

DONOR REPORT

2017/2018



FINANCIAL SERVICES

CONSUMER EDUCATION FOUNDATION

plan your financial future

FOUNDATION'S VISION

The vision of the Financial Services Consumer Education Foundation (FSCEF) is to promote programmes and initiatives that inform and educate users and potential users of financial products and services, in order to improve their levels of financial literacy.

AIMS AND OBJECTIVES

The sole objective of the Foundation is to carry on one or more public benefit activities contemplated by section 30 of the Income Tax Act no 58 of 1962, and/or similar legislation promulgated in future.

In particular, the purpose of the Foundation is to:

- fund, promote or otherwise support consumer financial education, awareness, confidence and knowledge regarding consumer rights, financial products, institutions and services supervised and regulated by the founder;
- promote the use of regulated financial services by those who do not yet avail themselves of the financial products and services available, including the poor and needy;
- promote the education of pension fund trustees to support the responsible management of pension funds and protection of pension fund members;
- promote the education of financial services providers on consumer protection; and
- promote the education and information of consumers, pension fund trustees and financial services providers so as to serve the needs, interests and well-being of the general public in the field of financial services.



TABLE OF CONTENTS

PART A - GENERAL INFORMATION	3
Chairperson's Review	4
Board of Trustees	5
Financial Services Board's Executive Officer Review	6
Report by the Head of Department: Consumer Education	7
Donor-Supported Initiatives	8
Monitoring and Evaluation	12
PART B - AUDIT COMMITTEE REPORT	13
PART C - FINANCIAL STATEMENTS	17
PART D - DONORS	37
Incentives for Donors	38
Operations and Governance	38
The Donors	38
Donation Process	39
PART E - CASE STUDIES	41





PART A

GENERAL INFORMATION

CHAIRPERSON'S REVIEW



Ms Prem Govender
Chairperson

I have great pleasure in presenting the Foundation Donor Report, highlighting the activities of the Foundation from 1 April 2017 to 31 March 2018. The Foundation continues to attract the attention and generosity of not just our current donors but new and potential donors as well. As word spreads about the work that the Foundation does, we are constantly getting enquiries from organisations that want to become donors themselves. We continue to seek ways and means of reaching the greatest possible number of people whose financial lives need improving. Our ongoing process of monitoring and evaluation enables us to judge the level of success achieved with each of our funded projects and whether these projects remain viable.

This report includes information around the various projects that were undertaken during this period; however I would like to draw attention to one of the Foundation's flagship projects; the MyLifeMyMoney Financial Literacy Speech Competition. The competition is open to grade 11, business study learners from non-fee paying schools. Learners prepare and present a five-minute speech on one of the financial literacy topics provided. This year, the competition was expanded to three provinces, namely Gauteng, Eastern Cape and KwaZulu-Natal and included an interprovincial final held in Johannesburg which saw the top-two from each province compete for top honours. The competition provides for a number of prizes including the services of a Certified Financial Planner who provides financial planning to both winners and their parents

regarding how best to utilise their prize money. Schools also received prizes which were determined by the schools for the purpose of bettering the facilities for the learners.

We are delighted that the project continues to grow and will include six provinces in 2018/2019 with the idea of taking it nationally in subsequent years.

The Board of Trustees continues to be mindful of the importance of being completely transparent in all its processes. This ranges from the manner in which funds are allocated to how they are accounted for. I am pleased to report yet again that, in this respect, we have more than adequate skills and experience within both the Audit and Risk and the Project Proposal sub-committees.

These sub-committees meet at least twice a year, giving the Board the necessary assurance that all our decisions are being taken only after intense scrutiny, debate and deliberation. This ensures that we make the most appropriate decisions about how best to take financial literacy to all vulnerable South Africans, many of whom would ordinarily not have the means to access the necessary tools and knowledge to make informed financial decisions. In this way we believe we can help this disadvantaged sector of our population to lay the foundation for a sound financial future based on better debt management and prudent saving habits. Having said that, we are mindful of the fact that none of this would have been possible without the generosity of you, the donor.

We remain deeply grateful to every one of you who has made, and continues to make, our work possible. Without your generosity none of our achievements would have materialised, and South Africans would certainly have been the poorer for it. It is our fervent hope and prayer that you will continue to recognise the role we play and support us in this huge task of bringing financial literacy to the classroom, the home and the workplace.

A handwritten signature in dark ink, appearing to read 'Prem Govender', with a long horizontal line extending from the end of the signature.

Ms Prem Govender
Chairperson

BOARD OF TRUSTEES



MS PREM GOVENDER
CHAIRPERSON

MCom (Tax), BCom (Acc),
Advanced Post-Graduate
Diploma in Financial Planning,
Professional Accountant (SA)
CFP Professional

Date first joined
27/11/2012



DR LLOYD KASEKE
VICE CHAIRPERSON

MBChB
MBA

Date first joined
27/11/2012



**MS NKELE YVONNE
LECHABA**

MBA, BSocSc:
Honours in Psychology
BA

Date first joined
14/03/2016



MS CAROLINE DA SILVA

BA Legal,
PGD Management

Date first joined
14/03/2016



**DR NOMBEXO
PATIENCE MBAVA**

BA Econ (Smith)
MBA(Stel) / PhD (Stel)

Date first joined
04/03/2016



MS FREDA EVANS

CA (SA) / CTA
BCompt

Date first joined
14/03/2016



MR KHOTSO MOTHABI

BSc (Med) / PDM-BA
MBA (Wits) BSch (Wits)

Date first joined
14/03/2016



MR DENIS BECKETT

BA, LLB

Date first joined
12/11/2009

Persons not in photo: Ms Ina Wilken-Jonker, BCom Hons (UNISA). Date first joined 27/11/2012
Mr Thomas Kgokolo, B.Compt(Hons), CA (SA). Date first joined 14/3/2016



Adv. Dube Tshidi
Executive Officer

FINANCIAL SERVICES BOARD'S EXECUTIVE OFFICER REVIEW

A wise person once said: "The only constant in life is change" and change is upon the FSB with the signing into law of the Financial Sector Regulation Act (Act No.9 of 2017), hereafter referred to as the Act. The Act will result in fundamental changes to how the FSB will operate in the future. For starters, by the time you read this, the FSB will have ceased to exist and will have been replaced by the Financial Sector Conduct Authority (FSCA). This is not a change in name alone, but will see the FSCA focus solely on the conduct of the financial services sector as per section 57 of the Act:

The objective of the Financial Sector Conduct Authority is to -

- (a) enhance and support the efficiency and integrity of financial markets; and*
- (b) protect financial customers by*
 - (i) promoting fair treatment of financial customers by financial institutions; and*
 - (ii) providing financial customers and potential financial customers with financial education programs, and otherwise promoting financial literacy and the ability of financial customers and potential financial customers to make sound financial decisions; and*
- (c) assist in maintaining financial stability.*

Though the other objectives are of equal importance, I wish to draw your attention to section 57 (b) (ii) which speaks to the greatly increased focus on financial education. This objective provides financial education with the same level of significance as the traditional regulatory functions of both the current FSB and the future FSCA – a first both locally and internationally. This task will fall on the Consumer Education Department (CED); a specialist department within the FSCA. In order for this objective to be achieved, larger projects on a national scale will be implemented and these will require greater funding and collaboration.

Though change is upon us, donors still receive the same benefits which include that donations received will be tax deductible and donors can earn Broad-Based Black Economic Empowerment (B-BBEE) scorecard points based on the Financial Sector Codes.

In closing, as we move into a period of change, it is acknowledged that a certain level of anxiety and uncertainty will be expected but I wish to assure you that the future of financial education has never been brighter or more exciting. It is through your support of the Foundation that it is possible for the continual expansion of financial education across the country and for that I wish to express my sincerest gratitude.

Adv. Dube Tshidi
Executive Officer

REPORT BY THE HEAD OF DEPARTMENT: CONSUMER EDUCATION



Lyndwill Clarke
Head of Consumer
Education

The Financial Sector Regulation Act of 2017 (FSR) has placed a greater emphasis on consumer financial education. The activities of the Consumer Education Department (CED) of the FSCA are now mandated through section 57 of the Act, which directs the FSCA to protect financial customers by providing financial customers and potential financial customers with financial education programs, and otherwise promoting financial literacy and the ability of financial customers and potential financial customers to make sound financial decisions.

This mandate is implemented through one of the FSCA's strategic priorities for the next three years, one of which is to ensure that we have informed financial customers in South Africa. The intended outcomes of this priority are to have broader consumer protection, integrate financial education with regulatory functions, coordinated financial education activities, have improved data on consumer behaviour and to attempt to positively change consumer behaviour when it comes to personal financial management.

The CED uses various innovative methodologies to effectively engage with consumers. From research and resource development to the implementation of workshops, exhibitions, media activities and youth campaigns and projects. All these activities are supported by online resources through our website at www.fscaconsumered.co.za and more recently through the introduction of various

social media platforms. The activities are also monitored and evaluated by independent services providers.

The successful implementation of Foundation funded projects such as the MyLifeMyMoney Financial Literacy Speech Competition, the Industrial Theatre and Game Show Project and the Expanded Public Works Programme bear testimony to the diligence and creativity of the CED staff who have a combined total of over 50 years of experience in the education sector. The aforementioned projects also show our commitment to providing opportunities for our citizens to participate in financial education activities within their communities.

Through the FSR Act, the FSCA is now mandated to develop conduct standards for consumer education, the funding of bespoke projects and to establish best practice in the delivery of financial literacy messages. These bespoke projects will provide the necessary success indicators for the financial industry when designing, implementing and monitoring and evaluating financial education projects and programmes. The FSCA is the first institution to attempt to write such standards both nationally and globally.

I would love to express my appreciation to the Trustees of the Foundation for their confidence and trust in the FSCA's CED. Financial education cannot be implemented in a vacuum and requires all stakeholders to play their respective roles for persons living in South Africa to be empowered to make informed financial decisions.

