



SAICA Nation Building Impact Report

2019

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06

The Hope Factory and SAICA Enterprise Development



*Graduates from The Hope
Factory's flagship programme
celebrate their new knowledge*

HOPE

Overview

The core focus of **The Hope Factory (THF)** and **SAICA Enterprise Development (SAICA ED)** is economic transformation through sustainable entrepreneurial development.

Through The Hope Factory, SAICA is able to deliver pertinent Socio-Economic Development initiatives and provide its members with a platform to contribute to the Sustainable Development Goal of 'Eradicating Poverty'. The Hope Factory delivers Socio-Economic Development (SED) programmes and customised projects that result in mobilising economic activity for unemployed black South African citizens (as per the DTI Codes) and provides a platform for SAICA members and other companies to earn Socio Economic Development points as part of their B-BBEE scorecard.

SAICA ED, on the other hand, houses all of SAICA's Enterprise and Supplier (ESD) programmes and projects in order to grow South Africa's entrepreneurial sector through advancing the sustainable growth of small black businesses, and contributes to the SDG that talks to Decent Work and Economic Growth. These programmes and projects provide a platform for SAICA members and other companies to earn Enterprise and Supplier Development points as part of their B-BBEE scorecard.



The Hope Factory (THF)

THF's Training and Mentorship Programmes help individuals and communities effectively start and operate their own businesses.

By doing this, THF promotes business and financial skills in start-ups (with an emphasis on women and youth) in line with the NDP 2030 goals of:

- reducing inequality;
- creating job opportunities; and
- rendering accredited entrepreneurial skills and mentorship programmes that create socio-economic impact.



SAICA Enterprise Development (SAICA ED)

SAICA ED is a service provider that houses all of SAICA's ESD programmes and activities in order to offer Financial Excellence to SMMEs with the help of SAICA members. The main purpose of this entity is to grow South Africa's entrepreneurial ecosystem through advancing the sustainable growth of small black businesses, which in turn will create employment opportunities.

The key strategic intent for SAICA ED is to enhance the value of the chartered accountancy profession by mobilising its contribution to SMME development through developing financial excellence in entrepreneurs.

This financial excellence offering involves the Small and Medium Practices (SMPs) and other groupings within SAICA through:

- Financial bootcamps
- Financial coaching
- Affordable accounting services (using unemployed accounting graduates) and
- Developing financial excellence reporting standards

SAICA Enterprise Development also offers Enterprise Development and Customised ESD projects in line with B-BBEE requirements. The entity aims to influence corporate and government policies to support and facilitate the creation of impactful ESD programmes focusing on financial excellence, aligned with the B-BBEE codes and the Chartered Accountancy Sector Codes (CA Charter).

Value Proposition

THF delivers SED Programmes and customised projects that aim to create socio-economic impact with the overall objective of establishing vital and solid foundations for start-ups that impact targeted communities and industries.

THF provides impactful B-BBEE SED solutions focusing on three areas of development namely: personal (leadership), business skills and financial skills development through:

1. A 12-month training and mentorship programme consisting of:

- A SAQA accredited skills programme
- Group mentoring sessions
- Development workshops

2. Customised Community Projects in rural and township communities

SAICA ED offers financial excellence to entrepreneurs through the chartered accountancy profession.

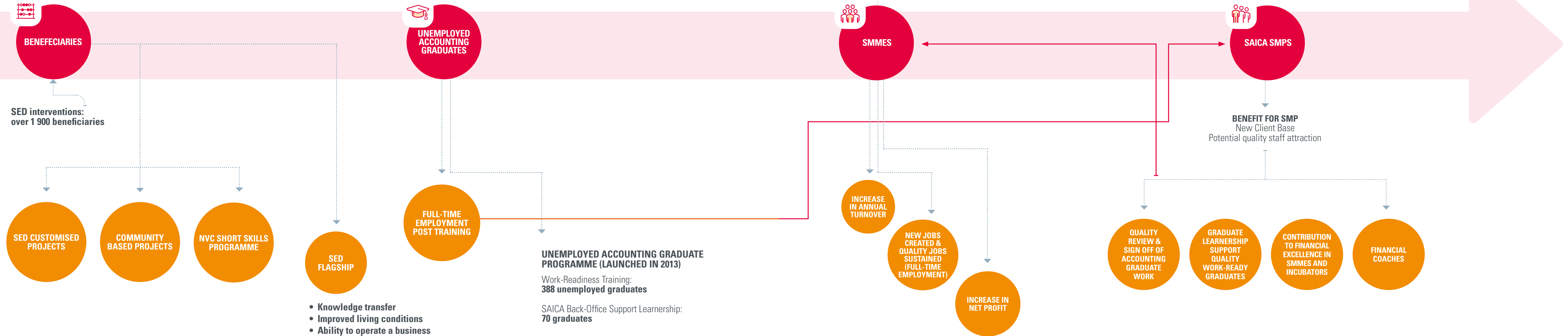
SAICA ED provides impactful B-BBEE ESD solutions focusing on financial excellence that fit with Corporate and Public Sector transformation objectives with the aim to:

