

It's been a busy year! We've grown in a million ways in our drive to reach a million children per year by 2025. Take a peek in our diary for a glimpse at the diversity and intensity of SmartStart's Year Two activities ...



### From the Board

arly childhood education is the most powerful investment in human capital that a country can make\*. Yet, South Africa spends only 1% of its entire public education budget on preschool learning. If schooling is to produce better outcomes, if students are to go on to and graduate from college and university, and if the country is to grow economically and thrive socially, we MUST invest more in early learning.

Part of the reason why young children have been overlooked for so long is that they don't feature very prominently in political protests. They do not have a loud voice to echo through to the corridors of power. They have also lost out because the State is unsure where and how to invest in them more. Unlike schools and healthcare clinics, there is no public delivery scaffold on which to build. As a result, it is often local entrepreneurs who provide education and care to young children. But their large numbers are difficult to manage and the quality of services provided by these entrepreneurs is often poor or unmanaged.

Enter SmartStart – the social franchise that aims to reach one million children a year by 2025. For the past three years, SmartStart has been proving that cost-effective, quality early learning services can be extended to all three- and four-year olds across South Africa. It is providing clear evidence that every child can enter school with the power to succeed.

Take heed politicians, businesspeople and civil society: SmartStart shows that there is a way of meeting the National Development Plan's goal of universal access to early childhood development services. As this annual report demonstrates, there is a proven recipe for success.

All we need now is for Government to step up to the plate and make the annual investment of R5-billion, which SmartStart has shown is required to extend quality early learning to all three- and four-year-olds in South Africa. And if international evidence is anything to go by, this investment would mean we would get at least ten times our money back to grow the economy. So paying attention to early learning is not just vital for our young children – it's vital for the development of our nation as a whole.



### From the CEO

ithin three days of joining the playgroup, Minenhle was already speaking better. She had more confidence to express herself. She was playing different kinds of games and activities. Minenhle is a happy child when she comes back from the SmartStart playgroup."

These are the words of Sibongile Dlamini, a grandmother from Doornkop, Soweto, whose granddaughter attends a SmartStart playgroup. I come back and read these words often, because they remind me how SmartStart is impacting little lives across the country – each and every day.

As we make a difference in individual lives, we are also building a brighter future for the whole of South Africa. It is well documented that promoting early learning is the best investment in human capital a country can make. As more children have equal access to learning opportunities before the age of five, we reduce the education gap, inequality, poverty and crime.

This is why, when SmartStart was first set up in May 2015, we set ourselves a S-M-A-R-T goal: One million more children in quality early learning programmes in South Africa by 2025. Specific, measurable, attainable, relevant and time-bound – this goal has been SmartStart's North Star and the heartbeat of our growing network ever since. It has been a uniting force, empowering us to connect resources, achieve a common cause and scale up more rapidly.

Over the last financial year, we have come closer to achieving this goal. We now have 10 580 children in our system, 2 070 SmartStarters and 229 clubs. We have also successfully expanded into a total of six provinces, including Gauteng, KwaZulu-Natal and Eastern Cape, where 63 percent of young children live in poverty that severely affects their physical, cognitive and emotional development.

Our social franchise model continues to be a key source of our growth. With a network of non-profit franchisors operating across six provinces, we are able to reach more communities, recruit new SmartStarters and impact more children faster. We are able to build relationships with local government, private organisations, communities and ward leaders, who in turn provide our SmartStarters with the resources and support they need to be successful.

These resources include stipends, venues for our playgroups and sponsorships. This year, First National Bank, as well as Anglo American's Chairman's Fund, joined our family of sponsors, supporting our SmartStarters with supplies and mentorship.

All of this support helps to keep SmartStart affordable for parents. While reaching our targets is important, maintaining affordability and economies of scale is paramount to achieving universal access to early learning.

Our franchisors also play a key role in keeping our SmartStarters motivated and inspired. Each franchisor oversees a network of clubs and regularly offers coaching, support, training and quality assessment. As a result of this franchisor network and support – and other initiatives including our pilot club league competition – we have seen real growth in our club network, both in numbers and engagement.

Through clubs, SmartStarters feel a sense of belonging to something much bigger than their individual efforts. As Nozinga Mabuza, a SmartStarter and leader of the Siyanqoba Club in Ivory Park, said: "We dedicate ourselves to the work we do and we always put our best foot forward in upholding the SmartStart name. We know what we want and we work together towards achieving it."

Overall, the past financial year has been a fruitful one. We thank and acknowledge everyone in our network who has played a role in our growth – particularly our dedicated Board, who every day support SmartStart to advance our mission and steer us towards a sustainable future.





### Siyabonga SmartStart!

y the time children reach Grade R, the skills
that will help them throughout life should
already be in place. The period before school is
when children learn to communicate, problem solve,

"uSmartstart uwuthuthukisile umphakathi wethu futhi uwenzile umehluko ezinganeni zethu." \*

MAMA KHULULIWE DLAMINI
MATIMATOLO AREA

think critically, get along with others, and control their behaviours and emotions.

That is why SmartStart programmes are not just about ensuring children know things like their numbers and colours – they are about supporting caregivers, parents and communities to build in their children the skills they will need for success in education, work and life.

To nurture these skills, our programmes focus on the whole child — on their cognitive, social, emotional, language, literacy and physical development; we emphasise learning through curiosity, creativity, stimulation, imagination and, most of all, play! And it is this approach to learning that parents appear to be appreciating most. As a parent in Msinga put it, one of things she has been most happy to see is children being stimulated while they are playing – because children learn through play and play is something that all children enjoy to do.

But, unlike numeracy and literacy, some of the skills developed through our programme are not easily measurable. Getting feedback and buy-in from communities is therefore one of our

"Umtwana wami
ubekhonze ukuzihlalela yedwa
engaxoxi nje nezinye ingane,
kodwa manje useyadlala,
uyakhuluma nabanye abantwana.
Siyabonga Smartstart.". \*

MAMA VICTORIA SGEDLANE AREA most reliable and greatest measurements of success. For example, when asked about the impact the programme is having on their children, one of the most common responses parents give us is that it is benefitting their children's social skills – and not just in the programme, but also at home where they say theyir children are better able to talk, play and share with others.

