

ANNUAL REPORT

MARCH 2021 – FEBRUARY 2022



**SOUL CITY
INSTITUTE**
FOR SOCIAL JUSTICE

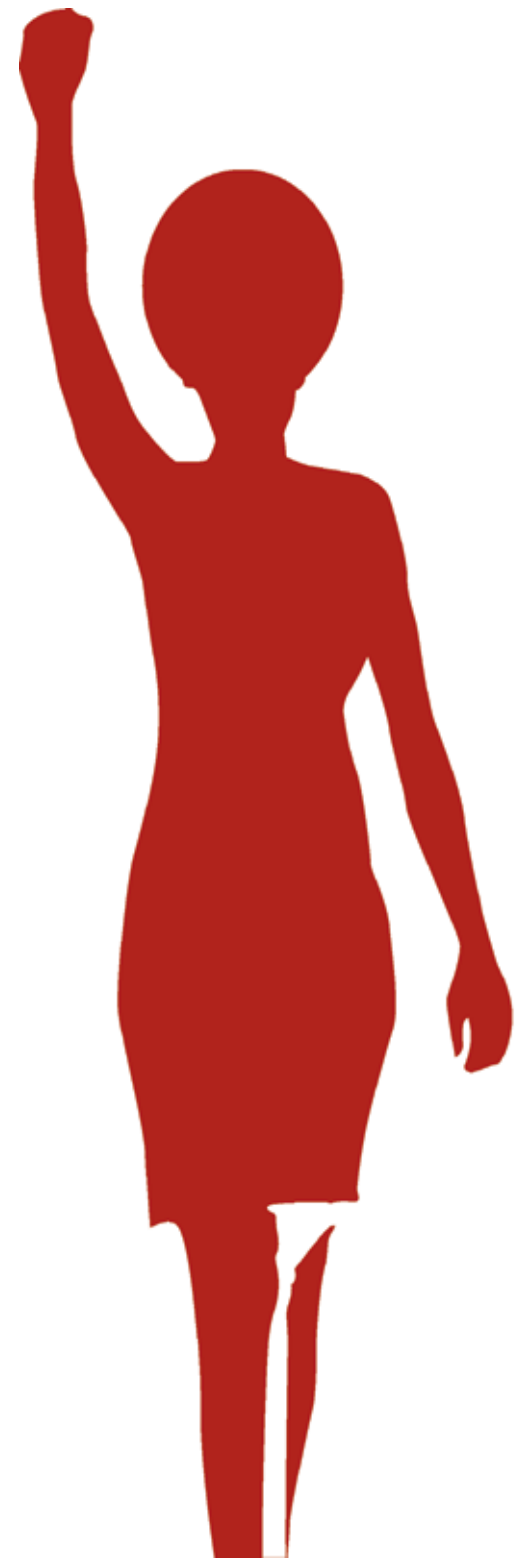


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Letter from the CEO

Phinah Kodisang
Chief Executive Officer



Our 2022 Annual Report details the many highlights, milestones and lessons learned in building our organisational resilience and advancing the feminist struggle, which was the Soul City Institute's (SCI) theme for this financial year.

The year saw us take several steps toward cementing our intersectional feminist identity and agenda. We focused on influencing and advocating as an organisation and in collaboration with others, through media and other platforms, providing thought leadership on critical issues affecting young women and girls. We launched the Kgalemang campaign, our call to action to move from awareness to accountability, 365 days of holding ourselves and everyone else accountable for playing a part in ending gender-based violence.

This report details the progress made with our different programmes. We have enjoyed partnerships that have enabled us to do innovative feminist work. Our grant from the Womanity Foundation has enabled us to collaborate with Safetipin India to replicate the digital platform that enables advocacy with municipalities to make our cities safer for women. Our Hi Rainbow app has also been generating thousands of users who seek information and advice from the digital platform.

Soul City Institute is still one of the partners working with the National Department of Health (NDoH) to prevent HIV among young people 15-24 years old by mobilising and creating demand for HIV-prevention services; ensuring adolescents and youth living with HIV are identified and referred to appropriate

and relevant services. SCI's HIV-prevention programmes focused primarily on preventing the sexual transmission of HIV through social and behaviour change, creating a strong focus on addressing the social determinants of HIV such as gender-based violence and femicide (GBVF) and harmful social norms around masculinity and gender roles.

As the CEO of this trailblazing organisation, I am deeply grateful to the Soul City Institute team and all those who supported and partnered with us — our board members, funders, the people and institutions we worked with, and those that cheered us on and gave us valuable and constructive criticism. We will continue to work hard to grow the SCI brand as one of the most trusted brands in the country.



Letter from the Chairperson

Dr Tlaleng Mofokeng
Board Chairperson



It has been over two years since the COVID-19 pandemic first took hold of the world. However, we have been in crisis for a very long time. The consequences of that crisis have disproportionately affected women, queer and gender-diverse people, people living with disabilities, migrant communities, people who use drugs, and people living with HIV, amongst others, who have all lived under the crushing weight of prejudice and systemic exclusion.

The challenges for many institutions, including Soul City Institute has been how to keep the administration and operations optimal to service and support our beneficiaries. Throughout these difficult years, SCI has remained an industry leader, a groundbreaker, and under the leadership of the CEO it ensured that the staff's needs and wellbeing remain a top priority.

The units that make up SCI attended team-building activities to foster and continue to encourage teamwork and build a culture of unity in the organisation.