- Customise ESD interventions that are industry specific and make business sense
- Offer affordable accounting services for the SMME sector (using unemployed accounting graduates overseen by SAICA's SMPs)
- Enable clients to seamlessly broaden their supplier base by integrating quality black SMMEs
- Provide proven impact of SMME programme objectives
- Advance hassle free and pain-free ESD implementation
- Grow the township economy

SAICA ED partners with SMPs to achieve financial excellence in both SMMEs and incubators nationwide. These SMPs oversee the books of the accounting graduates and their SMME clients. This provides great opportunities for the SMPs to attract new staff (i.e. absorb the accounting graduate) and create a pipeline of new clients (i.e. absorb the SMME clients of the accounting graduate). SAICA Members in Business, through their B-BBEE contributions, support the SMPs and enable growth and development in the entrepreneurial sector.

The Hope Factory and SAICA Enterprise Development's Impact on the SAICA Value Chain

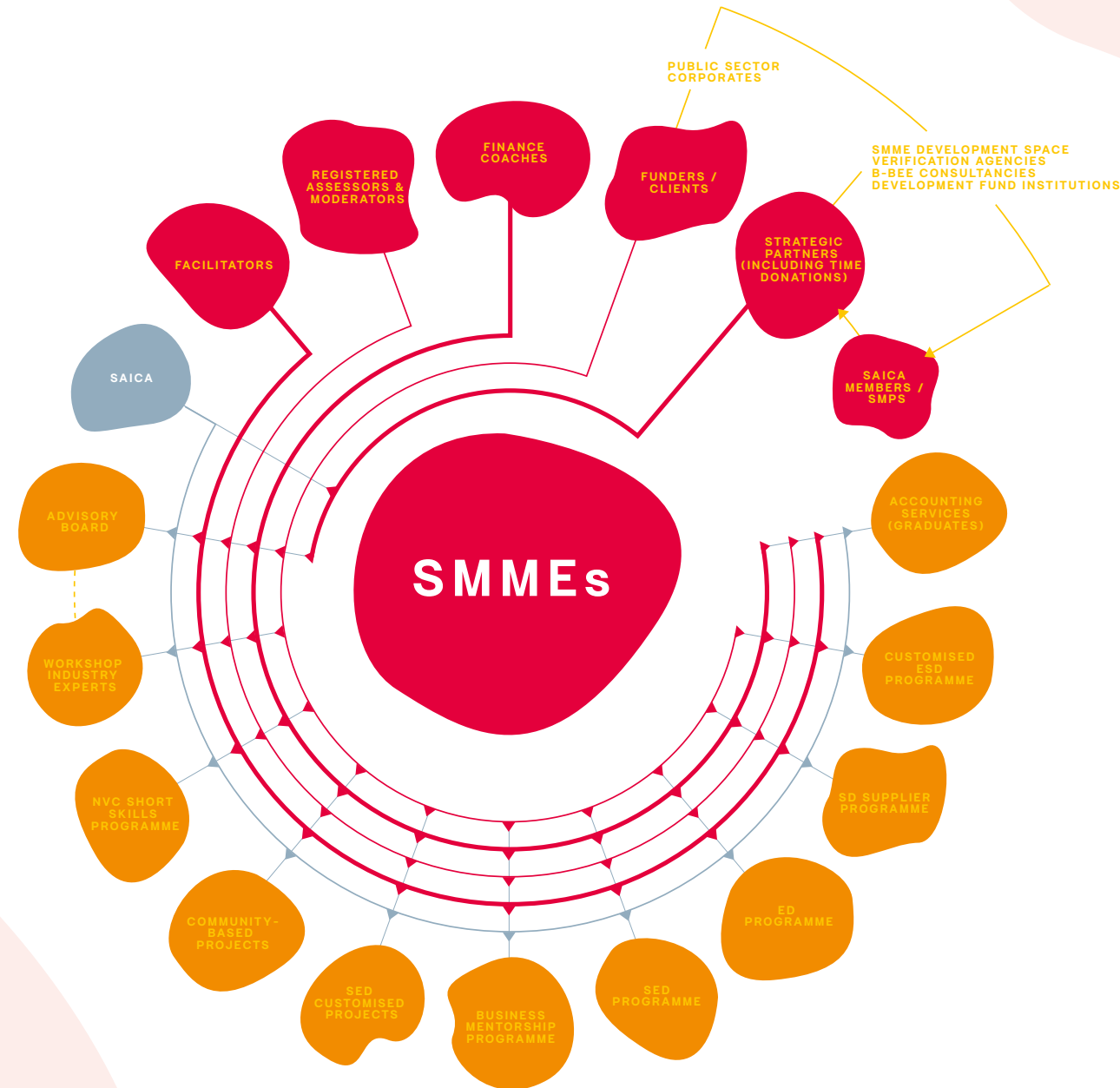
(Since Inception)