Another skill critical for school readiness is

being able to manage one's behaviour. So it has been promising to hear one of the primary school teachers state that children who have attend the SmartStart playgroups in her area are more disciplined than children who do not attend the playgroups. The same teacher also noted a difference in the children's communication skills, saying the children from SmartStart were better able to express things like wanting to go to the toilet. But, what has struck her the most, is the ability of the children to show lots of love and respect to their peers and to their teachers.

<sup>\* &</sup>quot;Smartstart has developed our community and it has made a difference in our children."

<sup>\*\* &</sup>quot;My child used to isolate and keep to herself, but now, she plays with other children and talks to them as well. I am very grateful to SmartStart."

## July 2016

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
				01	02	03
KYB CHECK-IN	PLANNING FOR GET- SET-GO SHOW (ongoing)	Smart oto t	07	08	09	10
KYB CHECK-IN	ELMA FINANCIAL YEAR REPORT DUE	13	EAST LONDON: site visits and meetings	15	16	17
10	+	Up Training		 		
18 ECD INCUBATION MEETING	19 <b>KYB</b>	20 NEW FRANCHISOR ORIENTATION WORKSHOP	21	Meeting with RCL foods re: distribution of food to SmartStarters	23	24
ECD INCUBATION	19 KYB CHECK-IN	NEW FRANCHISOR ORIENTATION WORKSHOP	21 GetSetGo show planning  28 HUB QUARTERLY TEAM MEETING	Meeting with RCL foods re: distribution of food to	30	24
KYB 25 CHECK-IN NIGHT OF THE STARS Hollard	19 KYB CHECK-IN	NEW FRANCHISOR ORIENTATION WORKSHOP	21 GetSetGo show planning  28 HUB QUARTERLY TEAM MEETING	Meeting with RCL foods re: distribution of food to SmartStarters  SmartLin Sprint Review with IQ  SMARTSTART OARD MEETING	30	
KYB 25 CHECK-IN NIGHT OF THE STARS	19 KYB CHECK-IN	NEW FRANCHISOR ORIENTATION WORKSHOP	21 GetSetGo show planning  28 HUB QUARTERLY TEAM MEETING	Meeting with RCL foods re: distribution of food to SmartStarters  SmartLin Sprint Review with IQ  SMARTSTART OARD MEETING	30	
KYB 25 CHECK-IN NIGHT OF THE STARS Hollard	19 KYB CHECK-IN	NEW FRANCHISOR ORIENTATION WORKSHOP	21 GetSetGo show planning  28 HUB QUARTERLY TEAM MEETING	Meeting with RCL foods re: distribution of food to SmartStarters  SmartLin Sprint Review with IQ  SMARTSTART OARD MEETING	30	

## Five new franchisors!



o achieve quality early learning at scale, SmartStart is delivered through a system of regional franchisors. Each of these franchisors ensures that we grow rapidly and cost effectively, and that our programme is adapted to best meet the needs of our various communities.

Our five existing franchisors have contributed phenomenally to our growth impact. KYB in Gauteng has 1096 SmartStarters and 5 323 children; Khululeka in the Eastern Cape has built up a constituency of 721 children with their 76 SmartStarters; LETCEE in KwaZulu Natal has 157 SmartStarters extending early learning to 1067 children; TREE, also in KwaZulu Natal, boasts 61 SmartStarters and 327 children; and Cotlands in North West supports 135 SmartStarters and their 1063 children.











To expand SmartStart into even more provinces across South Africa, we are always looking for additional franchisors to join our network. In 2017, we were lucky to have found five new franchisors well-suited to helping us expand our reach. "We were looking for implementing partners that could help us learn about better ways to reach our goals, but who could also benefit from working with us. The best partnerships are those in which you all have opportunities to learn and grow," explains Nomsa Muthaphuli, Operations Manager at SmartStart.

Meet our five new franchisors...











**DIACONIA** is the joint ministry of the Dutch Reformed Church in the Western Cape and the Uniting Reformed Church in the Southern Africa Cape region (Western Cape, Northern Cape and Eastern Cape). Diaconia is responsible for developing and enabling congregational diaconate (also known as compassionate services) within their communities. The churches have a national focus on early childhood development (ECD). It is their mission to motivate and support congregations to get involved in local ECD initiatives, and help in the systemic fight against poverty.

## August 2016

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
KYB 01 CHECK-IN  Meeting with Chairman  COTLANDS DGMT REPORT DUE	CHECK-IN	03 Revised Franchise Operations Manual for Franchisors	MUNICIPAL D 4  KYB Incubator meeting	Design meeting for performance management system for Club Coaches	06	07
CHECK-IN	NATIONAL WOMAN'S DAY	10	11	Training the Trainer  Franchisor induction for ELRU	13	14
KYB CHECK-IN	16	17 6,400 5 <sub>tt</sub>		Meeting with Blue Door® GSB  New  Franchisor onboarding meeting	20	21
LETCEE SmartLink Discussion KYB CHECK-IN	Meeting with Yellowwoodsd to discuss business model	24 SmartLink system demo	25 Mag	ic.il	27	28
KYB CHECK-IN	COTLANDS CHECK-IN SmartLink system demo	31 EXCO MEETING				

**NOTES** 

The **EARLY LEARNING RESEARCH UNIT (ELRU)** works in a number of selected areas, where they develop tailored programmes based on the needs of each community. Similar to SmartStart, their goal is to scale access to an essential package of services, which bring quality early learning to vulnerable children and caregivers in underserved communities. An integral part of ELRU's model is the playgroup programme, which delivers early learning to young children between the ages of one and five. ELRU believes in joining forces with other successful programmes, rather than duplicating efforts or reinventing the wheel. They believe that strong partnerships are key to achieving shared goals and objectives.

**THEMBALETHU** is a development organisation that works with local communities to identify their needs, and then promotes long-term partnerships between communities, local governments and other service providers to address and meet these needs. Their goal is to facilitate integrated and sustainable development in rural areas of South and Southern Africa, as well as among marginalised and impoverished urban and peri-urban communities.