A handwritten signature in dark ink that reads "Lyndwill Clarke". The signature is written in a cursive, flowing style.

Lyndwill Clarke

Head of Department: Consumer Education

DONOR-SUPPORTED INITIATIVES

1. Consumer Financial Education Exhibitions

The Foundation continues to fund and support exhibitions as a means of increasing financial awareness among consumers. These exhibitions are traditionally aimed at business incubators, potential investors, general consumers and youth. Major topics covered include: should awareness of the importance of personal money management, the

role of the regulator Financial Services Board (FSB) and dealing with authorised financial services providers.

In the year under review, the FSB's Consumer Education Department (CED) participated in 27 exhibitions and reached approximately 14 836 consumers. This is an increase of 11.7% from the previous year.



TABLE 1: EXHIBITIONS STATISTICS FROM 1 APRIL 2017 - 31 MARCH 2018

DATES	EXHIBITIONS	CONSUMERS
21 April 2017	AngloGold Ashanti	1421
22 April 2017	Government Employees Pension Fund (GEPPF)	300
24 – 25 April 2017	JB Marks Education Trust Fund	3500
03 – 04 May 2017	10th Annual Soweto Career day & Expo	1750
03 May 2017	AngloGold Ashanti Career Exhibition (Matlosana)	1750
12 May 2017	AngloGold Ashanti Career Exhibition (Mthatha)	1500
27 May 2017	Masemola Youth Professionals (MYP) Career Exhibition	140
29 – 31 May 2017	Batseta Conference and Exhibition	505
28 – 29 July 2017	Money Web Expo	156
19 August 2017	South African Council of Educators (SACE) Exhibition for teachers - Pretoria	156
02 September 2017	South African Council of Educators (SACE) Exhibitions for teachers - Durban	850
05 September 2017	JSE – Leaderex Exhibition	100
09 September 2017	South African Council of Educators (SACE) Exhibition for teachers (Bloemfontein)	100
11 – 12 September 2017	Institution of Retirement Funds of South Africa (IRFA)	244
18 September 2017	Government Department of Communications (GCIS)	80
18 – 20 October 2017	The Financial Planning Institute (FPI) Conference	800
20 October 2017	CFDC in partnership with Kasi FM	41
24/11/2017	Government Pensions Administration Agency (GPAA)	30
29/01/2018	North West Consumer Protection Office	154
02/03/2018	Motor Industry Ombudsman of South Africa	90
06/03/2018	National Youth Development Agency (NYDA)	162
08/03/2018	North West Consumer Protection Office	121
09/03/2018	North West Consumer Protection Office	110
15 March 2018	Gauteng Consumer Protection	100
16/03/2018	City of Johannesburg	303
22-23/03/2018	MyArts International	210
23/03/2018	City of Johannesburg	163
Total		14 836

2. The MyLifeMyMoney Financial Literacy Speech Competition

In 2016, the Foundation provided funding for the inaugural Gauteng Financial Literacy Speech Competition pilot project. The pilot project was implemented by the FSB's CED in partnership with the Gauteng Department of Education (GED) and the Financial Planning Institute (FPI). In 2017, based on the successes of the pilot and recognising the importance of financial literacy for young people, the project was expanded to two more provinces, namely Eastern Cape and KwaZulu-Natal. The project was also renamed The MyLifeMyMoney Financial Literacy Speech Competition and included an additional round, the inter-provincial final. The objectives of the competition were to:

- promote financial literacy in schools;
- create awareness around the importance of financial advice and possible careers in the financial services industry;
- encourage entrepreneurship; and
- deepen the learners' understanding of financial concepts covered in the business studies, economics and accounting curriculum.

The format of the competition saw learners present a five-minute speech on one of the three financial literacy topics approved by the FSB and participating Provincial Departments of Education. The 2017 speech competition targeted Grade 11 learners from non-fee paying schools in each province and the participating learners progressed through a number of rounds, namely:

- classroom rounds at all participating schools;
- district finals in each of the three provinces;
- a provincial final in each of the three provinces; and
- an interprovincial final held in Gauteng.

During each round learners competed against each other and the top learners of the previous rounds progressed until, ultimately, each of the three provinces had two learners in the interprovincial final. The interprovincial final was held in Johannesburg and the winners were:

1. Lindokuhle Dlamini (Little Flower Combined School – KZN)
2. Fisokuhle Lushaba (Pace College – Gauteng)
3. Sinegugu Goge (Mthusi High School – KZN)

The learners that were placed in first, second or third place at the provincial and interprovincial finals each received monetary-equivalent prizes in the amount of R 20 000, R 10 000, and R 5 000 respectively.

In conjunction with the prizes, the Financial Planning Institute (FPI) provided free advice to the learners and their families on how best to invest their winnings. Five finalists chose to invest their prize money, with the exception of one who asked to be bought a laptop to support her online grade 12 studies. The top three schools from each province also received equipment to the equivalent value of the prizes of the top three contestants.

Due to the project's success, this initiative will be extended in 2018 to include learners from the North West, Mpumalanga and Western Cape Departments of Education.

Refer to part E for the MyLifeMyMoney Financial Literacy Speech Competition case study

3. Expanded Public Works Programme Second Phase Project

Based on the success of the pilot held in 2016, the Foundation provided funding for the second phase of the Expanded Public Works Programme (EPWP) project. The project focused on providing financial education for participants of the Department of Public Works (DPW). The EPWP is a government policy priority which aims to contribute towards job creation and poverty alleviation. As part of the initiative the need was identified to provide financial education targeted specifically for the participants in the EPWP. The 2017 project included the Northern Cape, KwaZulu-Natal, Eastern Cape, Western Cape and Free State provinces.

Building on the findings of the pilot, the second phase utilised the same two-workshop approach and also included a train-the-trainer component. The train-the-trainer program was conducted by the FSB for facilitators who had been identified by the service provider to present the program to participants. Topics covered by the program included basic money management, rights and responsibilities when purchasing financial products and recourse mechanisms.

The two-workshop approach aimed to target the same participants twice thus providing the opportunity to revisit key ideas and messages. This format consisted of 300 workshops (150 initial workshops and 150 follow-up workshops). The initial workshops reached 7480 participants and the follow-up workshops reached 5978 participants. The difference in numbers was a result of natural attrition expected in such programmes as well as work schedule clashes. Solutions to these are currently being addressed with the DPW in anticipation of the third phase of the project.

4. Industrial Theatre and Game Show Project

Industrial theatre has proven to be an effective medium for delivering financial education to a mixed audience using interactive and live performances to encourage knowledge retention. The Foundation provided funding towards the successful pilot of the “Save Now” campaign using this medium. In the final report one of the recommendations was the inclusion of a component which would assist in evaluating immediate knowledge retention and further encourage audience participation.

To this end, the 2017 project was further expanded upon to include a game-show component, exhibitions and a live band. This project was rolled out in Mpumalanga, Free State, KwaZulu-Natal, Western Cape and Northern Cape at shopping malls, colleges, bus and taxi ranks.

The project aimed to inform youth and adults about the difference between savings and investments, the rights and responsibilities of a consumer when buying financial products and services as well as recourse mechanisms.

The use of pre-event promotions through radio, posters and, on the day, the live band assisted in drawing larger crowds. The performance was expanded to include more crowd interaction which resulted in the crowd becoming part of the performance, thus keeping the attention of the audience. The game show proved to be popular where audience members would compete against each other for a voucher to the value of R 500.00.

To date 68 industrial theatre performances, 150 game shows and 100 exhibitions have been conducted reaching 60 954 consumers.

5. The Trustee Training Toolkit

One of the objectives of the Foundation is to promote education of retirement fund Trustees to support the responsible management and protection of retirement fund members. To achieve this objective, the Foundation continues to fund the Trustee Training Toolkit project which includes both an e-learning platform and face-to-face workshops with Trustees.

The Trustee Training Toolkit (TTK) is the e-learning platform designed to enable retirement fund trustees to have access to an on-line programme with the aim of improving knowledge and understanding on the principles of good governance and is available on www.trusteetoolkit.co.za.

Once Trustees have completed the modules they undertake a summative assessment on-line and based on their final mark are awarded a printable certificate of completion. Certificates are either Diamond (90%+), Platinum (80%+), Gold (70%+), Silver (60%+) or Bronze (50%+) rating.

In support of the TTK, workshops are provided to trustees for the purposes of assisting them with the technical components of the TTK. In addition, email and technical support are also provided for Trustees completing the toolkit.

During the period between 1 April 2017 to 31 March 2018, 11 Trustee orientation workshops, were conducted, reaching 192 Trustees, and distributed 749 TTK handbooks. A total number of 6 111 Trustees were registered on the online programme.

TABLE 2: NUMBER OF REGISTERED TRUSTEES ON THE TRUSTEE TOOLKIT ON-LINE PLATFORM FROM 1 APRIL 2017 - 31 MARCH 2018

REGISTERED TRUSTEES 2017/2018			
Total number of trustees	Module 1	Module 2	Module 3
6 111	7 770	6 494	6 216

TABLE 3: NUMBER OF TRUSTEES WHO COMPLETED THE SUMMATIVE ASSESSMENT OF TRUSTEES 1 APRIL 2017 - 31 MARCH 2018

SUMMATIVE ASSESSMENT RESULTS 2017/2018					
Completed	Bronze	Silver	Gold	Platinum	Diamond
412	5	22	97	250	38

6. The Principal Officer's qualification

The Foundation funded the development of learning material for the Occupational Certificate: Professional Principal Executive Officer. This qualification is registered with the South African Qualifications Authority (SAQA) on the National Qualifications Framework (NQF). This project

was finalised in 2017 and included the development of all content, assessment banks and formative assessments.

Subsequently, the material has been handed over to Batseta, the Council of Retirement Funds for South Africa. Batseta is the Assessment Quality Partner for the qualification and piloted the developed content. To date, 32 principal

officers have obtained the Principal Officers' qualification via Recognition of Prior Learning and more will write in the new financial year. This concludes the project.