Ecosystem

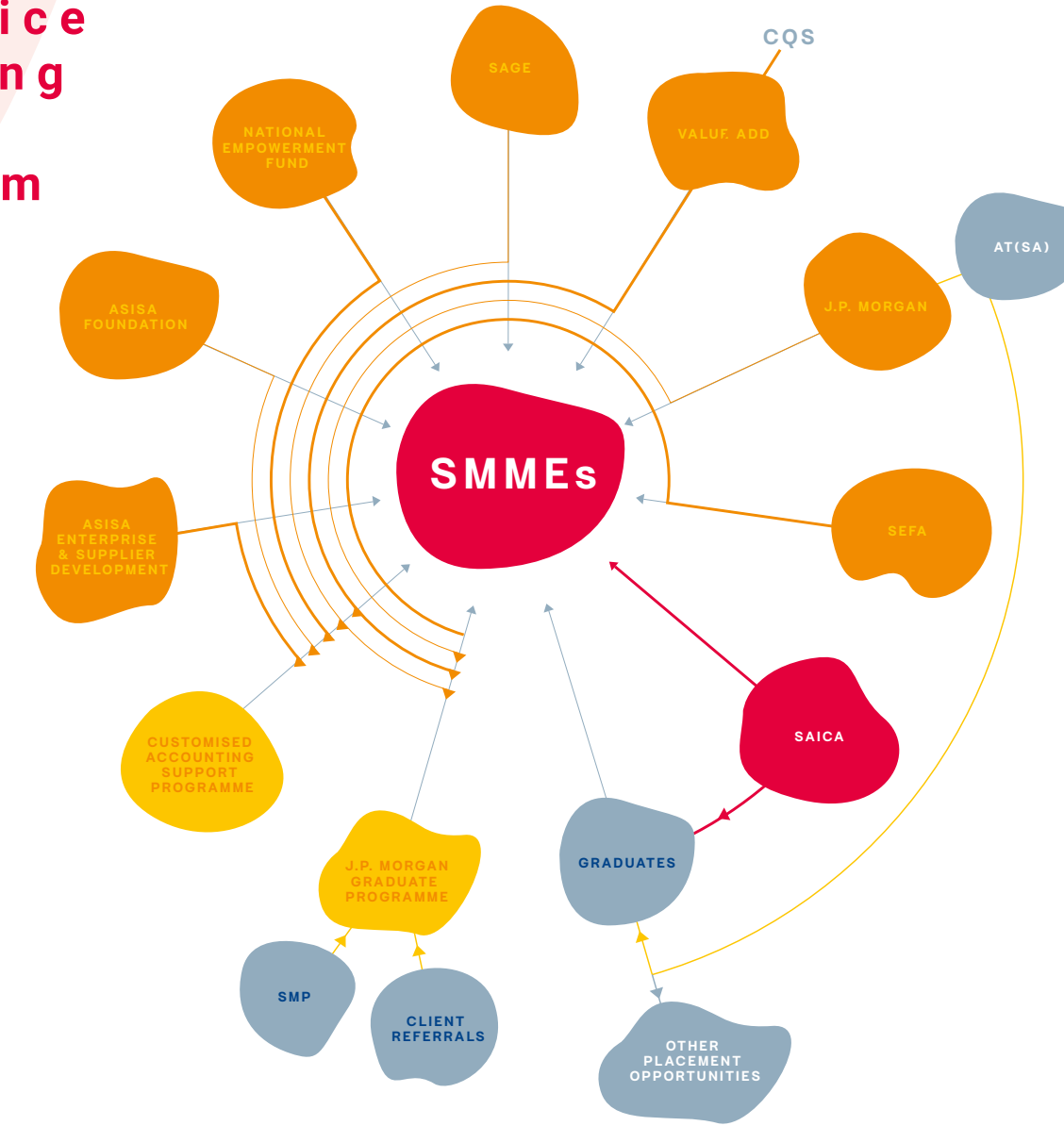
True collaboration – SMME support

The strength of all the SMME support programmes run by THF and SAICA ED is achieved through the support of powerful partnerships. The initiatives are linked to the beneficiaries through a network of relationships developed over many years. Through the power of collective collaboration, the complex structure is indicative of a strong network that supports The Hope Factory and SAICA Enterprise Development value creating initiatives.



SD - SKILLS DEVELOPMENT
 SED - SOCIO ECONOMIC DEVELOPMENT
 ED - ENTERPRISE DEVELOPMENT
 ESD - ENTERPRISE & SUPPLIER DEVELOPMENT

Back-Office Accounting Support Ecosystem



Total Interactions for 2019

235
Individual
Entrepreneurs 

270
SMMES 

62
Graduates 

Key Initiatives

Accounting Support Programme

Providing back-office accounting support to clients

12 SMMES
5 SMMES (FUNDED BY NEF) 

Advisory Board

Providing SMME business owners with a panel of expert advisers to deliver strategic advice and introduce new skills to the business. Aimed at continuously improving the way SMMEs run their businesses

48 SMMES (2 SESSIONS IN GAUTENG AND THE EASTERN CAPE) 

Avon and Dedisa Peaking Power Enterprise and Supplier Development ('EneGro') Project

Developing entrepreneurs within the energy sector through an Enterprise Development programme, as well as a turn-key initiative aimed at growing SMMEs for potential supply chain integration (now in its third programme)