With the rapidly evolving global emergency, it was not an easy task, we had to undergo and implement several changes and I am proud to report to our stakeholders that SCI programmes have remained true to their mission, and we continue to be impactful despite the COVID-19 pandemic.

We have continued to provide leadership, technical support, community mobilisation and implement programmes supporting the ongoing work on GBVF, adolescents and HIV programmes.

Our flagship programmes and main social mobilisation remain the Soul Buddyz and the RISE programmes. Notably, SCI's profile

through social media and other platforms has seen an increase and our visibility in GBVF prevention is commendable.

I am drawn back to my statement at the 75th General Assembly statement at the UN last year, where I said "I am driven by the ideal of restoration of dignity and the identification of the contextual changes that are needed to remove the obstacles, oppressive systems and conditions that make people vulnerable to rights violations."

As the board, we are proud of the staff of SCI and look forward to even more fruitful partnerships. We commit ourselves to providing the necessary support to ensure we realise the vision and mission of SCI and that we hand over to the next generation an organisation that is firmly positioned to support social justice.



Our journey thus far



The Soul City Institute NPC was incorporated on 12 October 1995 as the Soul City Institute for Health and Development Communication. In 2016 it was relaunched as Soul City Institute for Social Justice.

Soul City's new strategy is part of a process started in 2015 as Vision 2020 and addressed the programmatic changes triggered by the economic downturn of 2010 and subsequent shifts in funding. This impacted the SCI's programmes, and the organisation was compelled to review not only how to survive, but its relevance and who it should be as an organisation.

SCI shifted its focus from the general public to one that focused specifically on young womxn and girls and since 2016, the organisation became known as The Soul City Institute for Social Justice, an intersectional feminist organisation committed to social

justice for all. From this period, SCI's primary focus has been on young women and girls (aged 10 – 35 years), working to develop and grow them as feminist activists and leaders, committed to strengthening movements and advancing the broader agenda for the rights and wellbeing of young women. We also partner with men and boys as a secondary focus, to promote gender equality and the development of feminist allies.

Our programmes seek to build social cohesion, individual and collective agency, and resilience to achieve substantive gender equality, including in areas of Sexual and Reproductive Health and Rights (SRHR) and the eradication of GBV within a culture of human rights. SCI is guided by the rights to equality within the South African Constitution and particularly the sections that guarantee all people the right to bodily

integrity and autonomy. In addition, the SCI seeks to promote enabling provisions for the human rights of women and girls in the Maputo Protocol to the African Charter on Human and People's Rights on the Rights of Women in Africa, the SADC Protocol on Gender and Development and is aligned with Beijing Plus Twenty and Africa Agenda 2063.

In the 2021/22 financial year, SCI reviewed its strategic focus and drafted SCI's Vision 2025, which sets out the organisation's revised vision, mission, and theory of change, reflecting its strengthened feminist consciousness.



Vision

Young women and girls fully realise their human rights in a just society and can live with dignity and self-determination and have the health and wellbeing to grow, flourish, and reach their full potential.

Mission

We promote, support, and amplify young women and girls' feminist consciousness, voice, agency, and activism to collectively dismantle patriarchy, protect their rights and enable their self-determination.

Our guiding principles

1. Our work is rooted in the principles of feminism and social justice. We defend the full spectrum of human rights for women and girls in all their diversities.
2. We believe in young women speaking for themselves and the importance of feminist movement building.
3. We believe in the importance of participatory approaches that interrogate the fundamental notions of power.
4. We believe that the personal is political and are committed to walking our talk.
5. We strive for individual and organisational excellence, accountability, and rigour in the work that we do. We commit to sustaining a dynamic, cutting-edge feminist organisation.
6. We are committed to building and sustaining a learning organisation that innovates and improves through challenging its own and conventional wisdom.
7. We believe in investing in diverse and different actors and in the power of partnerships to advance our feminist agenda.

We are committed to:

1. Ensuring that young women and girls access resources and opportunities to enjoy substantive equality.
2. Promoting a just society where all people share a common humanity, respect for human rights, and a fair allocation of resources.
3. Catalysing investments that amplify women's voices and build women's movements.
4. The right to equality within the South African Constitution and particularly sections that guarantee the right to bodily integrity and autonomy in the context of SRHR.

Theory of change

If we promote, amplify and resource the voices and capacities of young women and girls to lead their activism AND we collaborate on strategic actions that shift harmful norms, laws and practices fuelling gender inequality, THEN we build young feminist movements and a cadre of women and girls activists that will contribute to the dismantling of patriarchy and enable young women and girls to achieve self-determination, fully realising their human rights and living with health, wellbeing and dignity in a just society.



Strategic goal and priorities

SCI uses a feminist approach that draws on three strategic priorities to guide its work for the next three years (FY2023 – FY2025). The intention is to collaborate on strategic actions that influence and advocate for an end to patriarchal norms and structures that perpetuate inequality, to reach the ultimate goal where:

1. Social norms, systems and structures that perpetuate patriarchy are disrupted,
2. AND where there is an improved recognition, respect, and protection for young women's rights.

The drivers of our strategic focus are:

Self-determination

Young women are often ignored, distrusted, or even criminalised because they are viewed as not being equal or having valuable voices and opinions. We believe that no one better understands the silencing and exclusion that young women face than those who have lived the experience. Moreover, no one can propose better solutions that respond to these lived realities. Self-determination means these young women have the rights, voice, agency, and resources to lead their lives and create meaningful change for their communities. Self-determination ensures that young women who have historically been silenced are now speaking for themselves.