7. Trustee Qualification

Further to its objective to promote the education of retirement fund Trustees, the Foundation has also funded the development of content for the Occupational Certificate: Professional Principal Executive Officer (Retirement Fund Trustees). This qualification has also been registered with SAQA on the NQF. During the period under review, The Institute of Retirement Funds Africa (IRFA) has been appointed as the service provider to develop the content.

8. Financial Literacy in South Africa: Results from the 2017 South African Social Attitudes Survey (SASAS)

The FSB continues to participate in the annual South African Social Attitudes Survey (SASAS) undertaken by the Human Sciences Research Council (HSRC) with the 2017 survey being the second survey co-funded by the Foundation. The survey examines financial behavior of South Africans and as a result has offered key insights into how South Africans manage their finances. These insights have allowed the Foundation to fund very specific projects targeting at risk groups. In addition, as the study has been undertaken over five years, the findings are now being mapped to key economic markers which have provided a picture of how South Africans are engaging with their money in an economy increasingly under pressure.

The 2017 survey is currently underway and results will be published on the FSB foundation website and past surveys are available at:

<https://www.fscaconsumered.co.za/Resources/Pages/FSCA%20Research.aspx>

9. Investor education

The purpose of the investor education pilot project was to enhance cooperative members' financial management knowledge and raise awareness around different investment products. The investor education project was a collaboration between the FSB and the Cooperative Banks Development Agency (CBDA) of the National Treasury. The project targeted members of Co-operative Financial Institutions (CFI) in Bakenberg, Tzaneen, Mathabatha, Kuvhangayani and Sekhukhune in Limpopo. The project comprised of 27 workshops, reaching 547 cooperative bank members from July 2017 to November 2017.

The project included external monitoring and evaluation and based on the findings, it was decided to refine the project and to expand to KwaZulu-Natal the following year. Findings included:

- Overall, positive feedback was received from both the beneficiaries and key stakeholders during the follow-up interviews.
- The workshops were interactive and the beneficiaries were generally interested in the delivered information.
- A majority of the beneficiaries were able to recall the delivered information but continuous interaction is still necessary as a follow-up strategy.
- The project may have reached 67.5% of its target but approximately one fifth of the participants fell below the targeted age range.
- The follow-up interviews revealed that 52% of the beneficiaries could not recall any information about pyramid schemes.
- The content should be relevant to the needs of the beneficiaries. Not only this, it should be delivered in a language which they understand. The resources which were provided during the workshops were in English and this created a form of barrier on the dissemination of the themes as they were not understood by all the beneficiaries.

10. SAICA/THUTHUKA Project 2017

Through the funding provided by the Foundation, the FSB in collaboration with the South African Institute of Chartered Accountants (SAICA) has been delivering consumer education workshops for SAICA Thuthuka Winter Camp grade 12 learners since 2013. This is in an effort to enhance the learners' financial management knowledge and promote financial inclusion. These workshops are two-hours long and are generally conducted in a lecture-style format given the large volumes of students in each venue. The key financial education topics covered include: the role of the FSB, South Africa's economic landscape, youth indebtedness, savings and investments and get rich quick schemes.

From 2013 to date, a total of 10988 consumers have been reached in 41 interventions. These include:

- 1100 learners in 2013;
- 2528 learners in 2014;
- 2103 learners in 2015;
- 2452 learners in 2016 and
- 2805 learners in 2017.

Refer to part E for the SAICA case study.

MONITORING AND EVALUATION


The Foundation continues to fund the services of an external monitoring and evaluation company for the purposes of providing independent monitoring and evaluation of selected projects. Complementing this, the CED of the FSB undertakes internal monitoring and evaluation which provides a more rounded approach to the process.

The combination of internal and external monitoring and evaluation enables staff to determine which projects should not be continued and those which should be scaled up. In addition, areas of success and areas of further development are highlighted thus allowing projects to be continuously refined.

This process led to an increase in more targeted projects which has resulted in decreasing the number of newly piloted programmes and focusing on successful initiatives with documented achievements.

With increased emphasis being placed on consumer financial education it has inevitably become more important to understand whether financial education works, how it works and what the most appropriate methods for evaluating financial education programmes are.

The table below is a description of the projects which have been monitored and evaluated.

 **TABLE 1: OVERVIEW OF MONITORING AND EVALUATION ACTIVITIES FROM
1 APRIL 2017 – 31 MARCH 2018**

PROJECT NAME	PROJECT STATUS	REPORT AVAILABLE	CASE STUDY
1. The MyLifeMyMoney Financial Literacy Speech Competition 2017	Completed	Yes	Yes
2. Expanded Public Works Programme -Second Phase	Completed	Yes	No
3. Industrial Theatre and Game Show Project	Completed	Yes	No
4. Investor education Project	Completed	Yes	No
5. SAICA/Thuthuka tracer study	Completed	Yes	Yes

Reports are available at:

<https://www.fscaconsumered.co.za/Resources/Pages/FSCA%20Research.aspx>



PART B

AUDIT COMMITTEE REPORT



Ms. F Evans
Chairperson: Audit
and Risk Committee

AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year which ended on 31 March 2018.

ROLES AND RESPONSIBILITIES

The Audit Committee is an important element of the Board's system of monitoring and control. It makes recommendations for the Boards' approval on all aspects and responsibilities that the Board delegates to it, as well as those imposed by the Public Finance Management Act (PFMA). The committee operated within written terms of reference during the year under review which were reviewed by the Board.

COMPOSITION OF THE COMMITTEE

The Audit Committee was appointed by the Board of Trustees of the Foundation and comprised of 3 external Board members. Meetings were attended by appropriate executives, including the following representatives: Deputy Executive Officer: FAIS, Head of Department: Consumer Education, Managers in the Consumer Education Department, Manager in the Finance Department, the Project Accountant in the Finance Department, Head of Risk Representatives of Financial Services Board (FSB) and its Head of Department. The external and internal auditors attend by invitation.

COMBINED ASSURANCE

The committee provides assurance to the Board that the risk management process is integrated into the daily business activities of the Foundation and that the appropriate levels of assurance are obtained where appropriate.

INTERNAL AUDIT

The internal audit function is planned and performed by the FSB's internal audit team. The committee has no responsibility for the appointment, compensation, retention or oversight of the internal auditors. The FSB has outsourced the internal audit to Nkonki Inc. Those internal audits operate under the terms of reference approved by the Board of the FSB. Internal audit reports are the function of the Audit Committee Chairperson of the FSB and operationally to the Executive Officer of the FSB.

The committee believes that internal audit is functioning effectively and that material risk to the Foundation has been addressed in their audit by reviewing the internal audit plan and its discussion with the internal auditors.

EXTERNAL AUDIT

The committee is satisfied with the independence and objectivity of the external auditors and has met with them to ensure that there were no unresolved issues.

EFFECTIVENESS OF INTERNAL CONTROL

The financial function of the Foundation is performed by the staff and management of the FSB within the structures of that entity.

A high-level review of the design, implementation and effectiveness of the Foundation internal financial controls was performed as per the internal audit plan of the FSB. The review is aimed at providing comfort on financial reporting controls that are relied on in preparing the annual financial statements. Based on the information and explanations given by management, the internal auditors and discussions with the independent external auditors on the result of their audit were favourable. The committee believes that the system of internal controls for the period under review was adequate, efficient and effective and forms a basis for the preparation of reliable financial statements.

GOVERNANCE OF RISK

The Audit Committee overseas enterprise-wide risks, including compliance risks, fraud risks, and information technology risks.

WHISTLE-BLOWING

The committee is satisfied that adequate and appropriate provision is made for whistle-blowing. No instances requiring action were raised or identified during the year under review.

ANNUAL REPORT

The committee has reviewed the annual report of the Foundation for the year which ended on 31 March 2018 and submits that management is presenting an appropriate view of the entity's position and performance.

EVALUATION OF FINANCIAL STATEMENTS

The committee evaluated the annual financial statements of the Foundation for the year ended 31 March 2018. It also reviewed:


- The external auditors' report
- The Foundation's compliance with applicable laws and regulation
- Information on predetermined objectives included in the annual report
- Significant adjustments resulting from the audit.

Based on the information provided by management and internal/external audits, the committee considers these statements as accurate and comply in all material respects with the requirements of the PFMA. The basis of preparation set out in the accounting policies in note 1 of the financial statements has also been complied.

The committee concurs that adopting the going-concern assertion in preparing the annual financial statements is appropriate.

At its meeting on 19 July 2019, the committee recommended the approval of the financial statements to the Board.

On behalf of the Board, I would like to express my sincere gratitude to my fellow committee members for their efforts and contributions during the year, as well as to the FSB, management, the auditors and the donors for their ongoing support.



Ms F Evans

Chairman: Audit and Risk Committee



1st Kennedy
Interperiodic Fund
Washington University Financial Library
Special Collections 2007



PART C

FINANCIAL STATEMENTS

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of operations	Operates as a public benefit organisation on a non-profit basis with its main objective being to promote the education of potential users of financial products and services provided by financial institutions and bodies.
Trustees	Ms R.G. Govender B.Comm, M.Comm, CFP Mr D.P. Beckett BA, LLB Dr L.T. Kaseke MBChB, MBA Ms H.J. Wilken-Jonker B.Comm (Hons) Ms F.M. Evans B.Compt, CTA, CA(SA) Ms N.Y. Lechaba BA, BSocsc (Hons), MBA Ms N.P. Mbava BA Econ, MBA Mr T.T.M. Kgokolo B.Compt(Hons), CA(SA) Mr K.M. Mothobi Bsc(Med), Bsc(Hons), PDM-BA, MBA Ms C.D. Da Silva BA , PGD Management
Registered office	c/o Financial Services Board Riverwalk Office Park, Block B 41 Matroosberg Road, Ashlea Gardens, Extension 6 Menlo Park, Pretoria
Business address	c/o Financial Services Board Riverwalk Office Park, Block B 41 Matroosberg Road, Ashlea Gardens, Extension 6 Menlo Park, Pretoria
Postal address	c/o Financial Services Board PO Box 35655, Menlo Park, Pretoria 0102
Bankers	Standard Bank Limited
Auditors	SizweNtsalubaGobodo Grant Thornton Incorporated Registered Auditors
Trust registration number	IT 40/2005

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

INDEX

The reports and statements set out below comprise the annual financial statements presented to the Trustees:

Index	Page
Independent Auditor's Report	20 - 21
Corporate Governance Report	22 - 23
Trustees' Responsibilities and Approval	24
Trustees' Report	25 - 27
Statement of Financial Position	28
Statement of Comprehensive Income	29
Statement of Changes in Equity	30
Statement of Cash Flows	31
Accounting Policies	32 - 33
Notes to the Annual Financial Statements	34 - 35

INDEPENDENT AUDITOR'S REPORT

To the Trustees of the Financial Services Consumer Education Foundation

OPINION

We have audited the annual financial statements of the Financial Services Consumer Education Foundation set out on pages 28 to 35 which comprise the statement of financial position as at 31 March 2018 and the statement comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Financial Services Consumer Education Foundation as at 31 March 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities.