14 SMMES (KZN AND EASTERN CAPE)
SMMES ON THE PROGRAMME HAVE RECEIVED OVER R500 000 IN OPEX INVESTMENT 


BayFM 107.9 Small Biz Talk Community Development Project

THF collaborated to produce a weekly radio show on Nelson Mandela Bay's BayFM on Thursday's between 09:30 and 10:00.

39 SHOWS WERE AIRED IN 2019
WITH AN AVERAGE LISTENERSHIP OF 70 000 TO 90 000 PEOPLE.
10 PROGRAMME /PROJECT SMMES INTERVIEWED 

Cennergi Supplier Development Customised Programme (2019/2020)

12-month programme developing small businesses within the energy sector through Cennergi (Pty) Ltd's Tsitsikamma Community Windfarm and Amakhala Emoyeni Windfarm projects

3 SMMES
11 BENEFICIARIES
14 JOBS SUPPORTED 

FLAME 2.0 project: King Williams Town (2019/2020)

Implementing a Financial Literacy and Micro Enterprise Programme (Flame) involving the transfer (development) of knowledge and skills in four learning domains, namely:

- Personal Financial Literacy
- Business Financial Literacy
- Essential Business (Entrepreneurship) Skills
- Soft Skills

Programme run on behalf of the ASISA Foundation

44 ENTREPRENEURS IN PHASE 1
18 ENTREPRENEURS IN PHASE 2 

Khulisa Ibiznis (2019/2020)

Developing black SMMEs run by youth entrepreneurs (aged 18-35) through impactful entrepreneurial development programmes centred around Financial Excellence.