Wellbeing

We believe that a state of wellbeing for young women means that they can enjoy their rights to health, safety, security, and can access resources and opportunities to exercise choices and agency in the pursuit of what they need and desire in their lives.

Intersectionality

The Soul City Institute is intersectional in that it recognises the myriad of ways in which power and oppression are exerted in the lives of women and manifests in crosscutting oppression, including gender as well as race, class and disabilities. Our work is focused on those most marginalised based on race, sexuality, ethnicity, education,



disability, geography (rural, informal settlements), communities where there is high unemployment and lack of access to resources, and people who do not have access to transformative ideas (transformative power), socio-economic rights and social capital.

Feminist movement building

A commitment to feminist movement building means investing resources in supporting the capacities of groups of women to self-organise and build solidarity around a transformative agenda, to enable them to take action. Grounded in feminist consciousness, it is aimed at disrupting systems, structures and norms that sustain gender inequality.





**NAMING
OURSELVES
AS
FEMINISTS**



Feminist Leadership and Activism Centre

In 2022, SCI finalised the feasibility study and the strategic plan for its Feminist Leadership and Activism Centre (FLAC) that will be implemented in 2023.

Statement of intent

The FLAC is a learning and co-creation space that promotes a decolonial feminist consciousness and praxis that is affirming women's and indigenous knowledge forms and practices.

The FLAC is a space of generative possibilities that aims to inspire young, African women to search and embrace lifelong learning, as empowering and nurturing.

The FLAC seeks to provide education as a communal space of learning, sharing and connection that aims to explore social realities that affect the quality of women's lives.

The FLAC is the creation of an imaginative space for feminist, decolonial praxis that shifts the boundaries of women's freedom, as it simultaneously and continuously confronts colonial, hetero-patriarchal, and neo-liberal systems of inequalities across both the private and public spheres.

Vision statement

FLAC aims to disrupt and transform multiple levels of oppression and continue herstories of women's liberation.

FLAC will use feminist theories built on generations of African feminist movements, and decolonial scholarship to build theory and practice that honour indigenous ways of reinventing and reimaging social and political realities and feminist futures.

Principles

The FLAC's teaching and learning principles are that learning is:

- experiential
- supportive
- sharing, cognitive, affective, behavioural
- collaborative
- transforming
- freedom
- nurturing
- creative
- reciprocal
- connects people
- builds solidarities
- in looking back (histories)
- in looking forward (futures)
- in the present
- participatory.



Dialogues on intersectionality



Intersectionality is the acknowledgement that everyone has their own unique experiences of discrimination and oppression, and we must consider everything and anything that can marginalise people – gender, race, class, sexual orientation, physical ability, HIV status, etc.

Intersectionality is also about considering a range of diverse women and their particular needs and priorities. SCI strives for an inclusive, feminist movement, and we know that means listening to and involving all

women, in all their diversities in addressing different intersecting social issues. Without an intersectional lens, our efforts to tackle inequalities and injustice towards women are likely to end up perpetuating systems of inequalities.

Soul City Institute purposefully ensures diversity in our leadership and work. In commemorating Women's Month, the institute hosted a series of dialogues focused on intersectionality. The dialogues featured different women leaders involved in women's

rights organisations closest to the ground. Recognising their expertise and lived experiences, SCI engaged with these women to commemorate the Year of Charlotte Maxeke in 2021 and to celebrate women in leadership.

These discussions functioned as think tanks on what women in leadership roles can do to help change social norms and achieve substantive gender equality, and to question the status quo.

Intersectionality:

“A lens, a prism, for seeing the way in which various forms of inequality often operate together and exacerbate each other. We tend to talk about race inequality as separate from inequality based on gender, class, sexuality, or immigrant status. What's often missing is how some people are subject to all of these, and the experience is not just the sum of its parts.”

– Professor Kimberly Crenshaw (who coined the term intersectionality)



9 August 2021

To celebrate women’s leadership under the theme #SheLeadsChange, Soul City Institute CEO sat with Dr Tlaleng Mofokeng. Dr T highlighted that the history of Women’s Day was to celebrate their leadership and resilience in a very difficult time.

Facebook virtual conversation	Metric total
Video views	2 700
Reactions, shares, comments	40
People reached	12 647
Engagements	513
Impressions	23 848

“Women must not be defined by the trauma they go through; their lives should not be determined by the struggles they go through.

Bodily autonomy is the right to make decisions for oneself that impact one’s physical, mental, emotional, and psychological wellbeing. It is also about self-determination. It is also about being free from violence and external forces that will force women to make certain decisions because they are fearful of repercussions or of the fallout that will happen if they take affirming and autonomous decisions.” - Dr T

11 August 2021

The CEO spoke with Bea Hackula, a globally respected, transformational leader and champion of women and youth empowerment. In her capacity as President of Africa for Africa Women Empowerment, Bea is a member of the BRICS Feminist Watch. During the conversation, she noted advocacy alone is not going to give us solutions, we also need practical solutions.

