Not only does the Red Cross hold a special place in our collective sense of ourselves as a globally caring community; to me personally, and those who shared the experience of being political prisoners, the Red Cross was a beacon of humanity within the dark inhumane world of political imprisonment.

“The improvements in the conditions of our imprisonment at Robben Island were to a large measure due to the pressure that the mere presence of the Red Cross brought to bear on our jailer-regime. It says much for the moral weight of the Red Cross that even the apartheid regime, which was in so many other respects indifferent to world opinion, found itself cowed and pressurised by this organisation.

President Nelson Rolihlahla Mandela
18 July 2003

In 1963 the International Committee of the Red Cross (ICRC) began visiting people convicted for security offences under the Apartheid regime. Nelson Mandela was seen several times while at Robben Island and later at Pollsmoor prison.

Mission:
To provide services that avoid human suffering and to engender human dignity by servicing the basic needs of people in compliance with the principles of the Red Cross and Red Crescent Movement.

Vision:
To be a service organisation that is effective, high profile, dynamic, and sensitive to the needs of all people in compliance with the principles of the Red Cross and Red Crescent Movement.

The fundamental principles of the International Red Cross and Red Crescent Movement:
Humanity | Impartiality | Independence | Unity | Voluntary | Neutrality | Universality
Her Serene Highness
Princess Charlene,
our new patron

On the 23rd of July 2016, the South African Red Cross Society Chairman Ms Connie Motshumi and CEO Mr Derick Naidoo were invited to a prestigious Red Cross Ball hosted by His Serene Highness Prince Albert and Her Serene Highness Princess Charlene of Monaco. This social and charity event takes place annually in the Salle des Etoiles at the Sporting Monte-Carlo.

The day before the event, the South African Red Cross delegation were honoured at a ceremony lunch held at the Monaco Principality Palace, in which Princess Charlene accepted an invitation to become the Patron of the South African Red Cross (SARCS).

This patronage by Her Serene Highness will greatly assist in repositioning SARCS, and it will undoubtedly drive awareness linked to our community outreach programmes.

Princess Charlene realises the value of the Red Cross and wants to inspire people around the world to support the work of the society.

The significance the Princess will add to our organisation is unsurpassed. This is the start of a rewarding and fulfilling relationship.
Many associate us with war zones.

But we’re also on the front lines against HIV, TB, poverty and hunger

Strategic Aims:
- Save lives, protect livelihoods, and strengthen recovery from disaster and crises.
- Enable healthy and safe living by contributing to combating HIV and decreasing the burden of TB amongst communities and individuals in South Africa.
- Promote social inclusion and a culture of non-violence and peace.

Who we are and what we do throughout our 34 Red Cross branches throughout South Africa:
- Community-based volunteer organisation, providing health, care and support to vulnerable people affected, due to health, disasters and poverty.
- An auxiliary service to the government, in support of social development.
- Providing home-based care and support to address HIV/AIDS and TB.
- Directly represent beneficiaries.
- Focusing on training and development within communities to make them sustainable.
- Focusing on development and empowerment of women and the youth.
- Social entrepreneurship.

Specific priorities:
- HIV/AIDS 90-90-90* Strategy HCT
- Tuberculosis (TB)
- Multi-Drug Resistant Tuberculosis (MDR-TB)
- Non-communicable Diseases (NCDs)
- Youth: Youth Peer Education, Teenage Pregnancy, AYFS and Development of Youth, through Sport
- Disaster Risk Reduction
- Empowerment and Development of women and girls

*By 2020, 90% of all people living with HIV will know their HIV status. By 2020, 90% of all people with diagnosed HIV infection will receive sustained antiretroviral therapy. By 2020, 90% of all people receiving antiretroviral therapy will have viral suppression.
Health and Care Education
Currently, the South African Red Cross Society (SARCS) has 400 staff members and approximately 3,500 volunteers, spread throughout 34 branch offices in all nine provinces.

Health Care and Education programmes continue to be the cornerstone of the various projects that SARCS attends to.

With the prevalence of HIV/AIDS affecting a big part of the South African population, SARCS currently supports 56,295 OVCs (Orphans and Vulnerable Children).

The numbers of people reached through HIV/AIDS prevention messages was approximately 916,517.

The number of people reached through TB prevention messages and those who went through for screening was 165,974. And in line with the 90-90-90 HIV strategy, over 8,000 community members were tested.

Youth and Peer Education
Through our Peer Education programmes, education on basic hygiene, nutrition, life skills, HIV/AIDS and TB has been imparted on our youth in schools. 150,000 youth at school were reached through our facilitation programmes and 190,002 out-of-school youth.

Income Generating Activities
15,000 beneficiaries have benefited from activities ranging from sewing, garden work, beadwork and craftwork. The income gained from livelihood activities also enables clients to buy food, clothes and school stationery for their children and enable them to sustain themselves.

First Aid Training
Training of First Aid Level 1, 2, 3. Basic Fire Fighting and Home-Based Care has seen 20,000 individuals and companies receive training.

“Reached 916,517 people with HIV prevention messages”
Chairman’s Review

Since the last AGM, several major interventions have taken place that have added significantly to the profile of SARCS, both locally and internationally.

Through our 3500 volunteers and 400 permanent staff members, we are doing tremendous work in serving the most vulnerable people throughout South Africa.

And it’s not just a matter of stepping up to the plate during disasters. Being on the ground in the communities where our beneficiaries live, we are constantly on a state of readiness whenever help is needed.

We are there for those affected by HIV/AIDS; there for TB sufferers and their families; and those suffering from a raft of non-communicable diseases.

We’re there, also, for Orphans and Vulnerable Children (OVCs), many of whom live in child-headed homes, be they babies or toddlers in Red Cross crèches or pre-schools, or youths being educated through our Youth Education programmes.

We’re there for the hungry, with food parcels and seeds and the know-how for backyard gardens to flourish.

There for our senior citizens, with Grannie Clubs, and Income Generation Programmes in which we can equip them with sewing and beading skills so that they can earn a living.

And we’re there for the communities that are most in need through Red Cross Sustainable Entrepreneurship Programmes which are doing so much to lessen the harsh realities of poverty.

The overall strategic direction we are following is closely aligned with both the Government’s National Development Plan as well as the United Nations Sustainable Development Goals, so our vision for the future of our organisation is deeply rooted in the societal requirements of South Africa.

Since being elected chairman of the SARCS board we embarked on a new course that sets out a clear strategic direction and guidelines that will create a more business-like environment for our organisation. The reasons for this are to add to the professionalism of our operation, and to add to the sustainability of the humanitarian work that so many people are reliant on.

Of the many interventions, the following are the most significant:

• Appointment of HSH Princess Charlene of Monaco as patron of the South African Red Cross Society. Having Her Serene Highness as our Patron will undoubtedly lend the prestige and gravitas that our organisation deserves.

• The SARCS Board has worked on various policies for compliance and accountability and I am pleased to say that there are major improvements across the board, both in transparency and governance.