This 18-month programme includes:

- Finance bootcamps
- Finance coaching
- Affordable accounting services (using unemployed accounting graduates) and
- Developing Financial Excellence reporting standards.

Funded by the J.P. Morgan Foundation

196 SMMES FROM SOWETO, THEMBISA AND KATHORUS
50 UNEMPLOYED ACCOUNTING GRADUATES RECEIVED WORK-READINESS TRAINING
29 ARE OFFERING ACCOUNTING SUPPORT
8 SAICA SMPS APPOINTED TO ASSIST GRADUATES 

New Venture Creation (NVC) Programme

Facilitating New Venture Creation Unit Standards within the following projects: Flame, Transnet Pipeline project, Cennergi, Riverbank Windfarm and Good Year

60 SMMES
5 PROJECTS 

Project Sakh'ikamva

Developing entrepreneurs within the sports industry through a customised Entrepreneur Development Programme including accredited business training as well as business and industry specific coaching.

Funded by Good Year

2 SMMES 

QALISA Programme - SED Flagship (PE 2019/2020)

The Hope Factory's 12-month Qalisa Programme consists of training, mentoring and workshops. The participants also received the opportunity to be trained in five New Venture Creation (NVC) SAQA accredited Unit Standards. The core focus of these unit standard is for participants to receive an accredited certificate and to ensure knowledge and skills transfer as well as practical application towards developing their start-up businesses.

This programme covers three pillars:

1. Personal Development:

- Business diagnostic
- Completion of a business information form
- Goal setting
- 1 x group mentoring session

2. Business Skills Development

- ◇ SAQA Accredited New Venture Creation Short Skills Learning Programme
 - How to produce business plans for a new venture
 - Business communication
 - Basic computer technology
- ◇ Workshops
 - Social Media (2020)
 - Human Resource Management (2020)
 - Entrepreneurial Profiling

3. Financial Skills Development

- ◇ SAQA Accredited New Venture Creation Short Skills Learning Programme
 - Managing finance of a new venture
 - Tender to secure business for a new venture
- ◇ Workshops
 - Costing and pricing
- ◇ Group business mentoring sessions

20 BENEFICIARIES 

SAICA Enterprise Development Flagship ESD Programme

Developing SMMEs through a Financial Excellence Offering to form part of corporate supply chains

15 SMMES
28 NEW JOBS CREATED



Talhado Fishing ED project

Providing development support to local black-owned SMMEs for Talhado Fishing

8 SMMES
7 INDIVIDUALS
5 SMMES ON PROGRAMME RECEIVED OPERATIONAL INVESTMENT TOTALING R151 506.44



Transnet Pipelines Programme (2019/2020)

Developing entrepreneurs with disabilities in JHB and KZN through a customised ED programme

10 SMMES
5 SMMES ASSISTED TOWARDS BECOMING FUNDER READY



Highlights

Celebrating entrepreneurial Impact

On Friday 15 March 2019, entrepreneurs on The Hope Factory's SED Programmes graduated in Port Elizabeth.

Jill Johnson, Regional Branch Executive of THF says: "We are privileged to have watched the growth of these individuals over the past year, and walked the entrepreneurial journey with them. I am very proud of their commitment to the Programme, and what they have achieved."

Graduation day is a day to revel in the successes of these informal traders as we stand proudly alongside them in what they have achieved. For each of the graduates, a future awaits in which they will continue to grow and take steps towards taking their businesses to the next level.

Programme graduate, Tim Macquire says, "The overall experience of the programme really exceeded my expectations. I have been through many programmes but none has been able to pour so many resources and contributions into our personal and business development. I always say it's empowering to go to the workshops at THF because they have boosted my knowledge and built my character."

Significantly, 95% of the beneficiaries on The Hope Factory's Socio-Economic Programme indicated that the programme was helpful in improving their quality of life.



PE graduates celebrate the completion of THF's SED programme

Launch of the Khulisa iBiznis Funding Accelerator programme

ISAICA ED launched the Khulisa iBiznis Funding Accelerator programme for 196 SMMEs based in three Gauteng townships in Quarter 4 of 2019. This 12-month programme will provide financial management skills training to these township SMMEs to enable them to become funder ready.