Facebook virtual conversation	Metric total
Video views	3 200
Reactions, shares, comments	152
People reached	14 669
Engagements	492
Impressions	25 388

“It is about time that we stop talking about Africa as if it’s outside of the world. We need to talk about Africa as part of the global village, and therefore, it’s important to benchmark our initiatives globally as we have so much to offer.” - Bea Hackula

13 August 2021

Anne Githuku-Shongwe, a representative of UN Women’s South Africa Multi-Country Office met our CEO to discuss the GBVF crisis in South Africa. Anne talked about UN Women and explained why she thinks any young woman can be where she is now. She explained the CEDAW and how it could be implemented on the ground. Her five key takeaways were:

- Have a dream or imagine a future for yourself.
- Have agency.
- Understand your circle and how you can impact your circle.
- Find whatever information you need in the online sphere.
- Know how to accelerate and join the new generation of equality. Make your life count.

Facebook virtual conversation	Metric total
Video views	2 700
Reactions, shares, comments	136
People reached	5 269
Engagements	383
Impressions	9 615

“Freedom comes from knowing and acknowledging that there are women who have overcome what we all wish to overcome.” - Anne Githuku-Shongwe



16 August 2021

As 80% of our country identifies as Christian and the role of religion is shaping our norms and practices, Phinah Kodisang spoke with feminist theologian Dr Nontando Hadebe to unpack the role and positioning of women in religion. Dr Hadebe focused on the creation narratives in Genesis Chapter 1 and the stories of how women are central to the three events that shaped Christianity.

Facebook virtual conversation	Metric total
Video views	6 500
Reactions, shares, comments	130
People reached	16 300
Engagements	741
Impressions	31 154

18 August 2021

The Soul City CEO spoke with Thato Mphuthi, a writer and activist changing the narrative about people living with disabilities. Thato delved into what inspired her to become an activist and touched on what intersectional feminism is and how people living with disabilities fit into these feminist principles. She spoke about how we should ensure we are inclusive and how issues of persons living with disabilities should be addressed.

Thato is currently writing an autobiography in which she shares her lived experiences as a young woman living with a disability.

Facebook virtual conversation	Metric total
Video views	2 000
Reactions, shares, comments	139
People reached	7 610
Engagements	441
Impressions	10 965

25 August 2021

Phinah Kodisang spoke with the authors of Flow, a book about menstruation co-written by Karen Jeynes, Candice Chirwa, and Pontsho Pilane.

Candice Chirwa unpacked period stigma and emphasised the need to equip yourself with information if you are going to embark on a journey of educating other people and changing perspective, so you are coming from an objective point of view.

She also spoke about the role of parents and teachers in educating boys and girls when they go through bodily changes.

“Flow is part of the big policy win, which is free pads for all. There is a need for policy change so that all menstrual products are tax-free.” – Pontsho Pilane

Total reach through the dialogues

Facebook analytics

- Engagements = 450,487
- Impression = 163,193
- Reach = 87,639

Overall Twitter analytics

- Impressions: 12,636
- Engagements: 96

“If we want gender justice, we must ensure that institutions, such as churches, that make women feel inferior are dismantled. Until they preach the God who is love, who is all-embracing, the God who loves all of us equally as He has created us, in Genesis 1, until that God is spoken of daily, we need to start questioning the teachings we are given.” – Phinah Kodisang



Kgalemelang

from awareness to accountability

16 Days of Activism against gender-based violence

In 2021, Soul City Institute joined the Global 16 Days Campaign, commemorating the 30th anniversary of this campaign. Inspired by the original vision and history of the campaign, which focused on raising awareness about violence against women, and considering the continuing impunity for femicide, Soul City Institute's Kgalemelang campaign challenged everyone to hold themselves and other stakeholders accountable for their part in ending GBV.

"Kgalemelang" is a Sesotho and Setswana word that means to "call to order", "rebuke", or "challenge" the status quo.

We took action by writing articles about combating GBVF and speaking out against GBVF on different media platforms (local newspapers and webinars) to challenge the government to take action.

We used our clubs to mobilise collective action in their communities to demand full accountability for violence against women and the elimination of all forms of discrimination against women that underlie GBVF and the impunity that sustains it. The campaign was implemented in all nine provinces in partnership with Sauma HD radio.



The poster features a black background with a brick wall texture. At the top, it reads "16 DAYS OF ACTIVISM AGAINST GENDER-BASED VIOLENCE" in white. Below that, the word "Kgalemelang" is written in large, red, distressed font. Underneath, it says "FROM AWARENESS TO ACCOUNTABILITY." in white. A white banner reads "HIGH-LEVEL PANEL SPEAKERS". Below this are three circular portraits: Phinah Kodisang, Omogolo Taunyane-Mnguni, and Thami Pooe. Another white banner reads "STORYTELLERS". Below this are three circular portraits: Kweziomso Mbandazayo, Lethabo Mailula, and Kgalalelo Kedijang. On the right side, there is a white graphic of a raised fist with a red dot on the palm. At the bottom left is the Soul City Institute logo (a red silhouette of a person) and the text "SOUL CITY INSTITUTE FOR SOCIAL JUSTICE". To the right of the logo, it says "Date 24 November 2021", "Venue Constitution Hill", and "Time 17:30 for 18:00". Further right are social media icons for Facebook, Instagram, and Twitter, followed by the text "soul_city_institute".



Media engagement (feminist thought leadership)

SCI has built a reputation as an effective voice that drives change through social and behavioural communication and thought leadership that builds visibility and advocates effectively. The organisation continues to advocate for gender equality and social justice through multiple platforms such as mass media, social media, websites, and other face-to-face forms of engagement to drive change.

Issues that affect young women are central to our advocacy strategy – their lived experiences inform and determine the narrative and the calls for action.