• Re-branding and reprofile of SARCS has commenced, which will go a long way in positioning the Red Cross in the minds of South Africans.

• Recognition for our Board members, two of whom now serve on prestigious IFRC international committees: Ashwin Trikamjee was invited to serve on the influential Audit and Risk Committee in Geneva. And Lesley Hudson was invited to serve on the Nuclear Committee. Moreover; National Committee of Provinces Member, Mama Sello, now sits on the Advisory Group on Statutory Contribution, which was appointed by the Finance Committee of the IFRC.

• Sir Roger De Haan of the Roger de Haan Charitable Trust and British Red Cross colleagues joined the SARCS Chairman on site visit to KwaZulu-Natal. Work focusing on HIV/AIDS, youth peer education: on TB prevention in schools, teenage pregnancy, adolescent & youth friendly services, young women in development, delivery of social support to the less fortunate, youth friendly clinic to educate and guide youth on social issues and health and the overall work being conducted by Red Cross volunteers in that province, was showcased.

• Launch of App and media coverage. In keeping up with all the digital technology that’s sweeping the world, we also launched a new app. It will allow people to receive emergency alerts and get news and information about our SARCS activities and courses.

• UNICEF Partnership on managing foetal alcohol syndrome in Northern Cape. It’s a sad statistic that South Africa leads the world in Foetal Alcohol Syndrome (FAS). But our global agreement with UNICEF will galvanise our joint efforts to alleviate some of the suffering and reduce the scourge of the syndrome.

This has been a rewarding year of growth for SARCS and our stakeholders which includes the ICRC and IFRC, our donors, without whom our work would not have been possible, thank you. Our volunteers who are the giants whose shoulders we stand on, I express my sincere appreciation, you serve the Red Cross with pride and dignity—Thank you for your selflessness and humanity. Our staff who have to constantly face the harsh reality of human suffering, thank you for your service, dedication and being the torch bearers of this beautiful organization by enabling positive change to ordinary people. The CEO and management team, thank you for fulfilling your mandate and leading the team to even greater heights. My fellow board members, thank you for your time, leadership and support. Thank you for entrusting me to serve and lead the organization which I believe we will continue to grow from strength to strength.
The South African Red Cross, being part of the global brand that’s second only to Coca-Cola in immediate recognition, serves humanity across all cultures, boundaries and Continents.

The work we now do has shifted to becoming more focused to an evidence-based approach that aligns with the National Development Plan and Sustainable Development Goals.

We support the activities of the South African Government in addressing the needs of the vulnerable, from Health and Care Programmes to Disaster Management and Relief. Being community-based we also serve as a vital link in ensuring that the needs of all communities are articulated and addressed.

Even though beneficiary numbers have increased due to the turbulent economic times, the commitment and perseverance of our staff and volunteers despite this challenging environment has been excellent.

Moreover, even though the economic downturn has resulted in serious funding challenges throughout the NGO and the Humanitarian sector, the South African Red Cross Society continues to maintain support from its current donors. In fact, I am pleased to report that we have also attracted new donors.

Moving our new focus is adopting a sustainable fundraising model that will leverage and mobilise domestic resources.

We all want to serve humanity and in doing so we all need to get behind the Red Cross brand and be passionate. Passion means standing up and fighting for the welfare of the beneficiaries.
Group profile

**Connie Motshumi**
- Head of Stakeholder Relations & Communications at Premier Soccer League
- Former Group Business Development Director for The Kelly Group, and former Director at Business Leadership SA (BLSA)
- Served on various boards and as CCO and advisor for the Nelson Mandela Foundation
- Served as a member of the Financial Sector Charter steering committee in formulating BEE transformation strategy.

**Ashwin Trikamjee**
- Attorney and Executive Consultant at Garlicke Bousfield
- Chairperson of the African Regional Forum of the International Bar Association
- Non-Executive Director of Old Mutual Life Assurance Company Ltd & Gijima Ltd
- Previously he was the longest serving council member of the SA Soccer Federation
- Former Chairperson of the National Soccer League
- Former Vice President of the South African Football Association

**Derick Naidoo**
- Derick Naidoo has been with SARCS since 2004 initially as the KwaZulu-Natal Provincial Manager.
- He was appointed CEO of the National Red Cross as CEO in 2015.
- Having come from an Academic life as a Lecturer in Engineering and later Head of Engineering studies, he has set up systems and processes within Red Cross to improve the delivery of programmes to the vulnerable.
- He has completed various academic qualifications and recently completed the Advanced Health Management Program through Yale University.

**Lesley Hudson**
- Founding partner Cut To Black Media (BEE communication agency)
- Most notable clients include Standard Bank, City of Joburg, United Nations
- A social entrepreneur with expertise and experience in business strategy development and facilitation

**Mervyn Court**
- Mervyn has been a volunteer with society since 1982, serving in various community and leadership roles both in the Western Cape and the National Red Cross.
- Over the years, his leadership qualities have placed him at different levels within the Red Cross at a National Level and he has been part of the review of policies and strategies.
- Professionally, Mervyn is involved in the signage industry for 48 years serving at senior management level.

**Lerato Molebatsi**
- Executive Director: Government Affairs and Policy for Southern Africa, General Electric.
- Former Executive VP Communications and Public Affairs of Lonmin since 2013
- Previous Deputy Director General for Corporate Services at the Department of Labour and prior to this held senior positions at Sanlam, Old Mutual & Alexander Forbes

**Nqes Dlamini**
- Nqes has many years of experience of rural development, specifically in community infrastructure delivery, economic development, inclusive financial services and sustainable livelihood development.
- Besides his extensive experience in local government and the support of non-governmental organisation, Dlamini has participated in many planning and evaluation assignments for the public-sector institution.
- He has been in the Red Cross Movement since the early nineties.
Exporting our expertise

Ashwin Trikamjee: Member of the IFRC’s Risk and Audit Committee

Of the many committees that assure the smooth running of the International Federation of Red Cross Society in Geneva, it’s arguable that none are more high-powered than the Audit and Risk Committee.

Responsible for ensuring the Red Cross’ framework of governance, risk management and financial control, the Audit and Risk Assurance Committee plays a crucial role in supporting IFRC’s to meet its obligations.

The committee is also responsible for overseeing governance for IFRC’s annual budget of US$30 billion.

As you can imagine, being invited to sit on such a committee is not only a heavy responsibility, it’s also an event of great prestige.

So it was with more than a tinge of pride felt by all of us in the South African Red Cross Society when one of our own was selected to sit on this august committee.

Ashwin Trikamjee, a long-serving member of the SARCS, board was more than well qualified to serve the committee in Geneva. Ashwin has been the chairperson of the Audit and Risk Committee for SARCS for the last two years.

During this time, Ashwin and his colleagues were responsible for the greatly improved governance of the organisation. Under his leadership SARCS has received clean, unqualified audits for the last two years he has served in the chairperson’s role.

We wish Ashwin well with his momentous responsibilities while attending the biannual IFRCS Audit and Risk committee meetings in Geneva.