**SIYAKHOLWA** is a development foundation. It was established in 2002 in response to the debilitating levels of poverty and hunger in the Eastern Cape border region. Siyakholwa is committed to improving livelihoods in the rural areas of South Africa. This includes promoting agriculture, food and nutrition security, sustainable environments, healthy schools, urban renewal and early childhood development.

The **LIMA RURAL DEVELOPMENT FOUNDATION** is a non-profit organisation that serves poor urban and rural communities to create a more just society. Lima empowers others to overcome poverty, by establishing local institutions that train and give local people – particularly women – tools to succeed in their own development efforts. Lima is involved in a number of technical sectors, including agriculture, construction, education (including early education), home-based care, enterprise development, land reform, and environmental craft and tourism activities.

With these five new franchisors in place, SmartStart now has 10 franchisors working across six provinces in South Africa. Each one of them is committed to achieving the overall goal of reaching one million children every year by 2025.



# LETCEE is a star!

n a deep gorge near the Tugela River in KwaZulu-Natal, lies the District Municipality of Umzinyathi. Isolated from surrounding areas, it is the most impoverished in the country with poor access to early learning services. But it's here where one of our implementing partners, LETCEE, or the Little Elephant Training Centre for Early Education, has been doing some of their best work.

LETCEE has been with SmartStart from the very beginning.
Established in 1993, LETCEE's knowledge and expertise in early
learning has played a pivotal role in shaping the SmartStart model and
curriculum we have today. At the end of June 2017, LETCEE had I 280
children and 165 SmartStarters in their network - exceeding their
financial year target by 21 franchisees.

Despite working in challenging conditions, LETCEE continues to grow the SmartStart programme. They pin their success down to three factors:

#### 1. STRONG RELATIONSHIPS

"Our relationships with communities and traditional leaders have been very beneficial," explains Mary James, Founding Director of LETCEE. "Smart Starters who did not have proper venues in which to run playgroups have been provided with good quality community buildings, such as halls and churches. Schools have also been supportive in providing spaces."

LETCEE has also secured stipends for most of their SmartStarters through the Community Works Programme (CWP). These SmartStarters receive a stipend for two mornings a week each month, so that they can more effectively run their playgroups. A partnership with the Lunch Box Fund also means that SmartStarters can give their children a hot porridge meal every morning. "Building good relationships has been very helpful to us in gaining the necessary support. We will continue to work hard to maintain these relationships, as these provide a vital thread to sustaining the project and keeping things on track."

#### 2. RECRUITING THE RIGHT PEOPLE

"We have recruited dedicated and passionate people who love to work with children – even if most of them work without being paid," adds Mary. LETCEE run a strict recruitment process and scout

## September 2016



for people who are trustworthy, reliable and kind. By selecting only those who have a genuine love for the work, they ensure a low drop-out rate. In fact, their Abahambi – or trained ECD practitioners, who are also SmartStarters – all have to be approved by their communities. Not only does this stamp of approval ensure LETCEE recruits and retains the right people, it also ensures caregivers are comfortable sending their children to people they know and trust.

#### 3. COMMUNITY AWARENESS AND SUPPORT

Involving the community in so many aspects of SmartStart – from recruiting SmartStarters to finding venues – has helped LETCEE win a lot of support.

"Early childhood development cannot exist on its own. It has to be linked to the wider life of children in their families and communities. One of our greatest realisations has been that there is a need for real partnership with the community," says Mary.

LETCEE also runs a number of communications and marketing activities. By handing out pamphlets and parent brochures, and attending local community meetings, they ensure that as many people as possible know about the benefits of SmartStart.

"The demand for the programme is increasingly high. Most of the caregivers appreciate and see the benefits of the programme, to the extent that they would like their children to attend a five-day programme and not only two days," shares Mary. "Even the interest people have in becoming SmartStart franchisees is increasing immensely. We now have males wanting to join the programme."

Going into the new financial year (July 2017 – June 2018), LETCEE hopes to continue growing their network and expanding SmartStart's reach in KwaZulu-Natal.

"We will do this by ensuring that enough support is provided to our franchisees, be it from getting the required number of children, to convincing more caregivers about the importance of early learning."

## October 2016

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
			WIND THE RESERVE THE PARTY OF T		01	02
KYB CHECK-IN	04 Meeting with Harambee	05	06 Club design meeting	07	08	09
	Start	Up Trainina	(GT)	 		
KYB CHECK-IN  Child progress observation tool, training and	11	12 EXCO MEETING * SmartLink	13	GETGO! SHOW First public show in Bertrams	15	16
parent report finalised	Training the	Trainer (child	progress)			
KYB CHECK-IN	18 Club ar	19 Club design meeting Coach Indu d Reflectio	ction		22	23
24 KYB CHECK-IN	25	26 EXCO MEETING * SmartLink	27 * SmartLink	Brainstorm 28 and design session for activating and support clubs performance and engage- ment	29	30
	Start	Up Trainina	(EC)			
ISG SUB	NOTES					







Children who love learning increase their chances of success – not only in school, but also in later life. At SmartStart, we are building a generation of enthusiastic young learners by focusing on three outcomes:

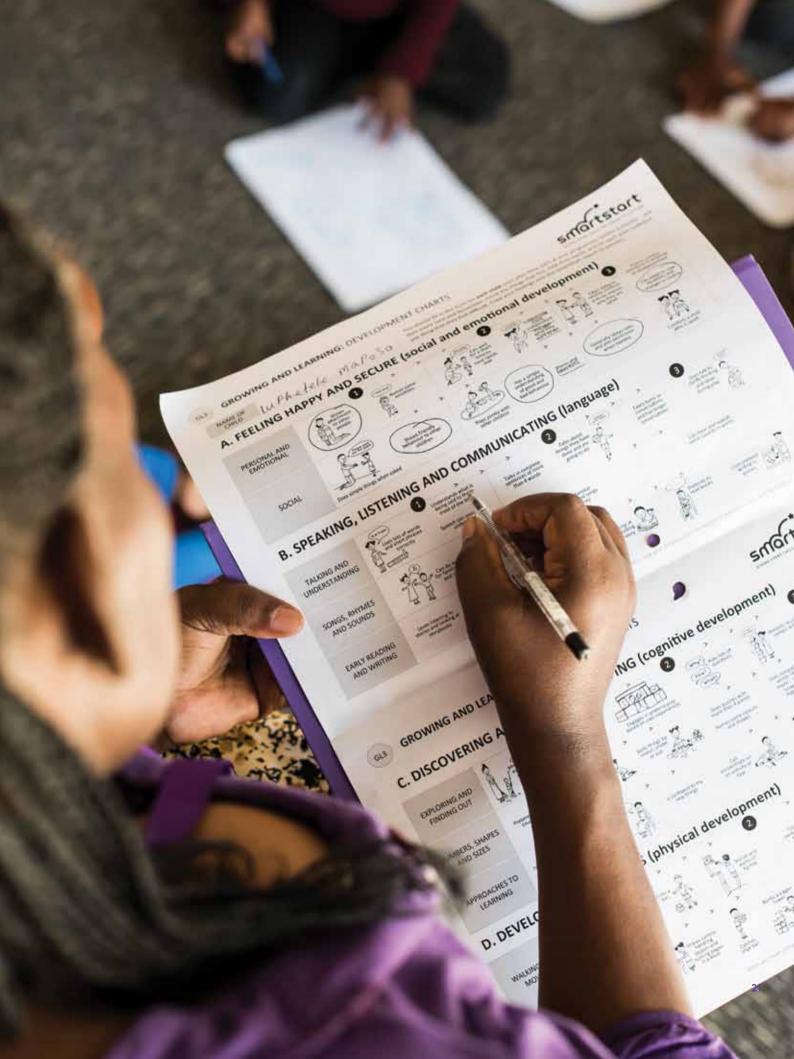
- \* Every child should have the ability to form close relationships that make them happy and give them the confidence to shine.
- \* Every child should become a great thinker and communicator.
- \* Every child should develop core foundation skills, such as self-control, perseverance and flexibility, which are essential for living and learning.

But how exactly do you measure these outcomes? This year, we created and launched the Growing and Learning child progress tool. While developing this tool, we kept two important principles in mind: Firstly, that high-stakes testing is inappropriate for young children; and secondly, that every child's developmental journey is unique, and so an effective assessment tool cannot use a 'one-size-fits-all' approach.

The Growing and Learning tool is an in-process tool. In other words, children do not have to sit some kind of test, or perform a series of tasks during a special assessment. Rather, SmartStarters observe the children in their care each day. They are encouraged to keep notes on their interests, needs and progress. They then use these notes to plan appropriate and stimulating activities. The Growing and Learning tool is therefore more of a roadmap than a set of boxes to tick. It uses simple illustrations and descriptors to create a visual picture of what a child's learning and development journey is likely to look like during this critical period. These illustrations help to bring the concepts to life for parents and caregivers, who may never have been involved in a conversation about their child's progress.

Twice a year, SmartStarters are encouraged to produce a short progress report on each child, which can be shared with parents and which provide the basis for further reflection and planning. These reports are presented in a visual and easy-to-understand way. Our vision is that parents stick the roadmap and reports up on their fridges and walls, empowering them with knowledge and ideas to transform their homes into learning-rich environments.

This year, 1 163 SmartStarters were trained to effectively use the Growing and Learning tool. We are excited about the role this tool plays in creating early learning spaces where our children feel seen and known, are treated as unique individuals, and where they are supported not only at SmartStart, but also at home to fulfil their potential.



# Growing beyond being a SmartStarter



rowth is a vital part of any organisation. When an organisation grows, so does its people. Or perhaps more accurately: when people grow, so does their organisation.

At SmartStart, our growth is intrinsically tied to our people's growth – and so we're committed to investing in their ongoing development. Our clubs, leagues and workshops have all been put in place to support our SmartStarters – both in work and in life.

One SmartStarter who has shown tremendous growth is Cynthia Molehe. Cynthia joined SmartStart in early 2016 from the Community Work Programme in Setlagole Village in the North West province. She started out by running a playgroup twice a week.

"I have always enjoyed working with children. When an opportunity to work as a volunteer with children in ECD centres presented itself, I quickly took it up," she says. Cynthia trained as a SmartStarter and was placed in a club with other members. After only three months, she was elected as the leader of the Stlacity club.

Cynthia's enthusiasm and love for her work meant she was destined for success. As a club leader, she was able to guide her club members on how to run the best possible programme, giving them tips to keep their activities fun.

These flourishing leadership skills soon caught the eye of her franchisor, Cotlands, who encouraged her to become a club coach. This meant she could teach even more SmartStarters how to successfully and effectively implement the SmartStart programme. Cynthia took up the offer, and now works under Cotlands as a club coach, ensuring that SmartStart maintains its high standards in the North West.

"It was quite an adjustment in the beginning. I had to change my mindset from being a SmartStarter to thinking from a coach's point of view. For example, because I take my job seriously, I know that I sometimes have be stern, even with my friends, to ensure they are doing things correctly and maintaining the SmartStart standards."

"My experience as a Smart Starter improves my context and I'm able to switch hats to show the Smart Starters how to do the different elements of the daily routine with more understanding. I look forward to helping even more Smart Starters give children the power to succeed," she says.

### November 2016





Between November 2016 and February 2017, three little characters known as Dudu, Mina and Gogo all took to the streets of Gauteng. SmartStart piloted our Get-Set-Go initiative – a fun and interactive show designed to educate parents and communities on the value of early learning.

The show, which was 20 minutes long and free to attend, visited 16 communities across Gauteng, from Doornkop to Orange Farm. To reach as many people as possible, we performed in taxi ranks, markets, community halls, business venues and hostels.

It was wonderful to see the interest in SmartStart. Parents were eager to enroll their children, while community members were keen to register as SmartStart franchisees. After 22 shows, we successfully recruited 226 new children, and a tremendous 492 new SmartStarters into our network.

Looking past the success, we are also grateful for the valuable lessons we learnt along the way. Because this exercise was new to us, each show was a chance to gain more knowledge and improve our approach.

One of our biggest learnings was on just how important it is to work closely with local Early Childhood Development (ECD) Forums, ward councilors, community leaders, influencers and venues. Not only did they share insights on the best places and times to perform, but they also played a key role in spreading the word and gathering crowds to attend.