Statutory rape and teenage pregnancy were the main issues on our agenda for FY2022. Enraged by the irresponsible reporting on the issues of statutory rape, SCI embarked on



a media campaign to create awareness, challenging the numbers of pregnancies reported as “teenage pregnancy” rather than as “statutory rape”. We called for everyone to be accountable and to act urgently to address the issue. We also challenged government leaders, such as the Limpopo MEC of Health Dr Phophi Ramathuba, who contributed to the societal blaming and shaming of girls when she told girls to close their legs at a school in the province.

SCI issued media statements, conducted TV and radio interviews and hosted webinars to draw attention to this issue. In his State of the Nation Address on the 12th of September 2021, the president stated that “The courts are increasingly handing down judgements for life imprisonment for statutory rape, robbery and aggravating sentences that involve rape.” This showed progress in the advocacy that SCI and





HOW COMMUNITIES CAN END TEEN PREGNANCY

A PROJECT IN PARTNERSHIP WITH SOUL CITY



other activists pursued in putting statutory rape on the agenda of addressing GBV in the country and demonstrated the power that SCI has in shaping the national agenda. We also saw the rolling out of the Department of Basic Education's Policy on the Prevention and Management of Learner Pregnancy in Schools as an indication of the campaign's success and call to action by SCI and others for government departments to act.

In line with the organisation's call for accountability and justice for girls and young women, SCI hosted a webinar in partnership with the *Daily Sun*, one of the biggest newspapers in South Africa, targeting readers in and around the major urban centres of South Africa. The rationale behind choosing to partner with *Daily Sun* was to diversify the audience we reach through media engagements, especially in print media. While we have had supplements in newspapers such as the *Mail & Guardian*, with

a core readership of a higher Living Standards Measure (LSM), SCI wanted to reach an audience and readership that reflects some of our provincial work.

The *Daily Sun* was a strategic partner that was able to amplify our advocacy about teenage pregnancy and shift the dominant narratives that oppress girls and young women. Our print and digital campaign included articles, social media promotion and a high-value production webinar broadcast to the *Daily Sun's* 2 million online audience.

Overall, the webinar had 4,600 views on Facebook Live. The online article had a reach of 90,000 people and over 100 comments on Facebook alone.

Materials produced

Daily Sun Print

- 20 x 8 pre-campaign – tear sheet
- 20 x 8 post-campaign – tear sheet

Daily Sun Digital

- Online article – invitation to the webinar
- Four social posts including an invitation to the webinar
- Webcast webinar and live streaming on the Facebook page
- Online article and social share – post-webinar



Strategic programme implementation

The SCI implements the Rise and Soul Buddyz Clubs as movements where the capacities of boys, girls and young women are built, and their voices are amplified.



Strengthening the Rise and Soul Buddyz clubs

Our work to enhance the Rise and Soul Buddyz Club (SBC) movements is in partnership with the National Department of Health (NDoH) and the Department of Education.

SCI implements a combined HIV-prevention programme which is rights-based, evidence-informed, and community-owned and uses a mix of biomedical, behavioural, and structural interventions. These are prioritised to meet the current HIV prevention needs of particular individuals and communities and to



have the greatest sustained impact in meeting the five objectives of She Conquers and in support of the Cheka Impilo campaign and the NDoH Condom Strategy.

Through these activities, we contribute to the NDoH targets for HIV Testing Services (HTS), screening for TB, diabetes, condom distribution, pre-exposure prophylaxis (PreP) and post-exposure prophylaxis (PEP) promotion, as well as contraceptive information and the promotion of SRHR.

We do this through:

1. **Social mobilisation:** Working through Soul Buddyz Clubs (7 – 14-year-olds) and



Rise clubs in school (15 – 19-year-olds) to support the Integrated School Health Programme (demand creation for HTS and health promotion) and Rise clubs out of school (20 – 35-year-olds)

2. **Information, education, and communication (IEC) materials:** Materials for youth clubs (printed magazines, posters, booklets) focusing on She Conquers objectives – teen pregnancy, HIV and AIDS, GBV, economic empowerment and peer education to keep girls in school. Other IEC material focuses on HTS, condoms, dual contraceptives, STIs, PrEP/PEP, voluntary male medical circumcision,



sexual reproductive health, treatment literacy, adherence and the promotion of the Department of Health's Youth Zones.

3. **Media:** A mix of community radio programmes and social media contributes to increased demand for services (including HTS), condom promotion, treatment adherence, PEP and PrEP, contraceptive information, and Cheka Impilo content. Key Health Days in the annual NDoH calendar are also promoted through social media.

Rise Young Women's Clubs

Rise clubs bring together adolescent girls and young women (AGYW) aged 15 – 35. The clubs, based in marginalised communities within districts in all provinces of South Africa, meet regularly with the aim to:

- Build a feminist movement
- Increase understanding of human rights in general and SRHR specifically

- Support knowledge transfer on SRHR and build skills that enable AGYW to keep themselves safe and healthy
- Build social cohesion and resilience.

Our implementation arrangements for reaching girls and young women through the Rise clubs is through dividing our footprint across the country into two clusters:

Cluster 1

1. Northern Cape – John Taolo Gaetsewe District (Joe Morolong sub-district)
2. Free State – Mangaung Metro District
3. North West – Dr Kenneth Kaunda District
4. Eastern Cape – OR Tambo District
5. Western Cape – EMDC East District

Cluster 2

1. Limpopo – Vhembe District (Collins Chabane sub-district)
2. Gauteng Ekurhuleni (Ekurhuleni East sub-district); KwaZulu-Natal (iLembe and Harry

Gwala districts)

3. Mpumalanga – Ehlanzeni District

In this financial year, we implemented 525 in-school clubs in the first quarter and 315 out-of-school clubs in the last quarter of the year. The Rise club members were linked to SRHR services in line with the objectives of the NDoH.