BASIS FOR OPINION

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

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the Corporate Governance Report, Trustees' Responsibilities and Approval and the Trustees' Report, which we obtained prior to the date of

this report. The other information does not include the financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE TRUSTEES FOR THE FINANCIAL STATEMENTS

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and for such internal control as the trustees determine are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees' either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Dirk Fouche

SizweNtsalubaGobodo Grant Thornton Inc.

Engagement Director

Registered Auditor

26 March 2019

Summit Place Office Park, Building 4

221 Garsfontein Road

Menlyn, Pretoria

Gauteng

CORPORATE GOVERNANCE REPORT

Statement of Compliance

The Financial Services Consumer Education Foundation complies broadly with the principles contained in the King Code of Governance for South Africa. In supporting the code, the Foundation recognises the need to conduct the business of the Foundation with openness, integrity and accountability. A corporate governance framework is in operation and is reviewed from time to time and updated where appropriate.

The Trustees of the Foundation are responsible for approving the strategic direction of the Foundation and are governed by a Deed of Trust that sets out the framework of their accountability, responsibilities and duties.

In order to address its responsibility, the Trustees:

- Monitor that the Foundation complies with all relevant laws, regulations and code of ethics and that it communicates with all relevant stakeholders (internal and external) openly and promptly;
- Define levels of materiality pertaining to matters raised for its consideration, reserving specific powers to itself and delegating other matters by written authority to management;
- Give direction in all matters and approve project proposals compiled by the Consumer Education Department of the Financial Services Board in the context of the Deed of Trust and monitors implementation of approved projects;
- Determine policy and processes to ensure the integrity of:
 - Risk management and internal controls; and
 - Trustee selection and orientation.

Trustees adhere to a code of ethics which incorporates agreed upon standards of accepted behaviour and guidance in decision making, promote integration and co-ordination and reaffirm the Trustees' commitment to the Foundation.

Foundation committees

The Foundation has established and mandated committees to perform work on its behalf in key areas affecting the business of the Foundation, as follows:

- Audit and Risk; and
- Project Proposals

Audit and Risk committee

Members	Date of appointment
Ms F. Evans	14 March 2016 - Chairman
Ms C.D. Da Silva	14 March 2016
Mr T.T.M. Kgokolo	14 March 2016
Mr K. Mothobi	14 March 2016

The audit committee consists of four Trustees.

The committee operates under an approved Terms of Reference in accordance with the code, assisting the Foundation to fulfil its corporate governance supervision responsibilities relating to accurate financial reporting and adequate financial systems and controls.

Terms and reference:

The committee's responsibilities include:

- Monitoring the Foundation's accounting policies and disclosures;
- Recommending actions by the Foundation to ensure compliance with International Financial Reporting Standards for Small and Medium-sized Entities;
- Discussing and agreeing the scope, nature and priority of the external audit.

The committee reviews accounting policies and financial information issued to stakeholders. The Chairman of the committee reports to the Foundation on the committee's deliberations and decisions. The external auditors have unrestricted access to the committee.

The committee:

- Is satisfied that the external auditors were independent for the period under review;

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

CORPORATE GOVERNANCE REPORT

- Has reviewed the appropriateness of the expertise, adequacy and resources of the finance function and experience of the financial manager provided by the Financial Services Board and is satisfied with the results of the reviews;
- Has considered and recommended the financial statements to the Trustees of the Foundation.

The committee has satisfied its responsibilities under its terms of reference and has complied with its legal regulatory responsibilities. The Foundation has appraised the performance of the committee and considers that it has adequately discharged its duties.

Project Proposal Sub-committee

Members	Date of appointment
Ms R.G. Govender	27 November 2012 - Chairman
Ms N.Y. Lechaba	14 March 2016
Mr D.P. Beckett	12 November 2009
Dr L.T. Kaseke	27 November 2012
Ms C.D. Da Silva	14 March 2016
Dr N.P. Mbava	14 March 2016

The Projects Proposal Sub-committee consists of six Trustees.

The Sub-committee operates under approved Terms of Reference to assist the Foundation to fulfil its corporate governance supervision responsibilities, which relate to approving project proposals submitted by the Financial Services Trustees Consumer Education Department (CED) and allocating funds for the implementation of approved projects.

Terms and reference

The Sub-committee's responsibilities include:

- Approving proposals to determine whether they meet the requirements of the Foundation and are eligible for funding subject to projects in excess of R 2 million which they recommend for approval to the full board of trustees.
- Ensuring that approved projects contain frameworks for management.

- Monitoring milestones against which progress can be measured and payments made.
- Monitoring implementation of approved projects and making recommendations when necessary.
- Monitoring that assistance provided by the Foundation is consistent with the initial proposal.
- Monitoring expenditure against budgets.
- Monitoring on-going availability of funds to sustain approved projects.

The Chairman of the Sub-committee reports to the Trustees of the Foundation on the Sub-committee's deliberations and decisions.

The Trustees have appraised the performance of the Sub-committee and consider that it has adequately discharged its duties.

TRUSTEES' RESPONSIBILITIES AND APPROVAL

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

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.


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

The Trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

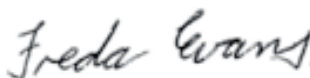
The Trustees have reviewed the Trust's cash flow forecast for the year to 31 March 2019 and, in the light of this review and the current financial position, they are satisfied that the Trust has adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Trust's annual financial statements. The annual financial statements have been examined by the Trust's external auditors and their report is presented on pages 20 - 21.

The annual financial statements set out on page 25 - 35 which have been prepared on the going concern basis, were approved by the Board of Trustees on the 22 February 2019 and were signed on its behalf by:



Ms R.G. Govender



Ms F.M. Evans

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

TRUSTEES' REPORT

The trustees submit their report for the year ended 31 March 2018.

1. The Trust

The Trust was formed in terms of a fund settlement by the Financial Services Board dated 29 October 2004 and registered with the Master of the Supreme Court under registration number IT 40/2005 on 13 January 2005. The Trust is also registered with the Department of Social Welfare as a non-profit organisation under registration number 041-226-NPO.

2. Review of activities

Main business and operations

Operates as a public benefit organisation on a non-profit basis with its main objective being to promote the education of potential users of financial products and services provided by financial institutions and bodies.

Net deficit of the Trust was R 4 703 720 (2017: surplus R 4 127 789).

Donations received

The Foundation received donations totaling R 5 573 800 (2017: R 5 948 500). The donors were as follows: - ABSA Bank Limited R 2 000 000; Mercedes-Benz Financial Services R 2 160 000; Sesfikile Capital (Pty) Ltd R 200 000; Foord Asset Management R 800 000; Peregrine Equities R 250 000 Bidvest Bank R 100 000; Riscura Holdings R 50 000; Ekurhuleni Metro Municipality R 4 800 and Mr Dube Tshidi R 9 000.

Interest received

The increase in interest received from R 3 259 278 in 2017 to R 3 577 626 in 2018 is as a result of the increase in funds invested and the interest rate offered by Corporation For Public Deposit, a subsidiary of the South African Reserve Bank.

Projects and activities initiated and implemented

Project / Activity details	Approved budget	Spent prior years	Spent this year (including accruals)	Unspent
	R	R	R	R
Conducting Consumer Financial Education Exhibitions	243 500	(139 614)	(40 624)	63 262
Trustee workshop & Toolkit Reprint	1 000 000	(604 980)	(23 485)	371 535
Revision CFE Booklets	1 770 000	(250 253)	-	1 519 747
Train the trainer	1 511 620	(543 600)	(330 900)	637 120
Interprovincial Speech Competition	2 590 788	(15 947)	(1 870 473)	704 368
Money Smart Money Week	500 000	(149 967)	(349 924)	109
SASAS/INFE Study 2015/16	400 000	(400 000)	-	-
Industrial theatre and exhibitions for Youth in EC and WC	2 611 569	(2 611 569)	-	-
Development of Content for POA Qualification	970 000	(970 000)	-	-
Speech Contest (Gauteng) 2016	420 000	(340 557)		79 443

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

Project / Activity details	Approved budget	Spent prior years	Spent this year (including accruals)	Unspent
	R	R	R	R
Investor Education Project	470 000	(138 240)	(92 160)	239 600
Reprint of CED Resources	309,000	(238 729)	-	70 271
Investor Education Pilot-Rural	1 695 000	(800 000)	(414 283)	480 717
Foundation and donor Branded Promotional items	139 350	(119 642)	-	19 708
Members of Pension Fund Proposal	1 151 050	-	(168 550)	982 500
Financial Gameshow and Industrial Theatre	8 000 000	-	(5 381 143)	2 618 857
SAICA 2017	952 000	-	(821 208)	130 792
FSB on Wheels	1 052 500	-	(200 832)	851 668
EPWP / FSB	6 842 560	-	(3 941 162)	2 901 398
Saica/Thuthuka Project 2016	695 000	(687 425)	-	7 575
Platfontein Financial Literacy Project	492 750	(180 086)	(4 522)	308 142
Total	33 816 687	(8 190 609)	(13 639 266)	11 986 812

The total amount spent on projects for the year is R 13 639 266 and prior years project expenditure was R24 349 973. All unspent funds on completed projects remain invested and will be utilised on future projects.