Khulisa iBiznis
Funding Accelerator Programme

"We are delighted to have partnered with J.P Morgan once again following the success of the previous programme in 2017 to develop SMMEs. This year the focus is on historic township areas in particular. Without adequate financial knowledge, reaching the level where these SMMEs are both profitable and sustainable is near impossible," said Mandisi Nombembe, Project Manager for SAICA ED.

Accounting Graduate Work-Readiness Programme graduation

50 accounting graduates celebrated their graduation in Quarter 3 2019, following successfully completing their four-month work-readiness training programme. SAICA Enterprise Development and the South African Accounting Academy (SAAA) joined forces for this important initiative. The SAAA provided work readiness training to selected accounting graduates focusing on lifelong learning, communication skills, office orientation, career guidance, interview skills and the fundamentals of accounting.

The work-readiness programme has further enhanced the graduate's skills and has prepared them for the work environment. Graduates have been placed under various SAICA SMPs to assist 196 small township based businesses with their monthly financials, under the Khulisa iBiznis Funding Accelerator Programme.

"I've learned and have gained vast experience and knowledge. I would recommend this programme to any graduate," says graduate Mosa Morukhu.

The accounting graduates are full of anticipation for their future and building solid careers for themselves as accountants.

One of SAICA ED's key objectives is to help businesses grow sustainably, access funding successfully and ultimately employ more people.

Avon and Dedisa graduation

During December 2019, we saw the second official graduation ceremony of SMME beneficiaries of the bespoke Enterprise and Supplier Development programme, aptly named 'Enegro'. This programme was made possible through the ongoing partnership between Avon & Dedisa Peaking Power and SAICA ED. The purpose was to provide a customised incubation programme, aimed at developing a network of black energy consultants to support the energy sector in South Africa.

The Enegro programme has continued to evolve and develop into a top-class programme. The introduction of industry experts and personal development coaches alongside the business and financial mentoring has created great impact for Enegro SMMES.

Programme inspired graduate beneficiary Sibongiseni Gaqa, a passionate SMME in Bio gas production, says, "One of my major challenges has been on transitioning from academics to business. These are two different worlds and I believe that in order to be able to run your business efficiently you need to be able to link the two successfully. This is where the programme has been of great value to me. I now have a sound business plan. Yes, the process is challenging, but the programme has opened my eyes and given me an opportunity to bring my business idea to life. For this I am forever grateful."



Enegro graduates ready to step into the world of energy consultancy

Success Stories



Vereen Stols

ICT family business owner thrives on new business knowledge

Vereen Stols, owner of Simpli Wifi, provides WIFI as well as WIFI equipment to the northern areas of Port Elizabeth with hopes of expanding. Vereen says, "Tired of having your WIFI down when Eskom is down? Connect with Simpli Wireless to be connected all the time."

Starting off the year 2019, Vereen realised that she had a lack of knowledge when it came to computers and technology. She was pleasantly surprised by what she was able to learn on the Apply Basic Computer Technology Unit Standard during The Hope Factory's Socio-Economic Development flagship programme.

"I learnt that the computer was my friend and not my enemy. We were taught how to use the computer to our advantage. I really enjoyed how to send professional emails and the applications of the lessons, I was very thankful for a very patient facilitator," says Vereen.

With regards to a particular module in business finance and compliance she says, "For many of us, we never had to deal with that side of a business before, this was a real and tough eye opener. But the facilitators at The Hope Factory made sure we understood all the important aspects at all times.

Gaining new knowledge on a programme like this one comes at a cost of true dedication and commitment. Vereen explained that at times she felt like throwing in the towel but pushing through was worth the challenge. "I am really looking forward to my last couple of months on the programme, it has been an awesome journey thus far."

THF beneficiary wins provincial leg of Pitch & Polish 2019

Unathi Kolanisi, owner of Nati's Food and beneficiary of THF's 2019 SED Programme, had a very successful year.