Events aligned to the NdoH Health Calendar were implemented throughout the year in all districts. The events provided a platform for screening for HIV, TB, pregnancy, STIs and referrals for further management including condom distribution in line with the NDoH Condom Strategy.

We have a complement of 63 social mobilisers (volunteers who support clubs and support the work of the SCI in the health facilities where Youth Zones are implemented). We successfully placed social mobilisers in 106 facilities/clinics supporting Youth Zone implementation.



Social responsibility and supplier enterprise development

Doing good for society is not a marketing strategy; it is now a necessity. Today, consumers are showing their power by holding businesses accountable for socially conscious business decisions.

As part of the BEE interventions and social responsibilities of the organisation, we identify a charity and at least two black female-owned businesses to support and develop on an annual basis. This has been formalised in the our BEE policy and plans are in place to identify the relevant partners for the 2023 financial year.

We are also planning to add a module on social media and marketing to our supplier development training programme. We already offer modules on BEE, finance, procurement and human resources.

Our corporate social investment CSI project for 2022 was to adopt the Canaan Organisation where we did the following:



- Distributed over 300 packs of menstrual pads to those in need in Somalia Park, an informal settlement in Vosloorus.
- Distributed over 30 dignity packs for girls and boys and we have started collecting packs for the following year.
- **The Teddy Bear Campaign:** SCI and Daymon International donated 100 teddy bears which were distributed to orphaned and vulnerable children.
- **Shoebox and school shoes initiative:** The 60 shoeboxes were donated by Daymon International. The boxes contained new clothes, toiletries and educational toys.



Environmental responsibility



We keep our office space neat and tidy and have a clean desk policy. Waste that cannot be recycled is disposed of in a responsible manner.

We do not deal with any harmful or hazardous substances. Hand sanitiser is purchased in bulk and locked in the facilities storeroom.

Our recycling initiative at the head office encourages staff to recycle paper, plastic, and glass. We have a relationship with Mpact Recycling to collect and recycle paper from head office. All our archives are collected and pulped by Mpact Recycling and SCI receives a small financial contribution in return.

We only have one motor vehicle that is used for collections and deliveries and it is refuelled only once a month. We do not contribute significantly to air pollution, and we have a low carbon footprint as a result.

Our offices and office equipment are equipped with power-saving and energy-wise interventions such as standby mode for the printers and copiers, as well as motion-activated lights throughout the offices. We also encourage the use of electronic documents and e-signatures, reducing the need to print documents. Where possible and practical we have online meetings to save on travel costs, this also reduces our carbon footprint.



Training and development

The total spend on planned skills interventions for staff during FY2022 was R398,380 of which R368,928 was for designated groups.

SETA discretionary grants received as follows:

- Learnerships (2021) at R217,688. Three learners were appointed as part of the Y.E.S (Youth Employment Service) programme. They are on an 18-month programme which will end in 2022.
- Bursaries (2021) at R59,180. Four staff members were granted bursaries to study on a one-year programme.

Employee Assistance Programme

- The organisation has seen an increase in the need and requests for the Employee Assistance Programme (EAP). Due to increased requests, a second EAP service provider was appointed to augment services for the existing company. The new service provider, Mabebe Wellness & Professional Solutions is also 100% African female female-owned and offers a range of professional wellness services.
- An amount of R45,700 was spent on EAP of which R5,700 was on group interventions.



Employment equity status

The table below reflects SCI's employment equity status as of 28 February 2022.

Staff category	Executives		Senior & Mid Management		Non-Management		All staff	
	No.	%	No.	%	No.	%	No.	%
Black staff	1	33%	4	80%	25	93%	30	86%
White staff	2	67%	1	20%	0	0%	3	8%
Indian staff	0	0%	0	0%	2	7%	2	6%
Coloured staff	0	0%	0	0%	0	0%	0	0%
Males	1	33%	1	20%	3	11%	5	14%
Females	2	67%	4	80%	24	89%	30	86%
Total staff	3	100%	5	100%	27	100%	35	100%



Funding partners

Soul City Institute's work is supported by funders who share in the vision of the organisation for a just society in which young women and girls and the communities they live in, have the health and wellbeing to grow, flourish, and reach their full potential.

Soul City Institute acknowledges with gratitude the following funders for the financial support they provided to the organisation during this financial year:

- African Women Development Fund
- Ford Foundation
- South Africa National Department of Health
- Tekano Fellowship
- United Nations Population Fund (UNFPA)
- Womanity Foundation



Annual financial statements

for the year ended 28 February 2022



Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act, 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended and are in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act, 71 of 2008. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act, 71 of 2008 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and they place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the

annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 October 2023 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 6.