Lesley Hudson: Humanitarian Committee on the Prohibition and Elimination of Nuclear Weapons

Nuclear weapons have only ever been detonated in acts of war twice since they were invented in the 1940s: Hiroshima and Nagasaki.

The death and destruction caused during those cataclysmic events is unimaginable. As many as 140,000 people perished in Hiroshima; half of the incinerated in an instant. While 74,000 people were killed in Nagasaki.

Even more frightening is that smallest device stored in today’s nuclear arsenals are likely to be a hundred times more powerful than the bombs that were dropped on Japan.

If our movement (ICRC, IFRC and National Societies) has its way, such devices will never ever be detonated again.

So, it goes without saying that the Humanitarian Committee on the Prohibition and Elimination of Nuclear Weapons is an immensely important body.

In fact, as testament to the importance of the work of the committee, it is the first time that the United Nations has ever allowed a separate global body to peruse this pressing issue through parallel sessions.

Considering the gravitas of the position, we are immensely proud that a member of our own South African Red Cross Society was selected to serve on this committee.

Lesley Hudson is a dedicated and passionate member of the SARCS board of directors.

In terms of Africa’s perspective on nuclear weapons, Lesley and her African colleagues’ main fear is for a device to fall into the hands of non-state actors such as terrorist groups.

Lesley is also firmly advocating that in the African context, nuclear disarmament must be linked to sustainable development throughout the continent to be meaningful.
Before they could perform their duties as home-based carers, they first had to find Mrs Madiba a home.

To explain the impact that the Red Cross home-based carers like Gugu and Nomkhosi have on the lives of beneficiaries, here is the tale of Mrs Nonzolo Madiba, from uMzimkhulu near Pietermaritzburg, KZN. The following was related in her own words.

“My name is Nonzolo Madiba from Mzimkhulu. When I was staying at Ringini in Mpumula, my five-month-old baby started getting sick, he had MDR-TB. He was admitted at Edendale Hospital and later transferred to King George Hospital, where he stayed for six months. I was hurting as I was not working at the time. While he was there I met with a nurse that asked me how am I surviving with two kids while unemployed. Then she helped me to link me up with Red Cross. Luckily when I went back to King George I met with a lady from Red Cross and she was very helpful, she even gave me taxi money. Red Cross people were very helpful, they kept visiting my child and they took good care of him.

“In 2015 I started suffering from TB meningitis, it was so bad I couldn’t even move. But Red Cross people heard about my condition and they started visiting me regularly. Also, they saw the situation at home and started helping. They bought nappies for the kids, and gave me food and clothes and helped me with transport money to the clinic for my checkups.

“My other highlight about Red Cross was when I fell pregnant. But the pregnancy was misdiagnosed. The doctors said I had a growth, and when I went for an operation to remove the growth, that’s when the baby came out.

“Red Cross didn’t judge me. They said that they thought I was sick with a swollen stomach while I was pregnant. And they didn’t leave me, they took care of me and gave me clothes and food. They took care of my kids as well. Even today as I’m dressed like this and my kids are clean it’s because of Red Cross.

“When I got kicked out of where I was staying in eRingini, I called Red Cross, Nomkhosi came to my aid immediately and gathered a Red Cross team that came to help me and they found me a new place.

“What I like about them is that they keep coming to make sure the kids are eating well and are dressed properly. And they make sure that I’m also taken care of.

“I love Red Cross, they wiped my tears. I was poor and stressed and they took all my sorrows away. If it wasn’t for Red Cross I would be long dead. Now I know Red Cross is my everything, a mother and father to me and my kids, their father deserted them, but Red Cross is taking care of them now. They have a good life.

“I’m forever grateful to Red Cross, what you did to me may you do to other people as well.”
One of the harshest aspects of MDR-TB? The treatment for MDR-TB

In a country that has the world’s third highest burden of tuberculosis, the emergence of Multi-Drug Resistant TB in the early 1990s greatly exacerbated the epidemic. For those who receive treatment, the side effects of the specialist drugs that need to be taken for a period of 24 months can be severe.

Loss of hearing, loss of sight, swelling of the feet, a body rash and chronic vomiting are all unfortunate results of the treatment.

Then there is the psychological damage that is often associated with the condition: self-stigma. It’s a mental health issue that comes about largely because of the social stigma and discrimination aimed at sufferers in some communities.

The result of all these challenges is that many victims are reticent to disclose their condition. And, needless to say, they can go on and infect others.

But as challenging as these MDR-TB issues are, Red Cross Provincial Programmes manager Ruth Mufalalin-Van Rooyen is more than motivated to meet them head-on.

The Eastern Cape Red Cross MDR-TB Programme that Ruth manages currently cares for 292 patients. And they live in communities throughout Port Elizabeth, Uitenhage and East London. Caring for them are Ruth’s team of 43 facilitators and caregivers.

Ruth and her Red Cross volunteers actively reach out to the most vulnerable people: those who are co-infected by HIV (which comprises approximately 60% of TB sufferers nationally); those who are not supported by government grants; and those who have been stigmatised and discriminated against in their communities.

The biggest challenge for the Red Cross team is that patients stop taking their medication, usually because of the harshness of the side effects. In this situation, education itself is not enough. So, caregivers must resort to pleading and cajoling patients into adhering with the treatment.

Good nutrition is also a crucially important. The immune system needs to be continuously bolstered with a nutritious diet. But this is a major challenge to many people too poor to afford fresh healthy ingredients.

To counter this, Ruth and her team regularly distribute food parcels. They also distribute seeds so that people can grow vegetables in their own backyards. It helps that Ruth is such a highly-qualified nurse (she completed her honours degree in nursing a few years back, and is now studying for her masters’ in public health). It means that having a better understanding of the clinical issues, she is better equipped to guide her caregivers.

It also helps that Ruth – like so many Red Cross staffers and volunteers – cares deeply about her beneficiaries. As she will tell you, the most joyous part of her work is when a patient succeeds in getting through the 24-month treatment. Seeing them reclaim their lives is the tonic that keeps Ruth motivated.
To her elderly residents, she’s more than a Sister. She’s a mother, a guardian and a friend

Since she has managed the Elandsvallei Home for the Aged in Primrose, Germiston, Sister Wendy has always treated the residents as family. She also works hard to maintain the home-from-home atmosphere that’s apparent the moment you walk into Elandsvallei.

However, running a home for the aged is a far cry from running a domestic home.

There are distinct challenges when caring for older folk. Some residents are extremely frail, and need assistance with mobility. Some need help with visiting the toilet or with having a bath. Some need help with eating.

Also, most of the residents need to be treated for chronic conditions such as heart disease, high blood pressure, diabetes, Parkinson’s Disease, cancer, stroke as well as dementia in its various stages.

Currently, Sister Wendy and her staff care for 34 residents, and they range in age from 58 (a gentleman who suffered a severe stroke) to 93. Helping her is an on-duty staff complement of 27, which comprise nursing staff, nursing assistants, administration staff, domestic staff as well as gardeners and security personnel.