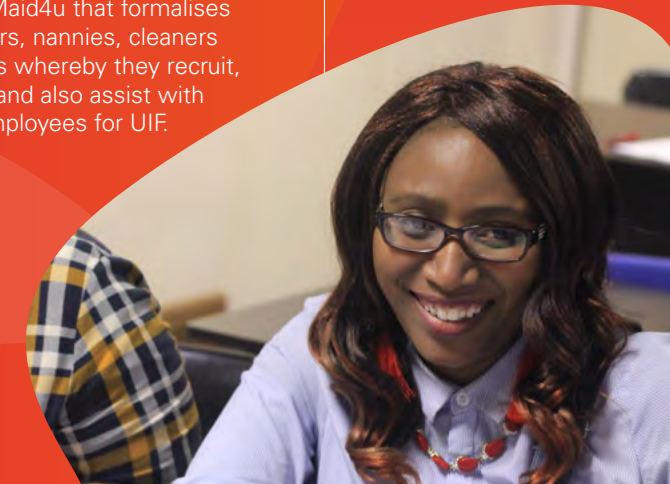
Unathi currently owns an events and catering company operating in Port Elizabeth and East London. "We provide fully equipped mobile food trucks even to the most remote areas. We don't compromise quality for quantity," says Unathi.

While being part of the SED programme at The Hope Factory she was given the confidence boost to enter the Engen Pitch and Polish competition. Unathi had to pitch her business to potential investors for funding. Pitch & Polish, is an Idols-type competition in which contestants are given the opportunity to present their businesses or business ideas to an audience.

Unathi won the regional title to represent the Eastern Cape nationally. Unathi says, *"The competition was a great experience and the title brought a lot of exposure for my small business including media exposure."* She also adds, "A big thank you to The Hope Factory who gave me further opportunity to be a guest on their live Small Biz Talk show on Bayfm107.9 to tell my story and motivate other start-ups."

As part of her business growth, Nati's Food is now also trading as a franchise called Maid4u that formalises the sector of domestic workers, nannies, cleaners and home-based care workers whereby they recruit, screen, train and place them and also assist with CCMA issues and register employees for UIF.

Unathi Kolanisi



Mathapelo Temogo



Experiencing high speed acceleration as a woman-owned small business

"SAICA Enterprise Development has enabled me to become a financially savvy entrepreneur and to keep up-to-date with what is happening in my business and identify my money wasters," says owner of Black Pearl Coach Shuttles and Tours, Mathapelo Temogo, who is now able to put everything that she has learnt into practice.

"Thanks to my finance coach I am now able to make sound decisions, deal with my cash flow, draw up a budget and stick to it.

The programme doesn't only focus on your financial growth, but also on your personal development which is a bonus. My personal development coach has helped me to unleash my potential and believe in my values."

"And through these interventions, my business has experienced a 60% increase in profit; a 100% increase in turnover and I have managed to employ two staff."



Kholofelo Nengwenda

SMME owner building her business step by step

In 2018, Kholofelo Nengwenda entered a competition where the second prize was securing a seat in the SAICA ED programme. When she won, she was thrilled. This was a chance for her to increase her business knowledge, especially her financial acumen, and garner all the practical tools to make her business a success.

Her company, Ondwela J General Trading, is a 100% black woman youth-owned enterprise which initially specialised in domestic household and cleaning services. But as it grew, it diversified its services to include cleaning, supply and distributing cleaning chemicals, hygiene equipment, pest control, horticulture, gardening services and construction. Today, its footprint is in Mpumalanga, Tshwane and is rapidly growing into other major towns and provinces.

Before joining the programme her financial knowledge was very limited. Being on the programme expanded her financial skills in her business operations. Having a designated finance mentor and a life coach helped Kholofelo forecast future projections for her business. SAICA ED's emphasis on entrepreneurs excelling financially, was of great benefit to Kholofelo, and upskilled her with the ability to interpret financial statements, and report on cashflow statements and balance sheets. As a result, over the duration of the programme, her net profit increased by 63%!

"My personal development coach helped me to translate my vision as an entrepreneur into a goal for the entire organisation," says Kholofelo. Her mentor assisted her in drafting efficient processes that enabled the company to be more formally established in terms of structure.

Ondwela J Trading is making great strides. Since the SAICA ED programme, it's been awarded CIDB grading 2; has received a license for petroleum distribution, and has put in an application with the Services Seta to train for hygiene and housekeeping.