The annual financial statements set out on pages 10 to 27, which have been prepared on the going concern basis, were approved by the board on 31 October 2022 and were signed on their behalf by:

Approval of financial statements



TP Mofokeng



MP Kodisang



Independent Auditor's Report to the shareholders of Soul City Institute NPC

To the members of Soul City Institute NPC

Opinion

We have audited the annual financial statements of Soul City Institute NPC set out on pages 10 to 27, which comprise the statement of financial position as at 28 February 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Soul City Institute NPC as at 28 February 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act, 71 of 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements of the current

period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming Our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report and the Detailed Income Statement as required by the Companies Act, 71 of 2008 of South Africa, which we obtained prior to the date of this report. Other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act, 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as



Independent Auditor's Report continued

applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Mazars
Partner: Ephraem Sibanda
Registered Auditor
Date: 04 November 2022
Johannesburg



Statement of Financial Position as at 28 February 2022

	2022 R '000	2021 R '000
Assets		
Non-Current Assets		
Plant and equipment	1 180	1 656
Investment in subsidiary	-	-
Loan to group companies	2 188	2 188
	<u>3 368</u>	<u>3 844</u>
Current Assets		
Trade and other receivables	972	1 749
Donor funds receivable	71	-
Cash and cash equivalents	34 696	25 688
	<u>35 739</u>	<u>27 437</u>
Total Assets	<u>39 107</u>	<u>31 281</u>
Equity and Liabilities		
Equity		
Distributable reserve - Feminist Fund	100	100
Retained income	23 074	22 416
	<u>23 174</u>	<u>22 516</u>
Liabilities		
Current Liabilities		
Trade and other payables	2 790	2 863
Deferred income	13 143	5 902
	<u>15 933</u>	<u>8 765</u>
Total Liabilities	<u>15 933</u>	<u>8 765</u>
Total Equity and Liabilities	<u>39 107</u>	<u>31 281</u>



Statement of Profit or Loss and other Comprehensive Income as at 28 February 2022

	2022 R '000	2021 R '000
Revenue	36 623	46 770
Programme expenses	(31 691)	(40 425)
Operating expenses	(17 122)	(17 594)
Other operating gains	1	250
Operating loss	(12 189)	(10 999)
Investment income	12 848	14 104
Finance costs	(1)	-
Surplus for the year	658	3 105



Statement of Changes in Equity as at 28 February 2022

	Distributable reserve – Feminist Fund R	Retained income R '000	Total equity R '000
Balance at 01 March 2020	-	19 411	19 411
Surplus for the year	-	3 105	3 105
Total surplus for the year	-	3 105	3 105
Transfer from retained earnings	100	(100)	-
Balance at 01 March 2021	100	22 416	22 516
Surplus for the year	-	658	658
Total surplus for the year	-	658	658
Balance at 28 February 2022	100	23 074	23 174



Statement of Cash Flows as at 28 February 2021

	2022 R '000	2021 R '000
Cash flows from operating activities		
Cash receipts from donors	44 743	26 054
Cash paid to suppliers and employees	(48 506)	(57 183)
Cash (utilised in)/generated from operations	(3 763)	(31 129)
Interest income	848	1 104
Dividend income	12 000	13 000
Finance costs	(1)	-
Net cash generated by/(applied to) operating activities	9 084	(17 025)
Cash flows from investing activities		
Purchase of property and equipment	(95)	(266)
Sale of property and equipment	19	58
Net cash outflow from investing activities	(76)	(208)
Total cash movement for the year	9 008	(17 233)
Cash and cash equivalents at the beginning of the year	25 688	42 921
Total cash and cash equivalents at the end of the year	34 696	25 688



Accounting policies

1. Presentation of annual financial statements

The company has prepared these stand-alone financial statements for distribution to its donors and related users.

The company has also prepared consolidated annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SME) for the company and the wholly owned subsidiaries, Soul City Broad-Based Empowerment Company Proprietary Limited, Main Street 801 (RF) Proprietary Limited and Main Street 885 (RF) Proprietary Limited (the "Group"). The consolidated annual financial statements can be obtained from its office on the Third Floor 1 Newtown Avenue, Killarney, 2193.

Users of these stand-alone annual financial statements should read them together with the Soul City Group consolidated annual financial statements for the year ended 28 February 2022 in order to obtain full information on the financial position, results of operations and changes in financial position of the Soul City Group as a whole.

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the Companies Act 71 of 2008. The financial statements have been prepared in accordance with the Historical Cost Accounting Convention, and incorporate the principal accounting policies set out below. The financial statements are presented in South African Rand and rounded to thousands.

The preparation of the annual financial statements in conformity with IFRS for SME requires the use of certain critical accounting estimates. It also requires management to exercise their judgemental in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the consolidated annual financial statements are disclosed in section 1.1 below.

The accounting policies applied in the preparation of these financial statements are set out below and are consistent with the previous period.

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS for SME requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Judgements in applying accounting policies

Residual value and useful life

The company depreciates its assets over their estimated useful lives taking into account residual values, which are re-assessed on an annual basis. The actual lives and residual values of these assets can vary depending on a variety of factors.

Technological innovation, product life cycles and maintenance programmes all impact the useful lives and residual values of the assets. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal value.

Nature of change in estimate of tangible assets-assessment of residual values and useful lives

The basis of these estimates takes into account the following assumptions:

1. The consideration of the average useful lives of the assets (including technological obsolescence).
2. Estimated selling values at the end of the asset's useful life.
3. Whether or not there is a second-hand market for the sale of the assets at the end of their useful lives.
4. Planned future capital expenditure and effects on budgets.



Accounting policies continued

Furniture and fixtures

These assets have been in use for 10 years and are still considered to be in good condition and can last another 10 years. The useful life has been revised to 20 years with NIL residual values assigned.