At certain times, students completing the practical side of their six-month Red Cross Home-Based Care courses are posted to Elandsvallei. They help with basic care and are rostered for day as well as night duty.

One of the things Sister Wendy understands only too well is the changing needs of every resident. Mobility may well become impaired, degenerative conditions such as dementia may become more pronounced.

But there are interventions that can assist in maintaining sound quality of life. Physical touch is very good for old people, so residents are given foot massages and hand massages daily.

The more active residents are taken for regular walks. They need to keep as mobile as possible, for as long as possible. And even if it’s hard for residents to move from a nice comfy chair, they are still encouraged to exercise.

Over and above debilitating physical conditions, Sister Wendy also pays special consideration to emotional issues.

Some residents are sprightly enough to enjoy shopping expeditions a couple of times a week, while others are virtual prisoners of their wheelchairs.

Morale is also maintained through regular entertainment. The bingo on Thursday mornings, sponsored generously by the Germiston Rotary Club, is always a big success. And everyone enjoys the dances which are held on special occasions.

As unique and individualistic as every resident may be, they all have one thing in common. They know that if they need to hear a kind word, if they need a hug, or just need someone to hold their hand, they all have a very special sister they can turn to.
Having to feed up to 340 kids a day isn’t fun and games. Those activities start after lunch.

From early Monday mornings to late Friday afternoons, the Red Cross branch in Daveyton is a hive of activity.

As a day-care centre, the branch runs all manner of activities that make a tangible difference in people’s lives: Income Generation Programmes, Grannies Club, various support groups and home-based care services.

Also, toddlers between the ages of two and six attend the daily Early Childhood Development (ECD) classes. More than just fun and games, ECD classes will help with the emotional, social and physical development of these young children, and have a direct bearing on their overall development right up to adulthood.

Then, in the afternoon, older children drop by for a nutritious, home-cooked meal. Some of these youngsters are HIV positive. And many are what the Red Cross classifies as Orphans and Vulnerable Children (OVCs) living in child-headed households.

Visiting what’s referred to as the “Safe Park”, the day centre is a refuge for these young beneficiaries in need of help and advice on troubling issues. Others want a helping hand with their homework.

But, as Zuki will tell you, the noisiest and most boisterous activity in which all the kids love to be involved with are the cultural games that are played every afternoon.

Of course, there is a very serious side to all the fun. Splitting the kids up into smaller, more intimate groups means that Zuki’s trained volunteers can gently probe a child’s state of mind.

Are they being malnourished? Are they being neglected? Are they being physically or sexually abused?

Considering that so many of them are living in child-headed households, are the older siblings able to manage the responsibilities that have been thrust on their young shoulders?

These are the questions that need to be asked. And Zuki and her team are well versed in recognising the signs that all may not be well in a child’s life.

But the caring does not end there. The Red Cross supplies food parcels for these children to take home; going to bed hungry is never an option.

Home visits are also made daily. Red Cross Social Auxiliary workers will intervene on behalf of orphaned beneficiaries with the Department of Home Affairs, to acquire the all-important ID cards that will help make them eligible for SASSA grants.

Help is also given with domestic matters: how to manage and stretch the family budget; how to augment the larder through establishing a backyard vegetable garden.

Sometimes, the issues that trouble these children can manifest into behavioural problems that lead to suspension and even expulsion from schools. Again, Zuki and her team will intervene and advocate for these kids, and give them the adult voice that they would not otherwise have.

Like so many Red Cross personnel, Zuki is a driven, passionate person who cares deeply about the vulnerable people in her community. She doesn’t just believe in the Red Cross motto - Always needed, Always there - she lives it!
Sophie’s vocation started after her father had a stroke. Caring for him led to her caring for hundreds of people in her community.

She joined the Red Cross and completed virtually every course, on every subject that the organisation offered. But it is her hands-on work and her tendency for being the first on the scene of a crisis that had the Johannesburg Disaster Management personnel offer her formal training, firstly in firefighting, before she later qualified as a paramedic.

These days, her shift at the Alex Fire Station starts at 7:00 am and ends at 7:00 pm. After that her routine Red Cross duties start. (Sleeping isn’t big on Sophie’s list of priorities.)

Usually, it’s working together with her team where their training in disaster management is never-ending.

After all, being better prepared means being better able to respond more effectively.

Sophie’s first priority during a disaster will be a rapid assessment of the situation. This is then followed by a more in-depth disaster impact assessment, so that her team can take the most effective measures in resolving the most urgent issues.

Severe thunderstorms, strong winds (including tornadoes), sudden and unusual cold spells, shack fires, veld fires, drought and infected water supplies are all major causes of disasters.

But when the summer storm clouds gather, Sophie and her team are particularly vigilant.

Because the Jukskei River flows through the middle of the township, flash flooding has been a recurring cause of devastation over the years, which has caused hundreds of people to be displaced from their homes.

But it’s in disaster situations like these that Sophie and her team steps in. Coordinating, handing out blankets and mattresses, food parcels and comfort packs. Helping to reunite family members.

But, above all, caring for the plight of people who have been traumatised by the loss of their worldly possessions. Or worse, the loss of a loved one.

Sophie is often stopped in the streets of Alex by grateful beneficiaries. But there have been so many people she has helped over the years that she feels embarrassed that she can’t always remember the faces or the names of those she’s helped.

But she’s extremely grateful for their thanks. It inspires her, and she knows that her late father would have been proud.
Working with MDR-TB patients means open minds, open windows and full stomachs

Nozibele has her work cut out for her. As a Red Cross Facilitator, she supervises home-based caregivers who help patients suffering from multi-drug-resistant tuberculosis (MDR-TB). She works in the Eastern Cape, the province, which as recent statistics indicate, has more deaths from TB than any other cause.

MDR-TB is a mutated strain of the TB bacterium in which two of the usually prescribed first-line antibiotic drugs are no longer effective. A situation that prolongs the period of therapy to 24 months.

During this time, there is much that can derail the treatment.

Unemployment and poverty are endemic in the townships surrounding Port Elizabeth. Hunger is a reality, and malnourished bodies become ready hosts for infection. Alcohol and drug abuse blurs reason. And because of the rapid weight loss associated with the condition, the stigma of HIV/AIDS also rubs off on TB patients. So, many people will, at some stage of the treatment, stop taking their medication. A situation that will inevitably result in a serious setback for their prognosis.

Facing these kinds of challenges daily, the Red Cross carers must constantly educate, encourage and cajole patients to continue with their treatments, regardless of the challenges. Patients also need to be educated about preventative measures so that they don’t infect other people, including family members.

In total, Nozibele supervises 11 home-based carers, each of whom is responsible for between 6 and 10 patients. And her experience is invaluable.

So, what must a carer know? Even skipping a meal can lower the immune system, so Nozibele insists that her caregivers eat a well-balanced meal before visiting their patients.

Because the TB bacterium is spread in droplets when an infected person coughs, laughs, spits or sneezes, Nozibele advocates adequate ventilation to stop airborne germs from infecting others.