"I highly recommended this programme. It encourages entrepreneurs to stay focused on their goals. It reminds us that as much as we are leaders, to be effective we need to have sound knowledge of the business and be mindful of how we are perceived. We have a key responsibility beyond employment which is to empower people and create sustainable businesses. Financial literacy is crucial as a small business owner, and financial statements need to be accurate, especially when applying for funding," says Kholofelo.

The Hope Factory and SAICA ED

An SMME owner with a passion for recycling

Because of her deep passion for the environment, coupled with creating jobs in her community and after aspiring to have her own business, Yolanda Valentine started False Bay Trading (Pty) Ltd in early 2018. Her business focuses on recycling collections of cans, plastic paper, cardboard, glass and polystyrene from local businesses and restaurants.

She testifies that the SAICA ED Customised Programme has helped her business to gain exposure into the business world and in local communities. "The programme has taught me how to run a good and profitable business. They have assisted me in various avenues in which to improve my business, especially around business systems and access to market side." Her SMME development programme was sponsored by J Walter Thompson in Cape Town, which with its green focus, was keen to improve sustainable SMME initiatives in recycling of waste material. Says Odette van der Haar, CEO of J Walter Thompson, "Being a responsible corporate citizen is important for us, and so we have chosen to focus our SMME development efforts into recycling, which remains a global challenge. We want to play our part in this."

Yolanda Valentine



Valuable lessons that Yolande has received from this Enterprise Development programme stem from the skills acquired during the programme included keeping proper records of her purchases, training in Zero Financial bookkeeping package, working with a budget, projections and how to create a proper Business Plan.

"I am trustworthy, dedicated and passionate about many things. I care dearly about people and have trained many to create something from nothing and therefore I consider myself a life transformer," says Yolanda. Her dedication and will to succeed has played a very crucial role in ensuring the success of her business. "My passion for recycling, hopefully, inspires others to make positive changes in their lives."

How The Hope Factory and SAICA Enterprise Development Contribute to the NDP and the UN SDGs

By implementing its strategic intent, The Hope Factory and SAICA Enterprise Development contribute towards Chapters 3, 4 and 8 of the NDP and Goals 1, 7, 8, 10, 14 and 17 of the UN SDGs. **The diagram shows how The Hope Factory and SAICA Enterprise Development contribute to these plans.**

ISFAP and the NDP

Chapter 3: Economy and Employment

The proportion of national income earned by the bottom 40% should rise from about 6% today to 10% in 2030.

The unemployment rate should fall from 24.9% in June 2012 to 14% by 2020 and to 6% by 2030. This requires an additional 11 million jobs. Total employment should rise from 13 million to 24 million.

The proportion of adults working should increase from 41% to 61%.

The proportion of adults in rural areas working should rise from 29% to 40%.

- The Hope Factory has equipped over 1 500 beneficiaries with skills to establish sustainable businesses.
- SAICA Enterprise Development has developed over 980 black SMMEs through its financial excellence offering so that these SMMEs can plan an active role in economic transformation and job creation.
- Over 450 jobs created by supported SMMEs (2014-2019).

Chapter 4: Economic Infrastructure

Move Eskom's system operator, planning, power procurement, power purchasing and power contracting functions to the independent system, and market operator and accelerated procurement of independent power producers.

The SAICA Enterprise Development Avon and Dedisa Project bespoke 'Enegro' programme develops black energy consultants and professionals with the aim of supporting SA's energy sector and finding new energy solutions.

Chapter 8: Transforming Human Settlements

Introduce spatial development framework and norms, including improving the balance between location of jobs and people.

The Hope Factory runs specific projects focusing on mobilising economic activity for unemployed black South Africans who run start-ups in rural and township communities.

The Hope Factory, SAICA Enterprise Development and the SDGs



- The Hope Factory



- The Hope Factory Flagship SED Programme
- The Hope Factory's Transnet Pipelines Customised Programme



- SAICA Enterprise Development Avon and Dedisa Project
- Cennergi Supplier Development Customise Project



- Talhado Fishing ED project



- SAICA Enterprise Development Flagship Programme



- Public-private partnerships with various government institutions

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