Project funding approved and activities initiated.

Project / Activity details	Approved budget R
Updating Financial Guide for Youth	1 777 900
Interprovincial - Speech Competition	5 355 150
SASAH Study into Financial Literacy	650 000
TASP	932 100
Money Smart Week	9 000 000
Total	17 715 150

In addition to the aforementioned projects and activities funded by the Foundation, the Financial Services Board has also funded and executed the following projects.

Project details	Spent this year	Spent last year
	R	R
Consumer Education activities from its Discretionary Fund	8 475 514	4 339 034
Cost of running the Consumer Education Department	11 555 125	10 894 750
	20 030 639	15 233 784

3. Events after the reporting period

The Trustees are not aware of any matter or circumstance arising since the end of the financial year and the date of this report that has a material impact on the annual financial statements.

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

4. Management agreement

In terms of section 12 of the Trust Deed, the Financial Services Board shall perform the secretarial, administrative and financial activities of the Foundation at no cost to the Foundation, until the Board of Trustees or the Financial Services Board decides to terminate the agreement. In performing the activities referred to in paragraph 12.1 the Financial Services Board must implement the decision of the Trustees in accordance with their directions.

5. Trustees

The trustees serving during the year ending 31 March 2018 were as follows:

Name	Nationality
Ms R.G. Govender	South African
Mr D.P. Beckett	South African
Dr L.T. Kaseke	South African
Ms H.J. Wilken-Jonker	South African
Ms F.M Evans	South African
Ms N.Y Lechaba	South African
Ms N.P Mbava	South African
Mr T.T.M Kgokolo	South African
Mr K.M Mothobi	South African
Ms C.D Da Silva	South African

6. Auditor

SizweNtsalubaGobodo Grant Thornton Incorporated will continue in office for the next financial period.

7. Trustees' benefits

The Foundation has made no payments to the Trustees. The Financial Services Board has however made the following payments to the Trustees for services rendered as Trustees and/or subcommittee members to the Foundation. None of these payments are recoverable from the Foundation.

Trustees	2018 R	2017 R
Mr D.P. Beckett	59 448	64 558
Ms R.G. Govender	67 296	35 572
Dr L.T. Kaseke	77 374	64 558
Ms N.K. Lechaba	42 676	64 558
Mr M.K. Mothobi	23 384	64 558
Ms P.N. Mbava	67 296	48,747
Mr T.T. Kgokolo	43 967	38,207
Ms F. Evans	63 241	22,397
Ms H.J. Wilken-Jonker	-	26,350
Total	444 682	429 505

In addition to the payments above, Financial Services Board has reimbursed the Trustees' travelling costs to the amount of R 5 350 (2017: R 7 476). None of these travelling costs are recoverable from the Foundation.

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

Statement of Financial Position

Figures in Rand	Note(s)	2018	2017
Assets			
Current Assets			
Cash and cash equivalents	2	47 869 774	50 342 209
Total Assets		47 869 774	50 342 209
Equity and Liabilities			
Equity			
Trust capital	3	1 000 000	1 000 000
Accumulated surplus		43 108 677	47 812 397
		44 108 677	48 812 397
Liabilities			
Current Liabilities			
Trade and other payables	4	3 761 097	1 529 812
Total Equity and Liabilities		47 869 774	50 342 209

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

Statement of Comprehensive Income

	Note(s)	2018	2017
Revenue			
Donations received		5 573 800	5 948 500
Investment revenue	5	3 577 626	3 259 278
		9 151 426	9 207 778
Operating expenses			
Audit fees		(44 705)	(42 174)
Bank charges		(10 169)	(7 682)
Employee costs	6	(63 540)	-
Other operational expenses		(52 925)	(113)
Placement fees		(44 541)	-
Project expenses	7	(13 639 266)	(5 030 020)
		(13 855 146)	(5 079 989)
(Deficit) surplus for the year		(4 703 720)	4 127 789
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		(4 703 720)	4 127 789

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

Statement of Changes in Equity

Figures in Rand	Trust capital	Accumulated surplus	Total equity
Balance at 01 April 2016	1 000 000	43 684 608	44 684 608
Surplus for the year	-	4 127 789	4 127 789
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	4 127 789	4 127 789
Balance at 01 April 2017	1 000 000	47 812 397	48 812 397
Deficit for the year	-	(4 703 720)	(4 703 720)
Other comprehensive income	-	-	-
Total comprehensive deficit for the year	-	(4 703 720)	(4 703 720)
Balance at 31 March 2018	1 000 000	43 108 677	44 108 677
Note(s)	3		

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

Statement of Cash Flows

Figures in Rand	Note(s)	2018	2017
Cash flows from operating activities			
Cash (used in) generated from operations	9	(6 050 061)	2 148 785
Interest income		3 577 626	3 259 278
Net cash from operating activities		(2 472 435)	5 408 063
Total cash movement for the year		(2 472 435)	5 408 063
Cash at the beginning of the year		50 342 209	44 934 146
Total cash at end of the year	2	47 869 774	50 342 209

ACCOUNTING POLICIES

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The annual financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Trust capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of a Trust after deducting all of its liabilities.

There have been no changes to the issued Trust capital during the year under review.

1.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification

The Trust classifies financial instruments into the following categories:

- Financial assets at fair value
- Financial assets at amortised cost

Classification depends on the purpose for which the financial instruments were obtained/incurred and takes place at initial recognition.

Initial recognition and measurement

Financial instruments

When a financial asset or liability is recognised initially, it is measured at its fair value, plus on the case of a financial asset or liability not at fair value or loss, transaction costs are directly attributable or issue of the financial asset or liability.

Subsequent measurement

Financial assets

Financial assets at fair value are subsequently still measured at fair value.

Trade and other payables

Trade and other payables are recognised at fair value and subsequently measured at amortised cost using the effective interest rate.

Cash and cash equivalents

Cash and cash equivalents include deposits held at bank and other short-term highly liquid investments. Cash and cash equivalents are recognised at cost which equates to the fair value.

Derecognition

Financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expires or when it is transferred and the transfer qualifies for derecognition whereas financial liabilities are derecognised when and only when, the trust obligations are discharged or expire.

1.3 Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Trust and that the revenue can be reliably measured. Revenue is measured at fair value of the consideration received or receivable.

Revenue comprises:

- Donations
- Investment revenue

Donations

Donations are recognised as revenue when received or receivable by the Trust.

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

ACCOUNTING POLICIES

Interest

Interest received comprises of interest income on funds invested. Interest is recognised for the period, in surplus or deficit, on a time proportion basis using the effective interest rate method.

1.4 Related parties

Related parties are considered to be related to the Trust if they have the ability, directly or indirectly, to control, jointly control or exercise significant influence in making financial and operating decisions, or vice versa.

All payments to Trustees of the Foundation are disclosed as related party transactions.

1.5 Employee Benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Compensation paid to employees for the rendering of services are recognised at the undiscounted amount paid or expected to be paid in the accounting period in which the services were rendered.

Where employees accumulate entitlement for paid absences, an expense is recognised as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

Notes to the Annual Financial Statements

Figures in Rand	2018	2017
2. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	1 991 118	1 841 178
Short-term deposits	45 878 656	48 501 031
	47 869 774	50 342 209
3. Trust capital		
Founder's donation		
Founder's donation on formation of Foundation in terms of paragraph 6,1 of the Trust Deed.	1 000 000	1 000 000
4. Trade and other payables		
Accounts payables	2 439 604	1 516 312
Accruals	1 321 493	13 500
	3 761 097	1 529 812
5. Investment revenue		
Interest revenue		
Short term deposits	3 577 626	3 259 278
6. Employee cost		
Direct employee costs		
Basic salary	59 065	-
Leave accrual expense	4 475	-
	63 540	-
Prior to 2016, the Foundation employed a full-time fundraiser. This position was vacated in the month of October 2015 and a decision was made to freeze the position. The Trustees reversed their decision in 2017 to employ a full time fundraiser.		
7. Project expenses		
Printing	2 268 121	999 162
Professional fees for consumer education projects	-	549 967
Workshops	11 371 145	3 300 024
Multimedia education programme	-	180 867
	13 639 266	5 030 020

Financial Services Consumer Education Foundation

(Registration number IT 40/2005)

Annual Financial Statements for the year ended 31 March 2018

Notes to the Annual Financial Statements

Figures in Rand	2018	2017
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8. Taxation

The Foundation has been approved by the South African Revenue Services as a public benefit organisation in terms of section 30 of the Income Tax Act No 58 (The Act) and the receipts and accruals are exempt from income tax in terms of section 10(1)(Cn) of the Act.

9. Cash (used in) generated from operations

(Deficit) surplus before taxation	(4 703 720)	4 127 789
Adjustments for:		
Interest received	(3 577 626)	(3 259 278)
Changes in working capital:		
Trade and other payables	2 231 285	1 280 274
	<u>(6 050 061)</u>	<u>2 148 785</u>

10. Related parties

Related party transactions

Related party	Relationship		
Trustees	Key management personnel		
Benefits granted to (Received from) related parties			
Fees for services as Trustees - Paid directly by Financial Services Board		444 682	429 505
Payments by Financial Services Board to Trustees not recovered from Foundation		(444 682)	(429 505)
		<u>-</u>	<u>-</u>

11. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

12. Events after the reporting period

The Trustees are not aware of any material event or circumstance arising since the end of the financial year to date of this report, not otherwise disclosed in the annual financial statements, which significantly affects the financial position, results or cash flows of the Trust.





PART D DONORS

INCENTIVES FOR DONORS: THE BENEFITS OF MAKING DONATIONS TO THE FOUNDATION

In 2009, the South African Revenue Services granted approval to the Foundation for the purposes of section 18A of the Income Tax Act (Act 58 of 1962). Accordingly, donations received are tax deductible; a crucial incentive when considering donating to the Foundation.