It’s a demanding job, and infection rates are high. But regardless of the challenges, Nozibele is far too passionate about her work to be discouraged.

And her positivity and sunny disposition are maintained by the many success stories that she has witnessed within the programme.

Like the story of a young woman who was so immobilised by the gaping hole in her side, used to drain fluids from her lungs, she could barely move in her bed. But she didn’t just pull through the picture of health 24 months later, she also gave birth to a healthy baby girl.

Then there was the man that Nozibele found living in a shack so squalid and dilapidated, her eyes still well up as she describes the scene. But with her irrepressible energy and passion, Nozibele found those who could help by donating building material and those who could build a habitable dwelling.

Eventually her client got through the punishing 24-month treatment, and was given a new start in life with the dignity he deserved.
Being something of an activist at heart, Rati started doing work as a peer educator for Sisonke, the sex worker’s advocacy movement. That’s when she first realised that caring for people is what she really craved for.

But the real break with her chequered past started when she met George Mamabolo, the Provincial Manager of the Red Cross in Mokopane, Limpopo. Supporting Rati like the father she never had, George counselled and encouraged her to quit the drugs, the alcohol and her dangerous lifestyle, and to undergo intense counselling.

More than that, George also encouraged Rati to become a Red Cross volunteer herself.

However, Rati was not prepared to turn her back on the life she had led for the previous 20 years. She believed that the only way to pay back for the life-altering help she had received, was to help other women who were in the predicament that she had been in.

Then, after completing all the necessary training courses, Rati became a full-time Red Cross Support Group Facilitator.

Her responsibilities now are to run the Sex Workers Programme and HIV Counselling and Testing (HCT) programme. Tasks that require group as well as one-to-one sessions with her beneficiaries.

The fact that she was known and trusted by so many of the sex workers means that she can approach her ex-colleagues without preconceptions or judgementality.

And the fact that she has lived that life herself – complete with the beatings, the drugs, the pimps and the harassment – means that her advice is real, relevant and significant.

Rati is open and reconciled with her past. She also has great plans for her future. She’s currently writing a book about her experiences. Titled “Life Goes On”, it’ll no doubt be an inspirational best-seller.

She’s also planning her wedding.

So, life really does go on for Rati. And judging from her passion and commitment, life can only get better for the women she cares for.

Throughout the South African Red Cross Society there are many remarkable people. But it’s doubtful if any have a story that’s as equally tragic and inspiring as Rati Tsoshaba’s.

Rati was orphaned aged 13 in Zimbabwe and taken in by an uncle. It took no more than a few weeks before this less-than-avuncular gentleman raped her for the first time.

The sexual and physical abuse continued for another three months before Rati made her escape and found herself alone on the streets. Even worse, she found herself HIV-positive.

The next few years were a drug- and alcohol-induced blur, working in Harare, Beit Bridge, and Hillbrow in Johannesburg.

HIV, STI’s, drugs, booze, violence, crooked cops and pimps. Been there, done that.

“ It took no more than a few weeks before she was raped for the first time. ”
For the last seven years, Morgina has worked for the Red Cross to help ease the plight of disadvantaged people living in her community of Etwatwa West, north of Benoni in Gauteng.

Morgina’s work is as varied as the issues that affect the community. She spends much of her time counselling her clients; assessing their needs before referring them to the relevant institutions.

If there’s a shack fire, Morgina is one of the first on the scene to assess the damage before rendering Red Cross services. Blankets and mattresses need to be organised; food parcels and hygiene kits need to be distributed. She also runs support groups for those living with HIV/Aids, as well as those suffering from TB and Multi Drug Resistant TB (MDR-TB).

The twin scourges of HIV/AIDS and TB have led to many child-headed homes and greatly increased the numbers of Orphans and Vulnerable Children (OVCs) that the Red Cross cares for.

In these situations, Morgina helps children to obtain the all-important ID documents by guiding them through the Department of Home Affairs process. Once official ID cards have been obtained, Morgina will then help take them through the Department of Social Development process to obtain the grants that her beneficiaries are entitled to.

Morgina also constantly monitors the welfare and life progress her younger clients, and helps them through social behavioural change programmes if need be.

As part of her Red Cross’ annual Health Calendar, Morgina and her colleagues also conduct door-to-door awareness and education drives concerning HIV/Aids, as well as TB and MDR-TB.

Every door in Etwatwa West will be knocked on. And people will be educated about the signs and symptoms of these medical conditions; educated also about preventative measures that can help avoid infection. Any clients who suspect they may be infected are taken by Morgina to the local clinics to be tested.

In a community that’s defined by unemployment and poverty, alcohol and substance abuse is a harsh reality that leads to emotional, verbal and physical abuse. So, counselling victims of domestic violence and educating them on their human rights is also a major part of Morgina’s work.

Morgina’s clients range from babies, to youths, to the elderly within her communities. Income-generating projects where the grannies of Etwatwa West are taught skills such as embroidery and beading. The pieces are then sold, which helps to alleviate poverty.

For Morgina there’s no such thing as a quiet day. But after seven years with the Red Cross, that’s just how she likes it.
It takes two minutes for a shack to be engulfed in flames. So, we’re developing a new alarm system without a second to waste

As this publication goes to print, yet more headlines concerning informal settlement fires are featured in our national newspapers.

This time it was about four fires in and around Hout Bay that destroyed 3 500 homes. Tragically, these fires claimed 11 lives and made 15 000 people homeless. And, yes, Red Cross Disaster Management teams were amongst the first to respond to the people’s plight with blankets, mattresses, food parcels and hygiene kits.

The high winds - so frequent in the Western Cape - which fan the flames, plus the dense proximity of these structures, means that once a fire starts, it quickly spreads and causes an uncontrollable path of destruction.

To make matters worse, evacuations are dangerous and chaotic, and first responders are often unable to access the burning homes in time.

It’s a heart-rending fact of life in South Africa that informal settlement fires have destroyed life and possessions for generations.

But, to break this cycle, the Western Cape region of the SARCS, in partnership with the American Red Cross are currently piloting a fire alarm system using emerging technology in 1 000 homes in Khayelitsha township.

The technology incorporates low-cost sensors that detect fires early, sound alarms and then dispatch SMS messages to alert nearby residents, giving them more time to escape.

The sensors are more sophisticated than traditional fire alarms because they communicate with other mobile phones and pinpoint the exact location of the fires.

Early days it may be, but outreach programmes to build awareness have already started, and they have been met with enthusiastic responses from residents.

Much still needs to be done, such as further engagement with community members in the fire sensor design process. The public-private partnerships to build, secure, test and monitor solutions also need to be explored.

Also, a coalition of local partners such as expert volunteers from the technology sector, community residents and municipal officials need to be formed.