These relationships were not only beneficial for our show and sign-up numbers, but for SmartStart as a whole. Each partner was able to get a better understanding of what we do, which built a strong sense of trust in our programme. In Doornkop, the ward councillor recognised how SmartStart can help him achieve his community development goals, and is now a committed partner. ECD forums also understood that we are not here to compete with each other, but rather work together on a common goal to expand access to quality early learning.

Although we are proud of the numbers Get-Set-Go achieved, we are perhaps more proud of these relationships. Winning the support and trust of communities and partners is crucial to SmartStart's growth. Without their backing, we would not be able to recruit new children, or work with increasing numbers of parents and guardians. In short, we would not be able to expand and achieve our goal of reaching one million more children.



# SmartLink statistics



t SmartStart, we collect a lot of information. From the number of children in our system to quality assurance reports, we record everything we do. It's essential we do this so we can track our progress towards reaching one million children by 2025.

Simply collecting information, however, is not enough. We need to analyse and understand all of this data, so that we can make the best decisions to ensure we reach our goals and continue to grow. Technology makes this process possible, which is why we introduced SmartLink in November 2016. SmartLink is a master data system that holds and analyses all of our information. Built on Microsoft Dynamics, it gives us the ability to track current data, but also to produce reports that give us insights into how well we're operating.

### On the system this year ...



## December 2016

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
			Club League final draft design	Regional Franchisor Gathering YEAR-END FUNCTION	03	04
TRAINER REVIEW  KYB CHECK-IN	TRAINER REVIEW	07 LETCEE CHECK-IN	08 EXCO MEETING	09	10	11
ANNUAL OF LEARNIN IMPLEMEN WORK	NG AND NTATION	14	OFFICE CLOSES FOR FESTIVE SEASON	DAY OF RECONCILIATION 16	17	18
19	20	21	22	23	24	CHRISTMAS 25
DAY OF GOODWILL 26	PUBLIC HOLIDAY 27	28	29	30	31	
NOTES						



Who can deny the power of teamwork? We certainly can't, which is why we designed our SmartStart clubs to harness the power of togetherness and collaboration. Clubs are at the heart of our model, building a community of early learning where no-one has to work or feel alone.

SmartStart clubs are made up of between four and 16 SmartStarters, who live and work in the same area. Each club is formed during SmartStart training and is looked after by a club leader, club coach and one of our franchisors.

Each club meets once a month to review and reflect, discuss any challenges, and come up with new activities. Most clubs alternate the venue for their meetings, so that every member gets a chance to host. This allows SmartStarters to get to know each other and see each other's different playgroup spaces. SmartStarters are free to set their own agendas for each meeting. Some share insights and ideas, others make posters and toys, plan fundraisers or excursions, or discuss and solve problems. Discussions often centre around how to deliver the best quality programme possible, or how to support parents in extending early learning at home.

At the end of the last financial year, there were 45 clubs in our network. Our goal is to build a network of 51 000 clubs, which will help us reach one million children annually by 2025.

By joining a club, each SmartStarter feels a sense of support and belonging. They are motivated and encouraged to work towards a common goal. Clubs also offer ongoing training and other network benefits, giving each SmartStarter the opportunity to develop their skills. SmartStarter lgnites, for example, are one-day workshop to support a struggling club. Persevering can be tough, so club coaches request these workshops to re-kindle the commitment and enthusiasm of their members. SmartStarter Unite is an annual expo that takes place at a regional level.

We regularly get feedback that clubs have helped SmartStarters to develop their confidence, not only in what they do, but also in life in general. Clubs support and advance the work we do in many different ways. Club members help us find new SmartStart franchisees and keep existing ones active and engaged. They win the support and trust of communities, by running combined playgroups, volunteer days, fundraisers, events and tours.

At SmartStart, we know that to have happy and fulfilled SmartStart children, we first need to have happy and fulfilled SmartStarters – and that happiness is fueled by belonging to a strong, supportive and successful club.





- \* League of Stars is an annual competition for SmartStart clubs which kicked off in 2017 as a pilot programme.
- \* The competition offers prizes and network-wide recognition to the best performing clubs, encouraging them to strive for excellence throughout the year.
- \* There are four leagues made up of between 10 14 clubs each.
- \* Judges look for clubs that meet the following criteria: have regular and constructive meetings, work together as a team, show commitment, take initiative, and are brand ambassadors for early learning and SmartStart.
- \* Clubs earn points each month for their club engagement levels (i.e. how many club members attended meetings, what they discussed and and group activities for that month).
- Points are displayed each month on league ranking (which are shared through WhatsApp), so that clubs can see how they are progressing.

  Clubs are also scored on how they have worked together to improve the quality of their programme throughout the year. The points are combined with this score to determine the winners.
- There are also prizes throughout the year for clubs that make significant improvements, clubs that show initiative, as well as for clubs that consistently perform well. These prizes include toys, books and vouchers.
- \* At the end of the competition, the club with the highest score in their league wins the grand prize of R3 000 in cash per club member.

## January 2017

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
			CLUBY	IETIIL -		NEW YEAR'S DAY
PUBLIC HOLIDAY 02	O 3 OFFICE OPENS FOR NEW YEAR	J4	0.5	06	07	08
Preparation of League Induction rollout  KYB CHECK-IN	-		12 SEIGO! Westbury	Draft new 13 Learner guide for Start-up training	14 GETGO! SHOW Alexandra Taxi rank	16
	The second	图 4		; + +		
KYB CHECK-IN Club league roll out planning	SHOW!	18 19am-4pm 1 Comms Strat 2 planning 3 meeting 1 (Cape Town)	19 SHOW! Clemont	SEIGO! SHOW Alexandra 8th Ave	21 SEIGO! Diepsloot	22
KYB 23 CHECK-IN Trialogue		25	26 BRAINSTORM PROGRAMME IMPROVEMENTS IN PLAYGROUP UPTAKE	27 Learning community meeting with ELOM team	28	29
-	Training the	Trainer (no	ew trainers	<del>,</del> )		
	MIE screening	NOTES				

# Our quality begins at training



o matter how big SmartStart becomes, maintaining quality will always be a core focus. At every level of SmartStart, we continuously assess and assure the quality of our programme. This includes applying the high-quality standards to our training team.