IT equipment

These assets have been in use for 5 years previously, due to technological obsolescence and ongoing use, the useful lives have been revised to 4 years and minimal amounts have been allocated as residual values for items such as cellphones, tablets and laptops, expected to be realised at the end of their useful lives.

Computer software

Computer software is subject to technological obsolescence and is renewed on an annual basis, the maximum period considered to be the useful life is 2 years with no estimates being made for residual values as there is no market for second-hand software.

Motor vehicles

Soul City have one motor vehicle that is 11 years-old and will be replaced in the 2022 financial year. Residual value is the estimated trade in value of the vehicle at the end of the 11-year period. The replacement vehicle will be depreciated over 11 years and estimated residual value will be determined at the date of purchase.

Office equipment

These assets have been in use for 5 years, and the useful life has not been changed, no residual values have been assigned to the office equipment.

Leasehold improvements

Leasehold improvements are depreciated over the term of the lease with no residual value or change in useful life for the current period.

Trade receivables, donor funds receivable and loans and receivables

The company assesses its trade receivables, donor funds receivable and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

1.2 Property and equipment

Property and equipment are tangible assets which the company holds for its own use and which are expected to be used for more than one year.

An item of property and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset.

Expenditure incurred subsequently for, additions to or replacements of parts of property and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Property and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.



Accounting policies continued

The useful lives of items of plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	20 years
Motor vehicles	Straight line	11 years
Office equipment	Straight line	5 years
IT equipment	Straight line	4 years
Computer software	Straight line	2 years
Leasehold improvements	Straight line	5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Changes in estimated useful lives of tangible assets are based on information available to management at the time, with due consideration of anticipated replacement periods and approved capital expenditure for the following financial year.

Each part of an item of plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of plant and equipment, determined as the difference between the net disposal proceeds, if any, and

the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Investment in subsidiaries

Investment in the subsidiary companies are carried at cost less any accumulated impairment losses.

1.4 Financial instruments

Initial recognition and measurement

Basic financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company classifies basic financial instruments, or their component parts, on initial recognition as a basic financial asset, a basic financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Basic financial instruments are measured initially at fair value, including transaction costs for those that are not at fair value through profit or loss.

Subsequent measurement

Basic financial assets are subsequently measured at amortised cost.

Basic financial liabilities are subsequently measured at amortised cost.

Loan to group company

The loan to the group company is classified as a basic financial asset at amortised cost.

Trade and other receivables and donor funds receivable

Trade and other receivables and donor funds receivable are classified as basic financial assets at amortised cost.

Cash and cash equivalents

Cash and cash equivalents are classified as basic financial assets at amortised cost.



Accounting policies continued

Trade and other payables and deferred income

Trade and other payables and deferred income are classified as basic financial liabilities at amortised cost.

1.5 Tax

Current tax assets and liabilities

The company has been approved as a public benefit organisation in terms of Section 30 of the Income Tax Act, (the Act) and the receipts and accruals are exempt from income tax in terms of Section 10(1)(cN) of the Act.

Donations to the company are exempt from donations tax and estate duty and South African donors qualify for a tax deduction in terms of Section 18A of the Income Tax Act.

1.6 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease liability. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.7 Impairment of assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating

unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

1.8 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical aid contributions), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.9 Revenue recognition

Revenue comprises grants and donations received, income from administration and management fees charged to donors. Revenue from administration and management fees charged excludes value added taxation.

1.9.1 Grant income - revenue from contracts with donors

Grant income comprise amounts receivable from donors under grant letters of award or grant agreements as well as general donations received.



Accounting policies continued

Amounts received from donors as compensation for expenditure on specified activities, goods or services are classified as deferred income when the amounts are received prior to the related expenditure being incurred. Deferred income is recognized over the periods of the related grants and are matched to the expenditure that they are intended to compensate, provided there is reasonable assurance that the company will comply with the conditions attached to the grants.

Amounts that become payable by donors as compensation for expenditure or losses already incurred are recognized upon receipt thereof provided there is reasonable assurance that the company will comply with the conditions attached to the grant. Amounts received from donors for the purpose of providing immediate financial support with no future related costs, are also recognised upon receipt thereof.

Soul City does not accept cash donations, all amounts are received in the main bank account of Soul City via electronic funds transfer or direct deposit. The PayFast electronic payment platform allows us to receive donations from companies and/or individuals using their preferred method of EFT.

1.9.2 Other income

Interest is recognised in surplus or deficit, using the effective interest rate method.

Where donor contracts are specific about the treatment of interest received, these amounts are ring fenced and are utilised in carrying out projects activities. Where donor contracts are not specific about the treatment of interest received, these amounts are credited to Soul City and form part of the investment income earned.

Dividends are recognised, in profit or loss, when the company's right to receive payment has been established.

1.10 Operating expenses and programme expenses

Programme expenses consist of programme implementation costs and salaries directly related to programme activities.

All other expenditure and non programmatic salaries are classified as operating

expenses.

1.11 Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred. These are not capitalised as there are no qualifying assets held by the company.

1.12 Related Parties

A related party is related to an entity if any of the following situations apply to it:

Individual control:

The party is controlled or significantly influenced by a member of key management personnel or by a person who controls the company.

Key management:

The party is a member of the company's or its parent's key management personnel.

All transactions entered into with related parties are under terms no more favourable than those with independent third parties.

Refer to note 18 for further details on related parties.

1.13 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and



Accounting policies continued

- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.



Soul City Institute NPC

Registration number 1995/010944/08

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