There’s little doubt that the Red Cross FSP is a game changer. But then, anything that helps to put an end to the death and destruction is a step in the right direction.
One of the most exciting events over the last few months has been the launch of our new SARCS app. This is a multi-functional service that allows people to do all the most important things:

- Receive emergency alerts
- Get instant information and news about SARCS, its activities, as well as comment and send feedback
- Apply for membership to the Society, open to everyone
- Enrol in, as well as get, information on courses offered by SARCS Training Department
- Get updates on current events for your area
- Be informed about specific projects carried out by SARCS
- Buy SARCS merchandise

- Sign up to become a volunteer and a member for SARCS and engage in various organisational activities

The easy way for people to donate

More importantly, people can also use the app to donate and the Society. And it’s these donations that will help to relieve disaster-related trauma, provide clean water, sanitation and health services, and improve education levels and food security within South Africa.

All people need to do is to select the amount they wish to donate and enter their credit card information. It’s as simple as that.

The easy way to register for training

Through the SARCS app, people can also sign up to take part in training programmes. Volunteers and members can register for training sessions according to what’s available at their nearest branch. Trainees learn first aid procedures, basic resuscitation techniques, how to provide risk-based emergency care and more.
Our Society is supported by many generous benefactors, from the South African Government to Charitable Trusts in the United Kingdom and the United States.

Also, to big-hearted corporates like Jaguar Land Rover, both here in South Africa and in the UK, Santam, Shoprite Checkers, Pick n Pay, and the Edcon Group, to name a few.

Considerable assistance is also forthcoming from International Red Cross and Red Crescent Societies from around the world: most notably from the USA and the UK, Kenya, and Belgium.

Without this generosity, we at SARCS could never do the kind of invaluable humanitarian work that our 3 500 volunteers and 400 staff members do daily. And certainly not on the scale that we do it.

However, of all our high-powered donors, there are two people who deserve to be singled out.

For the past ten years, Mr and Mrs Williamson from Frome, Somerset, in England, have been involved with raising funds for the South African Red Cross.

Nothing too ambitious or showy. Just local events such as cake sales, coffee mornings at the local church, preparing food at Christmas functions, selling second-hand books.

Through these activities, the Williamsons have raised over R800 000!
And we have used this money to build six community centres and two crèches, which have benefitted hundreds of people.

Some of these centres are also used as badly needed offices in the rural areas where we implement various activities and programmes.

The next building project the Williamsons are involved with is on land that has been kindly donated by the Tribal Authority of Maluti, Eastern Cape.

This new building will serve as a regional Red Cross office, training centre and as a refuge for Orphans and Vulnerable Children (OVCs).
It just goes to show how small efforts can go a long way to making a difference to the lives of the vulnerable.

Mr and Mrs Williamson may not be our biggest donors, but their dedication and tireless efforts to helping others is truly inspirational.

How small change in England led to a considerable difference to the vulnerable in South Africa
### Abridged Statement of Financial Position

#### as at 31 March 2016

#### Figures in Rands

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>25 937 131</td>
<td>26 867 141</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>7 867 895</td>
<td>10 906 151</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>33 605 026</td>
<td>37 773 302</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>300 105</td>
<td>290 065</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>4 097 368</td>
<td>1 611 773</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>33 746 722</td>
<td>21 720 102</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>38 144 195</td>
<td>23 621 940</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>71 749 221</td>
<td>61 395 242</td>
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</table>

#### EQUITY AND LIABILITIES

<table>
<thead>
<tr>
<th>Equity</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserves</td>
<td>446 500</td>
<td>446 500</td>
</tr>
<tr>
<td>Retained income</td>
<td>52 352 907</td>
<td>47 109 744</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>52 799 407</td>
<td>47 556 244</td>
</tr>
</tbody>
</table>

#### LIABILITIES

<table>
<thead>
<tr>
<th>Non-Current Liabilities</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Other financial liabilities</td>
<td>16 006</td>
<td>42 453</td>
</tr>
<tr>
<td>Deferred income</td>
<td>1 491 439</td>
<td>809 571</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>1 607 445</td>
<td>852 024</td>
</tr>
</tbody>
</table>

#### CURRENT LIABILITIES

| Other financial liabilities        | 22 366         | 57 447         |
| Trade and other payables           | 16 234 418     | 9 262 302      |
| Deferred income                    | 1 179 354      | 3 617 956      |
| Bank overdraft                      | 6 231          | 49 269         |
| **Total Liabilities**              | 17 442 369     | 12 986 974     |
| **Total Liabilities and Liabilities** | 18 949 814     | 13 838 998     |

### Abridged Statement of Comprehensive Income

#### Figures in Rands

<table>
<thead>
<tr>
<th>Revenue</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other income</td>
<td>3 100 170</td>
<td>3 516 016</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(103 499 359)</td>
<td>(84 343 279)</td>
</tr>
<tr>
<td>Operating surplus</td>
<td>4 012 644</td>
<td>14 609 997</td>
</tr>
<tr>
<td>Investment revenue</td>
<td>1 215 990</td>
<td>839 705</td>
</tr>
<tr>
<td>Fair value adjustments</td>
<td>220 441</td>
<td>253 390</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(205 912)</td>
<td>(1 180 599)</td>
</tr>
<tr>
<td><strong>Surplus before taxation</strong></td>
<td>5 243 163</td>
<td>14 522 493</td>
</tr>
<tr>
<td>Taxation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Surplus for the year</strong></td>
<td>5 243 163</td>
<td>14 522 493</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td>5 243 163</td>
<td>14 522 493</td>
</tr>
</tbody>
</table>

### Abridged Statement of Changes in Equity

#### Figures in Rands

<table>
<thead>
<tr>
<th>Other NDR</th>
<th>Retained income</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 01 April 2014</td>
<td>446 500</td>
<td>32 587 251</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>-</td>
<td>14 522 493</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>14 522 493</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td>-</td>
<td>14 522 493</td>
</tr>
<tr>
<td>Balance at 01 April 2015</td>
<td>446 500</td>
<td>47 109 744</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>-</td>
<td>5 243 163</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>5 243 163</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td>-</td>
<td>5 243 163</td>
</tr>
<tr>
<td>Balance at 31 March 2016</td>
<td>446 500</td>
<td>52 362 907</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>52 799 407</td>
<td>52 799 407</td>
</tr>
</tbody>
</table>
**Abridged Statement of Cash Flows**

