development Foundation

Ms Thandeka Tutu-Gxashe, Secretary

Programmes Manager- Adult Treatment and

Research, Perinatal HIV Research Unit

Ms Ayanda Mbanga, Deputy Group CEO of

Saatchi & Saatchi South Africa

Mr Keith Ramsay, Scientific Manager, Livestock

Production, Department of Agriculture

Ms Donna Jared, National Director, Resource

Development, Mercy Housing

CONTACT DETAILS

Physical Address:

1 Wootton Avenue, Botha's Hill,

KwaZulu-Natal

POSTAL ADDRESS

P.O. Box 1770. Hillcrest. 3650

Telephone: 031 777 1374/5

Fax: 031 777 1376

Email: heifersa@heifer.org.za

REGISTRATION

Non Profit Company Registration Number:

2000/015804/08

Non Profit Registration: 013-484NPO

AUDITORS

Victor Fernandes & Co.

P.O. Box 821

Kloof, 3640, KwaZulu-Natal

BANKING DETAILS

Bank: Standard Bank

Branch: Hillcrest

Account name: Heifer Project KZN

Account number: 2508 19961 Branch code: 045 726 42





www.heifer.org.za