Donors can earn Broad-Based Black Economic Empowerment (B-BBEE) scorecard points based on the consumer education or access to financial services pillars. The weighting of the pillars is three points or two points, respectively, with a target after tax contribution of 0.3% and 0.4% respectively.

OPERATIONS AND GOVERNANCE

The Foundation is administered by a Board of independently elected trustees, all of whom are vetted to ensure they bring the highest level of skills required to administer the Foundation. The Foundation is supported by two sub-committees, the Audit and Risk sub-committee and the Project Proposal sub-committee. The FSB supports

the operations of the Foundation and the implementation of its projects.

Should you require more information, please contact Ms Prem Govender (Chairperson) on 033 533 1106 or e-mail: prem@mosswick.co.za.

THE DONORS

Donors from 1 April 2017 to 31 March 2018:

NO.	DONATIONS
1	Absa Bank Limited
2	Bidvest Bank Limited
3	Ekurhuleni Metro Municipality
4	Foord Asset Management
5	Mercedes-Benz Financial Services South Africa (MBFS)
6	Peregrine Equities
7	RisCura Holdings South Africa
8	Sesfikile Capital

The Foundation received donations totaling R 5 573 800.00



DONATIONS RECEIVED
R 5 573 800.00



PROCEDURES FOR DONATING TO THE FINANCIAL SERVICES CONSUMER EDUCATION FOUNDATION

The following steps need to be followed prior to depositing your donation in the Foundation's bank account. Note that an invoice must **first** be issued by the Finance Department

of the Financial Sector Conduct Authority. Should you make payment prior to the invoice being issued, the Foundation may not be in a position to accept your donation.



Request the donation form, complete the form and return it to the Manager: Donor Relations of the Foundation via email.



Upon receiving the completed form, the Foundation will issue you with an invoice via e-mail. The usual turnaround time for the issuing of the invoice is three working days.



Upon receipt of the invoice, please use the details below to make your deposit. Please send proof of payment to the Manager: Donor Relations of the Foundation.

The banking details are as follows:

Account holder: Financial Services Consumer Education Foundation (FSCEF)

Bank name: Standard Bank

Branch: Menlyn

Branch code: 01 23 45

Account number: 411340417

Reference number: Invoice number and company name



Once the Foundation has received confirmation that the funds have been deposited, the Foundation will issue a letter of acknowledgement and the Section 18(A) certificate via e-mail. The original certificate will be sent via courier to the physical address provided by the donor.

Should you require more information, please contact Mr Roy Bingham (Manager: Donor Relations) on 012 422 2998 or email: roy.bingham@fsca.co.za





PART E CASE STUDIES



**FINANCIAL
SERVICES
BOARD**



SPEECH COMPETITION

INTRODUCTION

Financial literacy among South Africans is lower among young people (16 to 19 years) when compared to the overall population¹. Considering that the youth of today are the economic contributors of tomorrow it is important to provide them with financial education (with the ultimate aim of achieving financial literacy and financial inclusion).

For the past two decades the KwaZulu-Natal Financial Literacy Association (KZNFLA) has hosted the annual Money Talk Speech Competition which is open to Grade 11 learners across KwaZulu-Natal. Based on the successes of the KwaZulu-Natal model, the Financial Services Board (FSB)² received funding from the Financial Services Consumer Education Foundation (FSCEF) to pilot the same

model in Gauteng. The FSB partnered with the Gauteng Department of Education (GDE) and the Financial Planning Institute (FPI) and in 2016, the inaugural Gauteng School's Financial Literacy Speech Competition was successfully implemented.

Recognising the importance of financial literacy for young people, in 2017, the FSB and the Eastern Cape, Gauteng and KwaZulu-Natal Provincial Departments of Education (PDEs) partnered to implement the MyLifeMyMoney Financial Literacy Speech Competition. The decision to expand the Competition was based on the successes of the 2016 Gauteng pilot which was in turn based on KZNFLA's model.



- 1 South Africa's overall literacy level is 55%, while the literacy levels of young people is 44% (Human Sciences Research Council. 2012. Financial Literacy in South Africa: Results of a baseline national survey).
- 2 The Financial Services Board (FSB) has undergone legislative changes and as of 1 April 2018, and was replaced by the Financial Sector Conduct Authority (FSCA). This is in accordance with the Financial Sector Regulation Act (2017). The MyLifeMyMoney Financial Literacy Speech Competition was implemented prior to 1 April 2018. Therefore, this case study refers to the regulator as the FSB and not as the FSCA. For all programmes introduced after 1 April 2018, the regulator will be referred to as the FSCA.

PROJECT OVERVIEW

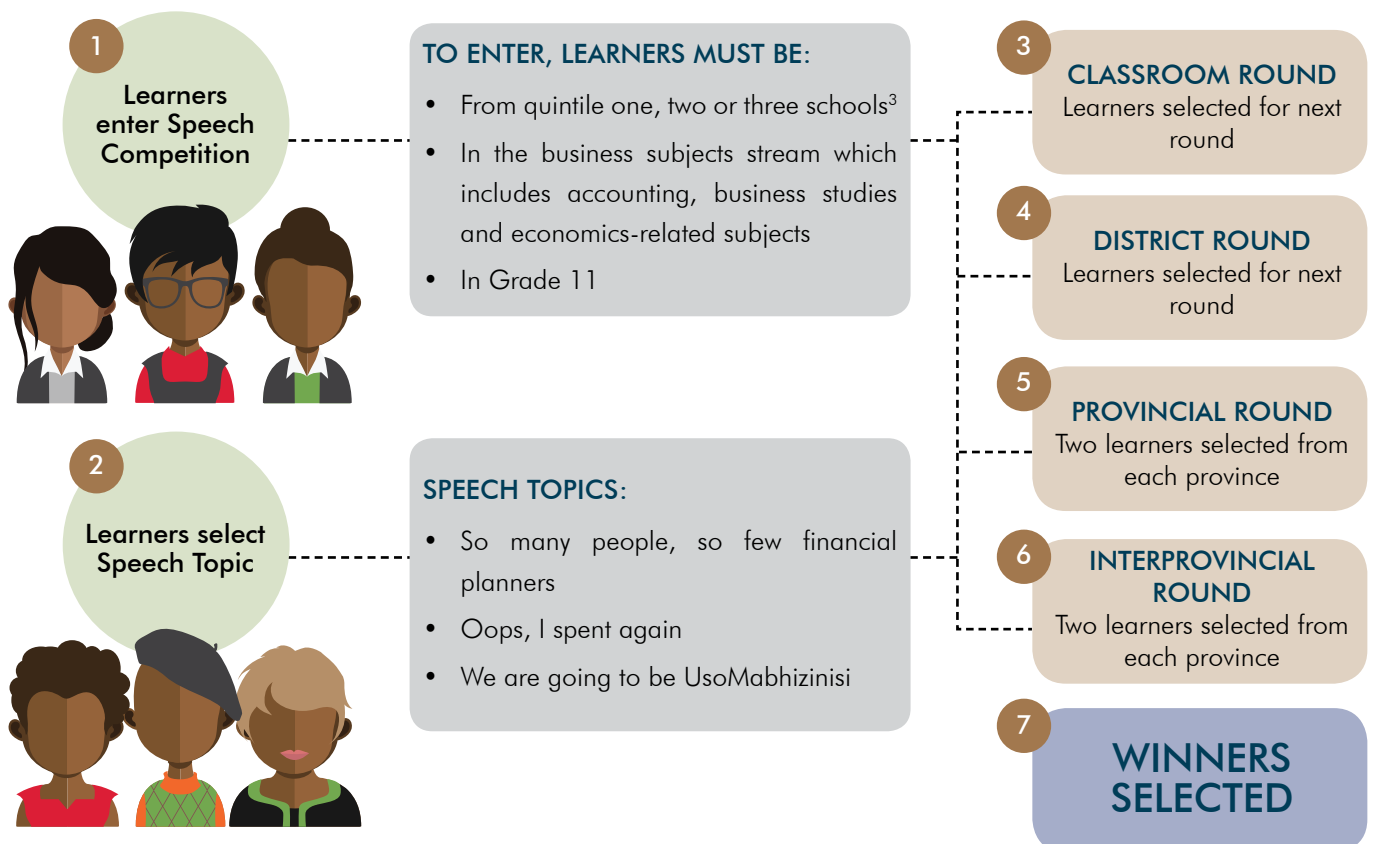
The Speech Competition pilot was rolled out in Gauteng in 2016 and was extended to KwaZulu-Natal and the Eastern Cape in 2017. In the same year, the programme was renamed to the *MyLifeMyMoney Financial Literacy Speech Competition*.

THE OBJECTIVES OF THE COMPETITION ARE AS FOLLOWS:

- Promote financial literacy in schools, covering the topics of budgeting, savings, investments and consumer rights. Young people are encouraged to share what they have learned with their family and friends.
- Create awareness around the importance of financial advice and possible careers in the financial services industry.
- Encourage entrepreneurship.
- Deepen the learners' understanding of the financial concepts taught at school. This is in line with a key principle of the Curriculum and Assessment Policy Statement (CAPS) which encourages the integration of theory and practice to maximise learning.



OVERVIEW OF THE SPEECH COMPETITION:



³ The quintile system allocates all government schools into one of five categories, with quintile one signifying the poorest schools and quintile five signifying wealthier public schools. The quintile to which a school is assigned is based on income, unemployment and illiteracy levels within the school's catchment area. These quintiles help the National Department of Basic Education determine which public schools may or may not charge school fees

APPROACH TO MONITORING & EVALUATION

The programme's theory of change was formulated by the evaluation team and approved by the FSB. The theory of change depicts the logic (or theory) underpinning the project by identifying the project activities, showing how these lead to immediate outputs, and showing how these, in turn, inform future outcomes and affect impact objectives in the long-term. The intended impacts of the Speech Competition were that winners demonstrate sustained financial planning for major financial decisions; and that participating learners have an increased understanding of

responsible financial behaviour and consumer rights and responsibilities.