**Figures in Rands**

<table>
<thead>
<tr>
<th>Cash flows from operating activities</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash generated from operations</td>
<td>8 310 861</td>
<td>16 902 759</td>
</tr>
<tr>
<td>Interest income</td>
<td>1 064 127</td>
<td>770 286</td>
</tr>
<tr>
<td>Dividends received</td>
<td>151 863</td>
<td>69 419</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(205 897)</td>
<td>(1 180 588)</td>
</tr>
<tr>
<td>Net cash from operating activities</td>
<td>9 320 954</td>
<td>16 561 876</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flows from investing activities</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(1 565 204)</td>
<td>(1 544 970)</td>
</tr>
<tr>
<td>Sale of property, plant and equipment</td>
<td>916 743</td>
<td>516 242</td>
</tr>
<tr>
<td>Repayment of loans from group companies</td>
<td>-</td>
<td>74 374</td>
</tr>
<tr>
<td>Sale of financial assets</td>
<td>3 458 707</td>
<td>(2 502 378)</td>
</tr>
<tr>
<td>Net cash from investing activities</td>
<td>2 810 246</td>
<td>(3 456 732)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flows from financing activities</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Repayment of other financial liabilities</td>
<td>(81 528)</td>
<td>(140 223)</td>
</tr>
<tr>
<td>Movement in loans to Directors, Managers, and employees</td>
<td>-</td>
<td>4 020</td>
</tr>
<tr>
<td>Finance lease payments</td>
<td>(15)</td>
<td>(11)</td>
</tr>
<tr>
<td>Net cash from financing activities</td>
<td>(81 543)</td>
<td>(142 240)</td>
</tr>
</tbody>
</table>

| Total cash movement for the year    | 12 069 657   | 12 962 904 |
| Cash at the beginning of the year   | 21 670 833   | 8 707 929   |
| Total cash at end of the year       | 33 740 490   | 21 670 833  |

**Basis of Preparation**
The abridged financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The financial statements have been prepared on historical cost basis. The accounting policies are consistent with those of the previous financial statements. The abridged financial statements have been prepared under the supervision of the Financial Manager, Ms L Papiah.

**Audit Opinion**
The auditors, Grant Thornton (A Timol as designated auditor), have audited the financial statements for the year ended 31 March 2016 and their qualified audit report is available for inspection at the company’s registered office.

These abridged results are extracted from that audited information, but are not in themselves audited. The directors therefore take full responsibility for the preparation of the abridged results and that the financial information has been correctly extracted from the underlying financial statements.

The auditor’s report does not necessarily cover all of the information contained in this report. Members are therefore advised that in order to obtain a full understanding of the nature of the auditor’s work they should obtain a copy of that report together with the accompanying financial information from the registered office of the organisation.

*For full financials visit: www.redcross.org.za*
Corporate Governance Report

Introduction
The board of directors of the Society fully supports this notion and subscribes to the principles of fairness, accountability, responsibility and transparency in all its dealings. At the same time what is essential for good governance is that directors apply their minds to what is in the best interest of the Society from time to time.

Board of Directors
The Board is the highest governing authority of the Society. The Board Charter articulates the objectives and responsibilities of the Board (see below). Likewise, each of the Board sub-committees operates in accordance with written terms of reference, which are regularly reviewed by the Board. The Board takes ultimate responsibility for the Society’s adherence to sound corporate governance standards and sees to it that all business decisions and judgements are made with reasonable care, skill and diligence. Non-Executive Directors are expected to contribute an unfettered and independent view on matters considered by the Board. All Directors have the requisite knowledge and experience required to properly execute their duties, and all participate actively in Board meetings.

In terms of the MOI, the number of Directors shall comprise of not more than 9 Directors. At the date of issuing the Annual Review the Board comprised of 7 Directors, of whom 4 are Appointed Directors (Independent Non-Executive Directors); 2 Elected Directors (Non-Executive Directors) and the Chief Executive Officer (Executive Director). The composition of the Board remains under constant review, not only to maintain the required balance in terms of independence of directors, but also to ensure the optimum mix of skills and experience. Non-executive directors bring a diverse range of skills and experience to the board and it is their responsibility to ensure their judgement is exercised freely and independently. Details of the Directors in office as on 28 February 2017 appear on page 14 of this report.

Adv Panyane resigned on 16 February 2016 and Mr Mpapele resigned on 14 June 2016 as directors of the Company. Ms Motshumi has taken over the role of chairman as from 1 July 2016.

The roles of the Chairman of the Board and the Chief Executive Officer (“CEO”) are kept separate. There is a clear division of responsibilities on the Board which ensures a balance of power.

The Board is required to meet at least four times a year. During the financial year ended 31 March 2016, it convened six times. Quarterly Board meetings have been included in the Board’s annual calendar. In addition to the above the Board approved a specific governance work plan to ensure that Board discharged its duties in a structured manner and that all governance issues are considered and appropriately dealt with in an annual cycle.

Summary attendance table of Board meetings during the financial year ended 31 March 2016

<table>
<thead>
<tr>
<th>Member</th>
<th>24/04/2015</th>
<th>23/06/2015</th>
<th>22/08/2015</th>
<th>10/10/2015</th>
<th>28/11/2015</th>
<th>26/02/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>CB MOTSHUMI</td>
<td>N/A</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>MC COURT</td>
<td>P</td>
<td>A</td>
<td>P</td>
<td>P</td>
<td>A</td>
<td>P</td>
</tr>
<tr>
<td>NJ DLAMNI</td>
<td>N/A</td>
<td>P</td>
<td>P</td>
<td>A</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>D NAIDOO</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>HL MOLEBATSI</td>
<td>N/A</td>
<td>A</td>
<td>A</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>LD HUDSON</td>
<td>N/A</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>A</td>
<td>P</td>
</tr>
<tr>
<td>AH TRIKAMJEE</td>
<td>N/A</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>DB MPAPELE</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>UM PANYANE</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>A</td>
<td>P</td>
</tr>
</tbody>
</table>

Key: P --------- Present | A --------- Apology | R --------- Resigned | N/A ------ Not applicable

The Board is kept informed of all developments at the Company, primarily through the CEO and the professional corporate governance services provider.
The Board Charter details and governs the manner in which the business is to be conducted by the Board in accordance with the principles of sound corporate governance. The charter is reviewed annually and amended when necessary by the Board ensuring that the charter remains relevant, incorporates best practices and aims to achieve high levels of good governance. Currently the charter is being reviewed to be aligned with the principles as set out in King IV.

The charter regulates and deals with, inter alia:

- board leadership and defines the separate responsibilities of the chairman and the chief executive;
- procedures, pre-requisites and competencies for membership, size and composition of the board;
- procedures for board meetings, frequency, quorum, agendas, board papers, conflicts of interest and minutes;
- retain full and effective control of the Society;
- review and approve the Society strategy;
- review and approve annual budgets and business plans;
- monitor operational performance and management;
- determine the group’s purpose and values;
- ensure that the group complies with sound codes of business behaviour;
- ensure that appropriate control systems are in place for the proper management of risk, financial control and compliance with all laws and regulations;
- appoint the Chief Executive Officer and ensure proper succession planning for executive management;
- regularly identify and monitor key risk areas and the management thereof; and
- to oversee the Company’s disclosure and communication process.

The Board’s governance procedures and processes are continuously being reviewed and a number of specific policies have been drafted by the Board, expanding on governance in the following areas:

- Donations Policy
- Disciplinary Policy
- Ethics Policy
- Risk Management Policy
- Travel Policy
- Vehicle Policy

Directors have unrestricted access to Company information and records.

At the beginning of each meeting of the Board or its committees, all members are required to declare whether any of them has any conflict of interest in respect of a matter on the agenda. Any such conflicts are proactively managed as determined by the Board and subject to legal provisions. A register of Directors’ declarations of interest is retained.