Each trainer receives a quality assurance visit twice a year. This is a standardised approach that has been designed to be a positive and helpful experience. In doing so, we:

- Promote ongoing development and an aspirational environment.
- Build a feeling of pride and self-esteem, both for trainers and trainees.
- Support trainers to be the best they can be.
- Meet the SmartStart quality standards.
- Establish a foundation for the best outcomes.
- Encourage a culture of peer-to-peer support and feedback.

To assess our trainers, we send Quality Custodians to sit in on a training event. At the end of each visit, Custodians compile a robust report, highlighting what was covered in the sessions. They also share in-depth feedback, discuss areas of improvement, offer necessary coaching and develop an action plan.

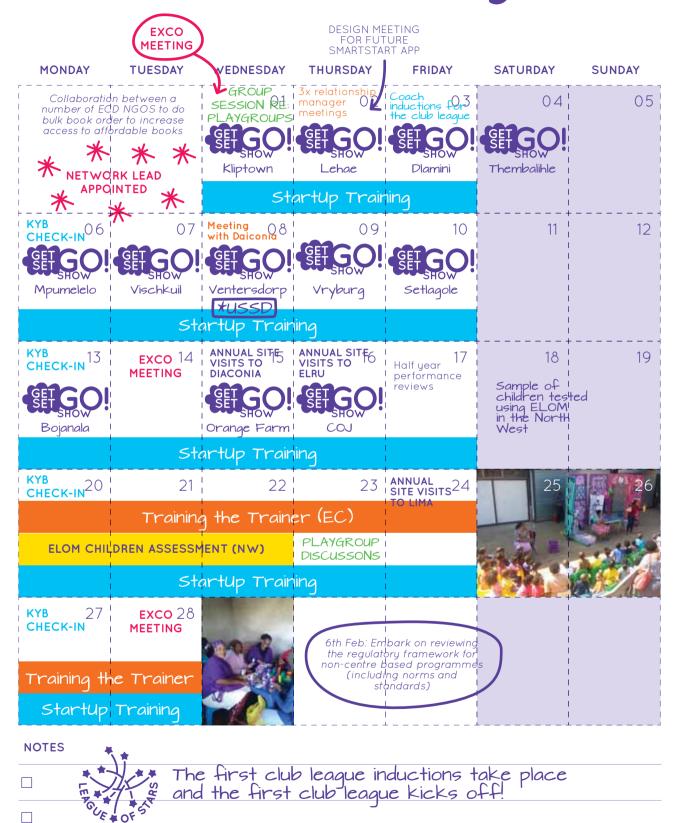
We encourage our Custodians and trainers to work together during this process, agreeing on the best way forward. Each trainer is also encouraged to give feedback on the assessment, reviewing what went well and what could be done differently next time.

Each custodian has a colour-coded observation tool. This tool is aligned to each trainer's job description, to ensure they are scored accordingly. 80-100% = Green, 50-80% = Orange, and below 50% = Red.

If a trainer receives Green status, we congratulate them and encourage them to keep up the good work. If a trainer receives red or orange status, we offer them comprehensive support by sending a constructive and supportive e-mail to the Programme Lead, trainer and trainer's manager; compiling a report with remedial action steps, agreed on by both the Custodian and trainer; setting up a check-in visit prior to the next quality assurance visit to see how they're progressing; and finally setting up a date for next quality assurance visit, giving everyone visibility and a fair chance to prepare.

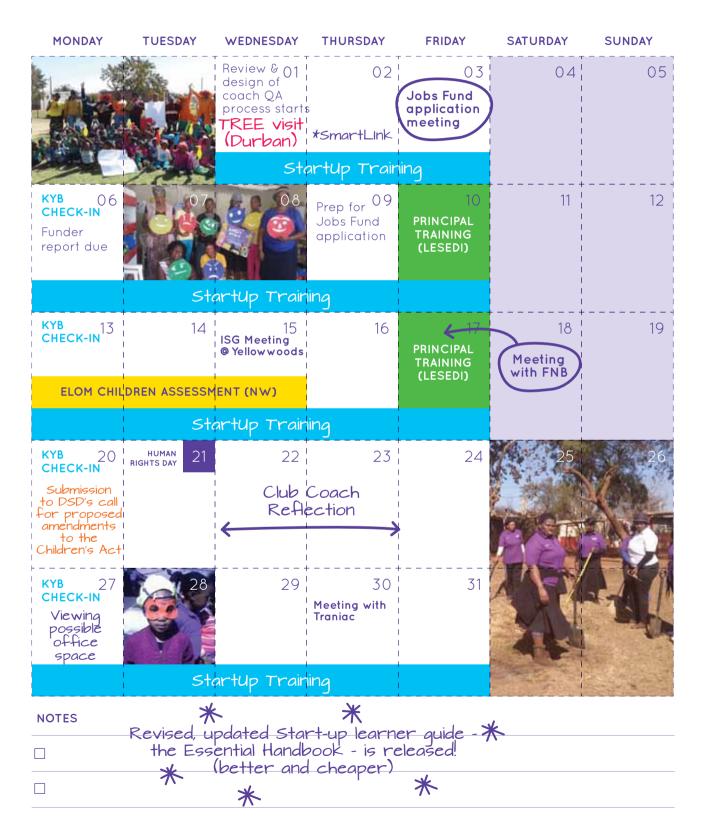
Quality is important to us, but so are our people. We ensure that our quality assurance process is fair, constructive, respectful and supportive – setting our team members up for success.

## February 2017





### March 2017



## Expanding our training team

n August 2016, we welcomed five new franchisors into our network: Siyakholwa, ELRU, Diaconia, LIMA and Thembalethu.

These franchisors will all play a key role in expanding our network, by recruiting new SmartStarters in the areas where they work.

Each new SmartStart recruit needs to receive training, which means that as SmartStart grows, so too must our network of trainers.

Finding the right people to train SmartStarters is important. Our trainers must be passionate about early learning, as well as experts in facilitating learning in adults.

They should be able to motivate and inspire people to become the very BEST that they can be, while imparting knowledge and building skills. Because SmartStart operates in different communities across the country, we work with all sorts of people who come from different backgrounds and speak different languages. We therefore need trainers who have a good understanding of local context, so that they can use examples and language that their communities are most familiar and comfortable with.