The evaluation team drew on the Organisation for Economic Cooperation and Development's (OECD) Development Assistance Committee's (DAC) criteria for evaluating development effectiveness to frame the evaluation questions and analysis framework. The following criteria were analysed; relevance, effectiveness, efficiency, impact, and sustainability.

DATA COLLECTION PROCESS

IN CONDUCTING THE MONITORING AND EVALUATION FOR THE SPEECH COMPETITION, THE EVALUATION TEAM COLLECTED DATA FROM:

1 SITE OBSERVATIONS: The evaluation team conducted six site observations (three in Gauteng and three in the Eastern Cape). During the site visits, the team assessed the timeliness of the events, the appropriateness of the venue, seating, sound, branding, attendance and consistency across the events. Informal interviews were conducted at these site observations.

2 FOCUS GROUP DISCUSSIONS (FGDS): FGDS were held with learners, educators, and PDE officials. The purpose of these discussions was to document the experiences that the learners, educators, and officials had of the programme, as well as to gather any general feedback (positive or negative) regarding the Competition and the impact that it has had.

3 KEY INFORMANT INTERVIEWS (KIIS): The evaluation team conducted KIIs with representatives from the FSB, the three PDEs and the events and project management service provider that implemented the Speech Competition

The successes and lessons learned that are presented below are based on the data collected from the site observations, FGDS and KIIs.

SUCCESSES

PLANNING AND IMPLEMENTATION

- The Competition was relevant to the learners at both an academic and social level. The competition topics were well aligned to the curriculum of the business subjects stream. The topics were, therefore, well-selected as the knowledge gained from the competition reinforced what was being taught to the learners in the classroom. The Competition allowed the learners to think more deeply about the financial literacy content which is taught in their business subjects stream classes. This is in line with one of the objectives of the Competition which is to encourage the integration of theory and practice to maximise learning. The Competition was also a platform which sought creative ways of teaching important financial life skills.
- The interprovincial final was well-planned and effectively managed. The venue was spacious enough to accommodate the audience. The programme was adhered to, and the event started and finished on time. The venue was well-branded with banners portraying partnership between the FSB, the three PDEs, the Financial Planning Institute (FPI) and the KZNFLA.
- The FSB and the PDEs had a good working relationship, particularly in Gauteng where the Speech Competition had been piloted.
- The learners were well-supported by their teachers. The learners noted that the support they had received from their teachers throughout the Competition was invaluable.

IMPACT ON THE LEARNERS

- The Competition prompted conversations among the learners, their families, and friends about finances and financial management. This relates to the objective of increasing awareness of consumer rights (as part of overall financial literacy) and learners disseminating these lessons.
- The learners understood the financial literacy objectives of the programme well. The learners correctly understood that the objectives of the Competition were to educate them on financial literacy including the dangers of overspending; encouraging financial responsibility and discouraging debt.
- Learners noted that as a result of the Competition, there were improvements in their researching, comprehension and public speaking skills. Their confidence levels improved as a result of the Competition.

LESSONS LEARNED

PLANNING AND IMPLEMENTATION

- The Competition was extended to KwaZulu-Natal and the Eastern Cape in 2017. A similar competition has however been held in KwaZulu-Natal (hosted by the KwaZulu-Natal Financial Literacy Association) since 1997. Because the Eastern Cape was completely new to the Competition, achieving buy-in to the Competition in the Eastern Cape was a challenge. The number of schools participating was therefore difficult to estimate. As a result, it was difficult for the events and project management service provider to plan for the implementation of the Competition in the Eastern Cape.
- The timing of the Competition was a challenge in the Eastern Cape. In some instances, the Competition coincided with exam and test periods for learners. The learners and teachers, therefore, faced competing priorities.
- In the Eastern Cape, budgetary constraints and a lack of learning materials were key constraints. The educators from the Eastern Cape noted that in order for the preparations to proceed, the schools had to share and make copies of the materials in instances where there was a shortage. In rural areas, in particular, duplicating material or providing internet access to learners so that they could conduct their research, was often a challenge. From a budget perspective, a number of schools in the Eastern Cape did not have a budget

for transport at the district Competition level, and as a result, 12 schools in Qumbu could not make it to the district Competition as the schools could not get cars to transport the learners to the Competition venue. There were similar challenges resulting from rolling out the Competition in rural KwaZulu-Natal schools. However, having implemented the competitions before, KwaZulu-Natal seemed to have had mitigation strategies in place for these challenges.

- The relationship between the foundation and the FPI was demonstrated in the attendance of Certified Financial Planners at some of the district finals in Gauteng, as well as at the provincial and interprovincial finals where the FPI was in attendance as one of the judges. FPI judges were however not present at district finals in the Eastern Cape. Because the Eastern Cape was participating in the Competition for the first time, the judges at the district finals differed to Gauteng because of the geographical distance between the districts and the limited participation of schools from the Eastern Cape.
- The scope of work for the events and project management company needed to be clarified. The selected service provider noted their experience was in events management, and less in project management. There was some confusion on the part of the service provider regarding roles, responsibilities and expectation.

IMPACT ON THE LEARNERS

- Participating schools were not all approached at the same time. Some schools could, therefore, prepare longer than others. In preparing for the Speech Competition, learners were not always given the opportunity to practice with a microphone and in some instances, learners noted that the time limit was not as strictly enforced in the earlier rounds than in the final rounds. This meant that learners were not equally prepared for the final rounds.
- Learners faced challenges in accessing information online. Some learners indicated that they had to conduct research on their own as their schools did not have internet facilities and that they accessed the internet either from an internet café or through their phones. This required the learners to either pay for bandwidth at the internet café or buy data bundles.

GOING FORWARD

- 1 Overall, the benefits of the Competition to the participating learners appear to outweigh the challenges which are currently largely implementation-related.
- 2 More time should be spent building the buy-in of new provinces to the Speech Competition.
- 3 As the FSB expands its reach in terms of the Speech Competition, more attention should be paid to the local contexts of learners, and their access to resources. This is particularly the case in rural areas. In terms of resource allocation, the FSB should consider directing their resources where there is a greater need for them.
- 4 The FSB and the PDEs need to work together to ensure that all schools are notified about the competition at the same time so that learners have the same amount of time to prepare.
- 5 In contracting the implementation of the programme, the FSB and the selected service provider should work together in ensuring that the terms of the agreement and scope of work are clarified prior to the work beginning.
- 6 The learners found the identified speech topics relevant to their lives but suggested the inclusion of a topic on insurance.





Financial Sector
Conduct Authority



SAICA'S THUTHUKA WINTER CAMPS 2017 PROGRAMME

EVALUATION AND TRACER STUDY | CASE STUDY

INTRODUCTION

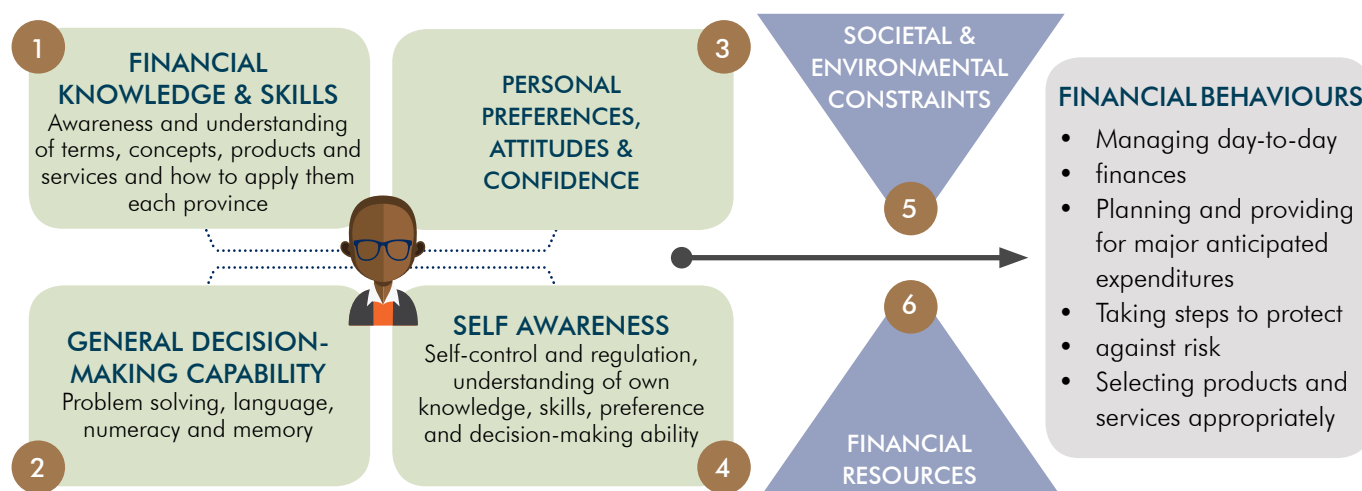
In 2013, the Financial Sector Conduct Authority (FSCA)¹ was invited by the South African Institute of Chartered Accountants (SAICA) in 2013 to present financial education workshops as part of the annual SAICA Thuthuka Winter Camps targeting Black and Coloured Matric students. Since then SAICA has continued to invite the FSCA to present these workshops on an annual basis.

This project, funded by the Financial Services Consumer Education Foundation (hereafter 'the Foundation') aims to empower matric learners with the financial skills and knowledge that they need to help them make better financial decisions. On average, about 2000 – 3000 learners have attended the SAICA Thuthuka Winter Camps annually. Previous evaluations of these workshops have shown that the FSCA-run workshops at the SAICA Thuthuka Winter Camps improve learner's financial literacy and attitude. However, these evaluations focused on short term changes in outcomes among the beneficiaries.

As such, there was a need to understand the degree to which participating in the FSCA-run workshops during the SAICA Thuthuka Winter Camps has resulted in longer term financial literacy and behaviour changes in the students. Therefore, this evaluation includes a tracer study in addition to the workshop evaluation. The participants in the tracer study are drawn from 2015 and 2016 SAICA Thuthuka Camp beneficiaries.