The Board is satisfied that it has fulfilled its responsibilities in accordance with its charter for the reporting period.

Professional Corporate Governance Services

The professional corporate governance services provider is appointed and removed by the Board. All directors have access to the professional corporate governance services provider. The professional corporate governance services provider provides professional and independent guidance on corporate governance and its legal duties, in addition the professional corporate governance services provider support the coordination and the functioning of the Board and its committees.

iThemba Governance and Statutory Solutions Proprietary Limited (“iThemba”) is the appointed as the professional corporate governance services provider. The Board oversees that the professional corporate governance services provider appointed has the necessary competence, gravitas and objectivity to provide independent guidance and support at the highest level of decision-making in the Society:

- The directors of iThemba are appropriately qualified and competent to fulfil this function.
- The Board has satisfied itself with the competence, qualifications and experience of the professional corporate governance services provider.
- The Board is further satisfied that the professional corporate governance services provider maintained an arm-length relationship with the Board of directors.
- iThemba is represented by Marianne Fourie (BCom LLB) an admitted attorney of the High Court with general legal, compliance and company law experience acting as Company Secretary at board and committee meetings of various listed and other companies.

The professional corporate governance services provider report to the governing body via the chairman on all statutory duties and functions performed in connection with the Board. Regarding other duties and administrative matters, the professional corporate governance services provider report to the member of executive management designated for this purpose as is appropriate for the Society.
Chairman
The chairman is an independent non-executive director who is principally responsible for the effective operation of the board.

Chief Executive Officer
The chief executive officer reports to the board. He is responsible for leading the implementation and execution of approved strategy, policy and operational planning, and serves as the chief link between management and the board. The chief executive officer of the Society does not chair the board. The chief executive officer is not a member of the Audit and Risk Committee, but attend by invitation any meeting, or part thereof, if needed to contribute pertinent insights and information.

Board Committees: Audit and Risk Committee
The Board has established an Audit and Risk Committee with delegated authority from the Board. The committee has agreed terms of reference as approved by the Board that addresses issues such as composition, duties, responsibilities and scope of authority.

Although the Board delegates certain functions to this committee, it retains ultimate responsibility for its activities. The committee operate in accordance with Board approved terms of reference, as well as annual work plans, which are reviewed and updated on a regular basis to align them further with best practice.

The Committee consisted of 2 are Appointed Directors (Independent Non-Executive Directors); 1 Elected Directors (Non-Executive Directors) and one Society representative throughout the financial year and membership and attendance at meetings is set out on page 45. At the time of publishing the Annual Review, the composition of the Audit and Risk Committee was as follows:

Mr AH Trikamjee (Chairman)
Ms HL Molebatsi
Mr NJ Dlamini
Mr MM Sello

The relevant resolution for the appointment of the Audit and Risk Committee as required by the Companies Act is set out in the notice of the annual general meeting as circulated on 1 March 2017.

The Audit and Risk Committee has updated, formal Board approved terms of reference. The Board is satisfied that the Committee has complied with these terms and with its legal and regulatory responsibilities as set out in the Companies Act and King III. The terms of reference for the Audit and Risk Committee intend to ensure compliance with both governance recommendations and statutory requirements.

Rotation and retirement from the Board
In accordance with the MOI, at each AGM one third of the Elected Directors for the time being, or if their number is not divisible by 3 then not less than one third shall retire from office but may offer themselves for re-election, if willing and able to do so. The Director retiring by rotation at the forthcoming annual general meeting is Mr Court.

Remuneration
Directors do not receive any remuneration for their services as a director.

Delegation of authority
The Board is in the process of developing a delegation of authority policy, which will be reviewed annually, which will provide an approval framework to ensure the Society is optimally managed in a decentralised environment. The board delegates the power to run the day-to-day affairs of the company to the chief executive officer, who in turn delegates some of these powers in line with this framework.
The Board believes that the members collectively possess the knowledge and experience to exercise oversight of the Society’s financial management, external auditors, the quality of the Society’s financial controls, the preparation and evaluation of the Society’s financial statements and financial reporting. The Board has established and maintains internal controls and procedures, which are reviewed on a regular basis. These are designed to manage the risk of business failures and to provide reasonable assurance against such failures but this is not a guarantee that such risks are eliminated.

It is the duty of this Committee, among other things, to:

- **Financials:**
  - Comment on the financial statements, the accounting practices and the internal financial control of the company responsible for evaluating the significant judgments and reporting decisions affecting the company;
  - resolve the disagreements on auditing or accounting matters between the management and the external auditors; and
  - make a statement on the going concern status of the company.
- Consider whether the external auditor should perform assurance procedures on interim results.
- Satisfy itself of the expertise, resources and experience of the company’s finance function.
- Overseeing financial risk management and controls.
- Recommending the appointment of the external auditor and overseeing the external audit process.
- Report to the board and members on how it has discharged its duties.
- Review reports of external auditors.
- Evaluate of the performance of the Financial Department and the Financial Manager.
- Review and monitor the adequacy and effectiveness of the Company’s enterprise-wide risk management policies, processes and mitigating strategies.
- Govern information technology (IT) and the effectiveness of the Company’s information systems.
- Review and monitor quarterly and annual financial and operational reports, the annual financial statements and all other widely distributed documents.
- Review and monitor compliance with applicable legislation, requirements of appropriate regulatory authorities.
- Reviewing the policy and plan for risk management annually.
- Monitoring the implementation of the policy and plan for risk management by management.
- Recommending to the board levels of tolerance, appetite and the monitoring of risks that are managed within these levels.
- Overseeing the dissemination of the risk management plan.
- Ensuring that risk management assessments are performed annually.
- Implementing frameworks and methodologies to increase the possibility of anticipating unpredictable risks.
- Ensuring that continuous risk monitoring by management takes place and that appropriate risk responses are considered and implemented.
- Expressing a formal opinion to the board on the effectiveness of risk management.
- Reviewing risk management reporting.
- Reporting to the board on risk management.

The committee is responsible for facilitating the relationship with the external auditors and for monitoring the non-audit services provided by the external auditors. The external auditors have direct access to the chairman of the committee and attend all meetings of the committee ensuring that auditors are able to maintain their independence. The chairman of the committee is expected to attend the annual general meeting in order to answer any questions that members may have relevant to the committee’s areas of responsibility. The committee is responsible for recommending the appointment of a firm of external auditors to the Board who in turn will recommend the appointment to the members. The committee is also responsible for determining that the designated appointee has the necessary experience, qualifications and skills and that the audit fee is adequate.

The committee has, in addition to its other duties, also satisfied itself as to the appropriateness of the experience and expertise of the Financial Manager.

The Board is satisfied that the committee has been equipped to properly fulfil its duties going forward. The Statutory Report of the committee as required by the Companies Act can be found on page 44 of the Annual Review.

The first official meeting of the Audit and Risk Committee was held on 13 April 2016.