Together with our Franchisors, we believe that we have found the right trainers. All new trainers go through an extensive Immersion and Training of Trainers Programme, before they are invited to co-train our StartUp Programme. It's an exciting onboarding journey and we take great pleasure in welcoming them into our SmartStart family.

HERE IS HOW WE HAVE EXPANDED THE TRAINING TEAM THIS YEAR:

#### **EASTERN CAPE**

- Siyakholwa recruited three new trainers
- Two have been accredited as lead trainers and one as a co-trainer

#### **WESTERN CAPE**

- ELRU recruited three new trainers
- Diaconia recruited one new trainer
- Three of these trainers have been accredited as lead trainers

### FREE STATE AND GAUTENG

- LIMA recruited two new trainers
- One has been accredited as a lead trainer and one as a co-trainer

#### KWAZULU-NATAL

• One trainer was recruited

This year, SmartStart recruited a total of 13 associate trainers and one full-time trainer. The training team now has 30 trainers, consisting of 11 lead trainers and 19 co-trainers.

## **April 2017**

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
					01	02
O3	LETCEE 04 CHECK-IN Club Leagu support cl behind in t	05   ue visits to lubs lagging ne competi	06 tion	CWP MEETING	08	09
 	Sta	artup Train	ing		 	
KYB 10 CHECK-IN	Cotlands site visits	EXCO MEETING MEETING WITH PRAEKELT	Viewing 13 possible office space	GOOD FRIDAY 14	5n 5	afti tart
FAMILY DAY 17	18 Trainina	the Traine	20 r (Child Pr	21   Viewing possible office space	22	23
KYB 24 CHECK-IN  LIMA PRINCIPAL INDUCTION	25	26 EXCO MEETING *SmartLink	FREEDOM 27		29	30
NOTES						





## Measuring outcomes

nternational research shows that children who attend quality early learning programmes before school generally perform much better than their peers, who do not have access to these important experiences. Not much research has been done in this area in the local context.

In fact, until recently, South Africa has had no reliable and valid instrument to assess the impact of early learning programmes on our children. A lack of this type of data is concerning because it has significant impacts, including the quality of early learning programmes, the accuracy of decisions government is able to make, and the amount of resources stakeholders are able to commit to this field.

To address this gap, SmartStart adopted the Early Learning Outcome Measure, or ELOM. ELOM is an inexpensive and easy-to-use standardised tool, which objectively assesses children from across the cultural and socio-economic spectrum. Using a set of criteria relevant to each age, it measures children's development and progress prior to entering Grade R, allowing us to see how effective early learning programmes are.

Last year, two SmartStart staff members received training and accreditation as ELOM assessors. This is exciting for us as a team, as now we are able to use the ELOM in house to reflect on our programme effectiveness. We conducted some assessments with a small sample of children from SmartStart programmes in the North West and will follow up with a retest at the end of a year in the programme.

Although the sample was too small to draw any definitive conclusions just yet, it produced useful insights, nonetheless, around the areas of focus and need (in child developmental domains) for those particular programmes, and we are now working to enhance those elements of the programme (particularly the fine motor skills development is a critical focus area). We will continue to use the tool to assess the impact that our early learning programmes have on developing foundational skills for children, and gather further insights that will help us to build, improve and scale our programme.

## May 2017

	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
G	WORKERS' 01	VI,021	TREE & RCL Food partnership meeting		05	06	07
FIRST LEAG OF STAR JUDGIN PANEL SITTING	m # 24 T of	09 Club Leagu support cl behind in th	ue visits to lubs lagging	4	12	13	14
	*SmartLink	Sta	artup Trair	ing			
             	KYB 15 CHECK-IN	16 Data Analyst joins team to manage SmartLink and coordination of league submissions	17 Meeting with Nal'ibali	18	19	20	21
		Sta	artup Trair	iing		 	
 	KYB 22 CHECK-IN	Viewing possible office space	EXCO 24 MEETING  CALLS WITH LIMA	25 *SmartLink	26	27	28
		Sta	artup Trair	ing		 	
       	CHECK-IN	Financial 30   year end   performance   reviews	31				
		CP training			a i		
	Sta	artup Train	ing				
	NOTES						
_							

Bulk book order done with 4 other ECD NGOs enabling R10 per book price for quality children's book

# Building partnerships



s pioneers of an early learning social franchise, it's inevitable that we'll encounter a number of challenges, learnings and opportunities along our journey.

One of the biggest breakthroughs in our network during the 2016-2017 financial year, was when LIMA, one of our SmartStart franchisors, secured a new stipend for SmartStarters in the Free State Province and City of Tshwane areas. The grant was secured through the Extended Public Works Programme (EPWP).

The EPWP is part of a broader government strategy to reduce poverty by alleviating and reducing unemployment. The EPWP aims to provide 4.5 million work opportunities (two million full-time equivalent jobs) over the next five years.

As part of the EPWP, the government introduced the Non-State Sector Programme (NSSP). The NSSP uses the wage subsidy to support non-state entities in providing work opportunities. The NSSP is expected to create 640 000 work opportunities in the next five years. In order to deliver on this, the Department of Public Works has contracted the Independent Development Trust (IDT) – an NGO – as an intermediary.

The IDT's role is to contract qualified non-profit organisations and monitor their work in implementing the NSSP. LIMA applied as part of the IDT tender process and was contracted as an NGO partner. As a result, they were able to secure stipends for 450 SmartStarters. This income will now help SmartStarters to run their early learning programmes in the Tshwane and Free State areas.

The stipends are a big win for SmartStart. They mean SmartStarters have more reliable start-up support (towards their micro-enterprises) and therefore more children in Tshwane and the Free State will have access to early learning.

"This has been an incredible tool in supporting and motivating our SmartStarters. Many of them work in communities where parents are unable to pay regular fees for their children's early learning," explains Justin Jowell, our Programme Design and Development Lead.

"These SmartStarters will now be able to offer programmes at affordable rates. In doing so, they are ensuring that even the poorest children have access to quality early learning opportunities before school," she adds.