PROJECT OVERVIEW

In 2013, the FSCA developed a programme aimed to improve the financial literacy of participants of the SAICA Thuthuka Winter Camps. Financial education is expected to influence financial attitudes and behaviours, however financial attitudes and behaviours are influenced by several social and economic factors. These factors include the ability of one's financial resources to meet their basic needs and whom one is reliant on for income. Often these social and economic factors are not within a person's control and a financial education programme will not have an influence on the extent to which they constrain an individual's financial attitudes and behaviours. This means that the effectiveness of the programme's outcomes will be influenced by the factors illustrated below:



¹ Previously the Financial Services Board (FSB)

The FSCA has been delivering consumer education workshops for SAICA Thuthuka Winter Camp learners since 2013. This is in an effort to promote financial inclusion² in the sector. These workshops are two hours long and are generally conducted in a lecture-style format given the large volumes of students in each venue. A total of 11 workshops were conducted in June/July 2016. The key financial education topics covered are listed in the box on the right.



- The role of the FSCA
- South Africa's economic landscape
- Youth indebtedness
- Steps to financial well-being
- Financial planning Needs and wants Budgeting
- Saving and investments
- Get rich quick schemes

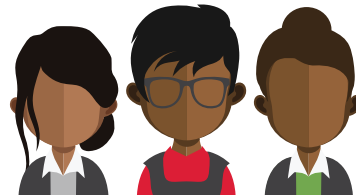
APPROACH TO MONITORING & EVALUATION

The programme's theory of change was formulated by the evaluation team and approved by the FSCA. The theory of change depicts the logic (or theory) underpinning the project by identifying the project activities. The latter is utilised to show how they lead to immediate outputs, and showing how these, in turn, inform future outcomes and affect impact objectives in the long-term.

The intended impact of the SAICA Thuthuka Winter Camps is to improve the financial knowledge and skills of the beneficiaries. The delivered consumer education is anticipated to be retained over time and that the beneficiaries' attitude and awareness on financial literacy improves. This results in wiser financial decisions which contributes to sustained positive financial behaviours.

DATA COLLECTION PROCESS

IN CONDUCTING THE MONITORING AND EVALUATION FOR THE SAICA THUTHUKA WINTER CAMPS, THE EVALUATION TEAM COLLECTED DATA FROM:



2017 PROGRAMME EVALUATION



SITE OBSERVATIONS:

The evaluation team conducted one site visit (Gauteng) to assess implementation. During the site visit, the team observed the learner's receptiveness and engagement during the workshops, the effectiveness of the presenter as well as the appropriateness of the venue.



PRE- AND POST-TESTS:

Multiple choice questionnaires with the same six questions assessing attitude and financial behaviours are distributed to learners before and after they participate in the workshop. A total of 978 completed tests were included in the analysis (450 pre-tests and 428 post-tests).

TRACER STUDY



ONLINE SURVEY:

This survey was distributed via SMS and email to past SAICA Thuthuka Winter Camp attendees as per the provided contact information by SAICA. All completed surveys were included in the analysis. Of the 4891 invitations sent, there were 733 responses. Of those responses, 598 were completed. This is an overall completion rate of 12 percent.

The successes and lessons learned that are presented alongside are based on the data collected via these methods.

² Financial inclusion is "the process of ensuring access to appropriate financial products and services needed by vulnerable... and low income groups at an affordable cost"

SUCCESSSES

2017 PROGRAMME EVALUATION

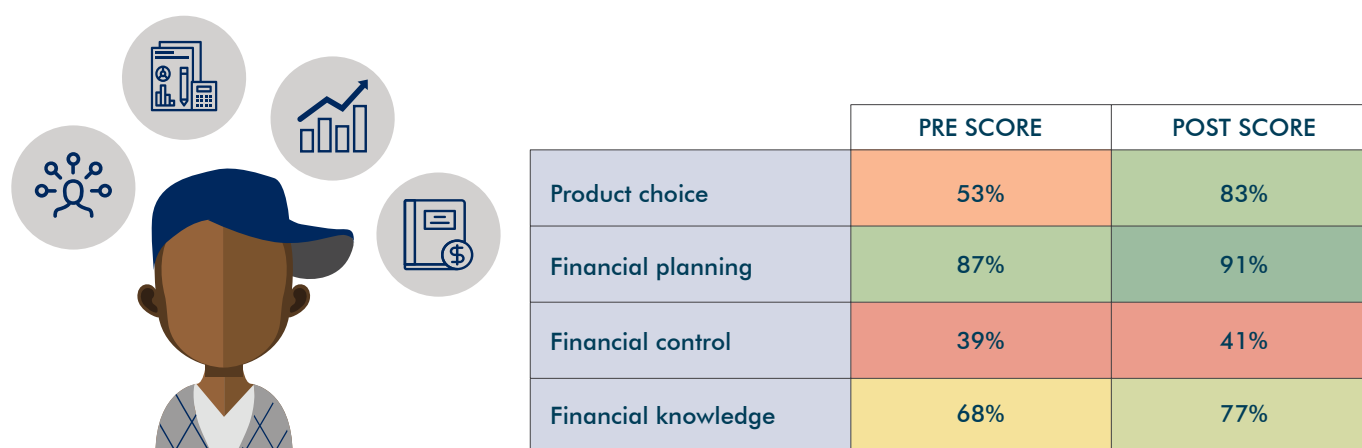
The pre-and post-tests show that learners had an average level of financial literacy. The average score of the pre-tests was 4/7 (57%), which demonstrates the relevance of the programme for the target audience.

As a result of the workshop, the average score of the beneficiaries increased to 5/7 (71%). This is a large increase and reflects the strength of the programme.

At an individual level, 257 (60%) of the participants had higher post-test scores and 47 (11%) had a decrease in their post- test scores. An overwhelming majority of the participants experienced an increase in their financial knowledge.

- The aggregate knowledge retention according to the analysed data had increased by participating in the FSCA-run workshops conducted during the SAICA Thuthuka Winter Camps.
- The pre-and post-tests asked questions that were grouped according to the four domains of financial literacy: product choice, financial planning, financial behaviour and financial knowledge. There were increases in all four of the groups, with the largest increase being the participants' awareness and use of financial products.

FIGURE 2: Positive change in scores across the four domains of financial literacy covered in the programme



TRACER STUDY

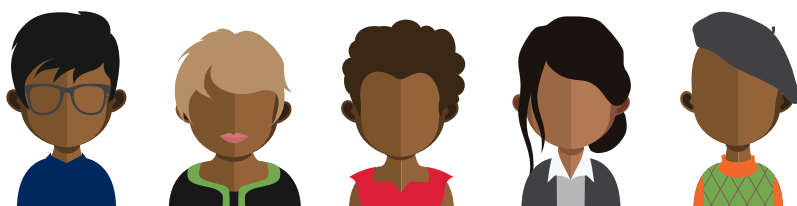
- Beneficiaries of the FSCA-run workshops reported positive financial behaviours sometime after having been part of the programme.
- 31% of the sample said that they have kept a budget every month for the past 12 months.
- Another positive result of the tracer is how the past beneficiaries say they would handle a windfall. 71% of the participants say that they would save R200 that they got on their birthday to buy something important.
- The majority of the beneficiaries in the sample use financial products. The most used products are a current account followed by a savings account. Credit-based products such as loans and credit cards are among the least used together with insurance, investment and mobile money products.
- 45% of the beneficiaries said that they got financial products as a result of the information shared during the FSCA- run workshops at the SAICA Thuthuka Winter Camps.
- Beneficiaries appreciate the importance of saving money and avoid frivolous or conspicuous consumption.
- An overwhelming majority of students (90%) said that they do not believe that having expensive things is more important than saving.

LESSONS LEARNED

- 1 While the Genesis team conducted one site visit in Gauteng, the majority were conducted by officials from the FSCA. Due to unforeseen circumstances the observation forms could not be analysed. As a result, the perspective of these officials did not feed into the findings
- 2 Due to the Protection of Personal Information (POPI) Act, the evaluation team had difficulties accessing the contact details of past programme participants.
- 3 Past beneficiaries were contacted using SMS and email to invite them to complete the survey. While the overall response rate for the tracer survey was positive, this was driven by the SMSs as the majority of emails either bounced back or were unopened.
- 4 Insufficient income to cover monthly expenses, particularly university tuition is a key challenge faced by the beneficiaries in the sample. While the successes of the programme listed above illustrate an improvement in beneficiaries' approach to financial decisions, individual circumstances still limit the degree to which these can be implemented consistently.

GOING FORWARD

- 1 It is important for FSCA to continue interacting with SAICA learners after they have been part of the programme. Social media presents an opportunity to do this through setting up a Facebook group for past participants.
- 2 FSCA workshop beneficiaries still have financial challenges. These are mainly related to the costs of being a tertiary student. The FSCA could help alleviate this by including a topic on funding tertiary education in their workshops during the SAICA Thuthuka Winter Camps
- 3 Beneficiaries often shared what they learnt at the workshop with their friends and family. This has the potential to extend the impact of FSCA-run workshops beyond the direct beneficiaries. Providing the participants with resources that can be shared with others within their sphere of influence would support the broader impact goals of the programme.
- 4 The workshop material should be designed in collaboration with the students in order to ensure that it is relevant to their needs. This would also allow for the incorporation of financial trends that the participants may be exposed to and need information on.
- 5 Digital data collection tools such as a digital clicker system or SMS systems would reduce the amount of time used in the sessions for data collection. This extra time could then be used to introduce new topics or elaborate on the existing topics.
- 6 A controlled behavioural experiment could be used to assess whether the ultimate impact of the programme, behaviour change, has been achieved. This would require a large sample of learners and would need to focus on a specific behaviour such as saving. An experiment of this kind would also support the positive findings of the tracer study.



Prepared By

G:ENESIS
UNLOCKING VALUE FOR 20 YEARS

NOTES:

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