## June 2017

	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
			Tetatr	Viewing 01 possible office space	02	03	04
be	roup enefit etings	IL S			aining Training		
	KYB 05 CHECK-IN 5 Meeting with Harambee	06	EXCO 07 MEETING	* MOU 08 SIGNED * WITH CWP	09	10	11
		 	CP training				
		Sta	artup Trair	ning			
	KYB 12 CHECK-IN Viewing possible office	ı and initial ı planning	OPS TEAM14 MEETING First Annual Report distributed	PLAYGROUP DISCUSSONS HUB TEAM	YOUTH DAY 16	17	18
	space	meeting held CP tr		MEETING		ECD FINAN	ICING
	KYB 19 CHECK-IN	CP tr	Business 21 Skills insert into Start Up training piloted PLAYGROUP DISCUSSONS		PNB FNB	24 SmartStar with FNB on a-Creche in assist Sma with resourd furnishing fo	the Adopt- nitiative to rtStarters es and soft
	KYB 26 CHECK-IN	27	28 Con franch holde amer childrer	rs on proposed	30 Eastern Cape Franchisor and SmartStarter visits	V.S.	
		 	CP training				
	NOTES						





# Financial reports

### STATEMENT OF FINANCIAL POSITION as of 30 June 2017

ASSETS	2017	2016
Non-Current Assets		
Property, plant and equipment	100 490	72 853
Current Assets		
Inventories	592 551	-
Trade and other receivables	72 856	361 577
Cash and cash equivalents	6 568 373	4 924 297
	7 233 780	5 285 874
TOTAL ASSETS	7 334 270	5 358 727
EQUITY AND LIABILITIES		
Equity		
Accumulated loss	(398 117)	(1790778)
Current Liabilities		
Trade and other payables	636 718	1 3 4 3 2 9 8
Deferred income	7 095 669	5 806 207
	7 732 387	7 149 505
TOTAL EQUITY AND LIABILITIES	7 334 270	5 358 727

### STATEMENT OF PROFIT OR LOSS as of 30 June 2017

	2017	2016
REVENUE	22 654 667	14 360 460
Other operating income	794 342	-
Other operating expenses	(22 421 253)	(16 410 127)
OPERATING PROFIT (LOSS)	982 756	(2 049 667)
Investment income	409 905	258,889
PROFIT (LOSS) FOR THE PERIOD	1 392 661	(1 790 778)

### STATEMENT OF CASH FLOWS

ds of 30 June 2017	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	1 309 627	4 781 909
Interest income	409 905	258 889
NET CASH FROM OPERATING ACTIVITIES	1 719 532	5 040 798
CASH FLOWS FROM INVESTING ACTIVITIES  Purchase of property, plant and equipment	(75 456)	(116 501)
TOTAL CASH MOVEMENT FOR THE PERIOD	1644 076	4 924 297
CASH AT THE BEGINNING OF THE YEAR	4 924 297	_
TOTAL CASH AT END OF THE PERIOD	6 568 373	5 358 727

Figures in Rands 47

## **DETAILED INCOME STATEMENT** as of 30 June 2017

REVENUE		
Grants received	22 654 667	14 360 460
COST OF SALES		
Purchases	(592 551)	-
Closing stock	592 551	-
OTHER OPERATING INCOME		
Other recoveries	87 428	-
Other income	661 914	-
	749 342	
OTHER OPERATING EXPENSES		
Administration and management fees	(697 033)	(784 569)
Applicant funnel management		
assessment costs	(199 447)	-
Bank charges	(2 969)	(1020)
Branding costs	(1661634)	(1 0 3 3 0 11)
Computer expenses	(190 672)	-
Consulting and professional fees	(466 158)	(190 923)
Delivery expenses	(128 670)	(44 340)
Depreciation	(47 819)	(43 648)
Employee costs	(3 8 3 1 1 7 4)	(2 785 876)
Franchisor costs	(5 733 197)	(4 5 4 6 1 3 1)
Gifts	(29 304)	-
IT expenses	(891630)	(724 892)
Lease rentals on operating lease	(695 514)	(71 171)
Office sundry costs	(23 761)	(58 335)
Other expenses	(101 962)	-
Recruitment costs	(2 214)	(11 749)
Staff welfare	(52 350)	(7 278)
Team resources	(2 497 679)	(2 329 981)
Telephone and fax	(199 142)	(118 656)
Toolkit costs	(1864 208)	(1588 424)
Training	(2 661 898)	(1787 687)
Travel - local	(442 614)	(282 436)
	(22 421 253)	(16 410 127)
OPERATING PROFIT (LOSS)	982 756	(2 049 667)
Investment income	409 905	258 889
PROFIT (LOSS) FOR THE PERIOD	1 392 661	(1 790 778)

### SMARTSTART EARLY LEARNING (RF) NPC

Reg / NPO Number: **54-752 NPO**PBO Number: **930/049/914** 

Physical Address: 111 - 113 Oxford Road, Saxonworld, Johannesburg 2196

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Contact person: Grace Matlhape (CEO)

010.595.3902

grace@smartstart.org.za

Directors: Grace Matlhape

David Brandon Harrison Nicola Rae Galombik Carley Furness-Symms

Meetings: 💢 Annual General Meeting

**▼** Special General Meeting

**▼** Board Meeting (Quarterly) x 4

**▼** Others

NO Constitutional changes were made this reporting period.

### PRIMARY ACTIVITIES

**SOURCING**: Different types of people were made aware of the importance of early learning and were invited to a matching process that provided an opportunity to potentially be part of early learning.

**MATCHING:** Beneficiaries were assessed in terms of their suitability for working with children as well as their desire to run potential micro-enterprises.

**TRAINING:** Matched candidates were invited for 5-day Start-Up training. For the reporting period, over 3 000 people underwent SmartStart training.

**LICENSING AND COACHING:** 3 240 passed the training and 2 233 were licensed to start practising the SmartStart programme with recruited children. Ongoing coaching and mentoring was provided.

**IMPLEMENTING THE SMARTSTART PROGRAMME:** More than 10 580 children were part of the SmartStart early learning programme in ECD centres, playgroups and full-week day mother programmes. Some children had previously not been exposed to any form of early learning.

**QUALITY ASSURANCE:** Practising franchisees were quality-assured to ensure they were implementing the programme properly for the benefit of the children. This helped with practice improvement and motivation of practitioners.

