



Community Development Projects A Place To Excell

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NPO REGISTRATION NUMBER
079-572-NPO

INNOVATION FUND PROPOSAL

Introduction

The following proposal seeks to motivate seed funding from the Innovation Fund for sustainable football for development activities.

Seed funding, with the goal of assisting the youth of Laingsburg to:

- Start and implement income generation initiatives
- And supporting their initiatives by providing a continuum of services, which range from business development services to governance.

Problem Statement

Laingsburg is the smallest Municipality in the Western Cape, South Africa. It has a population of only 8289 people and this includes all the surrounding areas. 22.4% of the population is unemployed. 45% is physically handicapped in some form. Most of the challenges that the community faces are domestic violence, woman and child abuse, substance abuse, teen age pregnancies and prostitution. Most young people migrate from the area due to the lack of formal employment and the young people that are left behind are not employable due to a lack of skills development. Little or no job opportunities are available for these young people because Laingsburg has a very small private sector.

Opportunity

Context

Arise Community Development Projects has created a solution to a clearly defined need; the scale of the intervention does not even begin to address the size of the demand for training, development and job creation. Both the commercial and social opportunity is extraordinary.

The commercial opportunity

Given the statistics above, the assumption of Arise is that there is a market opportunity in 1 key area:

- *The establishment of a Co-operative*

The Key commercial impacts include:

An opportunity for young people to start a business with minimum risk and there is no restriction on the number of members that the Co-operative can have.

Community members will become self sustainable and will create jobs not only for themselves but for others too.

This will set a platform for the Co-operative to become a major financial contributor for the sustainability of the Sport for change activities

1. Distribution of quality affordable sportswear that could include the manufacturing of low cost clothing
2. The establishment of a cutting edge co-operative backbone by (i.e.: infrastructure, technological operating systems, upgraded equipment and a seasoned advisory team, which is replicable into other communities throughout Central Karoo District.
3. Longer working terms for young people that are generally only contracted to work for a period of six months

The social opportunity

The key social impacts include:

- Moving formally unemployable youth into employment;
- Increase of income to a previously disadvantaged community;
- Increased skill level and self-esteem of the young people;
- Increased access to information, services and connectivity through technology.
- Significant reduction in crime
- Strengthening of family values
- Building stronger family relationships
- Building strong inter community relationships
- Community empowerment with resource sharing and a sustainable program
- Accumulate and redistribute donations, and grants to all participants in a fair and impartial manner.
- Cross cultural interaction
- Impacting families and communities

**‘CONNECTOR’
‘A BALL CAN CHANGE LIVES’**



PROJECT NAME: CONNECT
Description of the Project

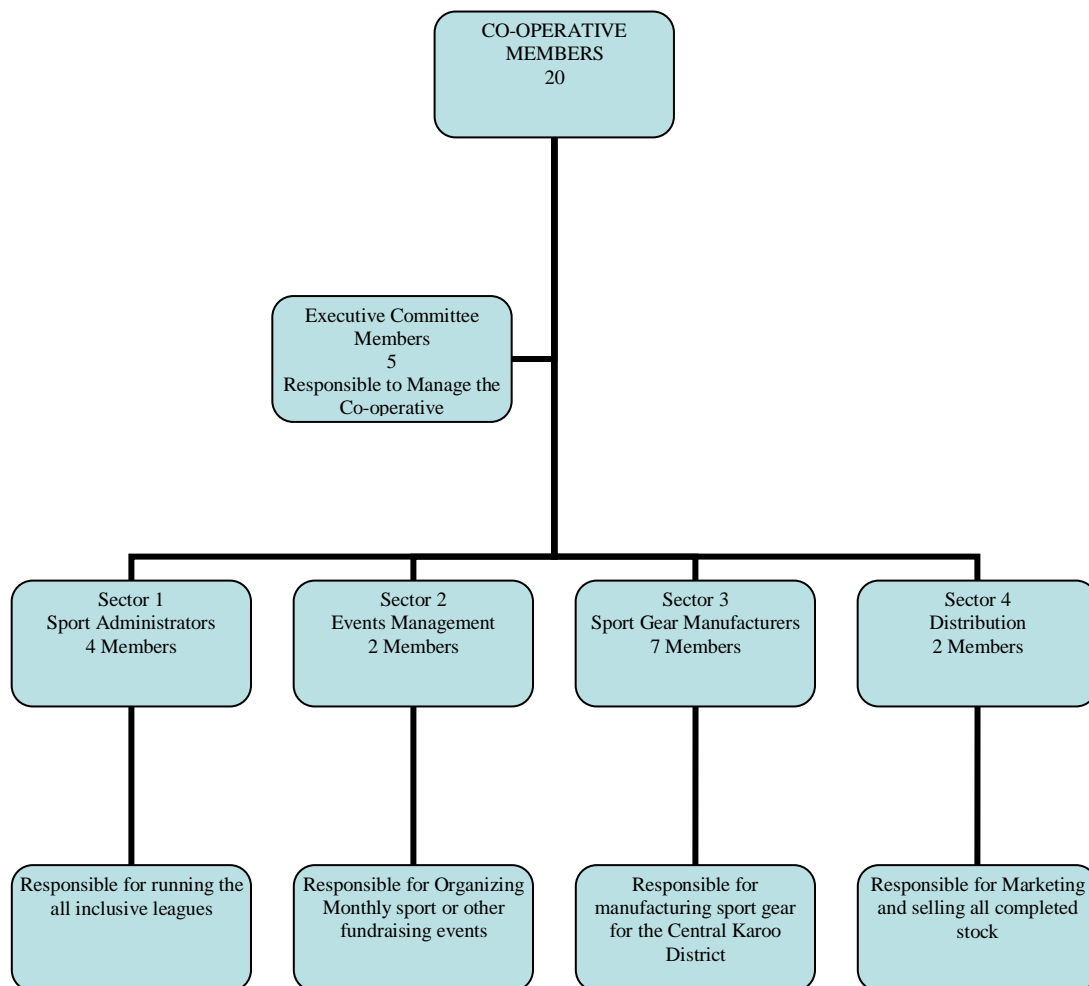
Vision: To provide an exciting opportunity for young people in the Laingsburg community, to become powerful contributors to the economy and society.

Mission: Arise provides high quality, affordable, training that assists young people in achieving their personal and professional goals.

Objectives:

- To have a measurable impact on the lives of the Laingsburg community by using the Sport for change activities as a tool to change lives.
- Establishing a financially viable sport co-operative that will create jobs for the young people in Laingsburg and serve as a financial contributor to the Sport for change activities.
- Our aim is to maximize the opportunity for Young people to become skilled

Business Model: Arise aims to assist the Laingsburg Community by implementing a Sport Co-operative that will enable them to become contributors to the sustainability of the Sport for change activities. The Co-operative will be diversified in order to allow for the employment of all of its members. It is envisioned that the businesses will run at some level of autonomy, yet governed by an established community forum.



Chairperson: Mr. S Da Silva, **Vice Chairperson:** Mrs. L. Trimble, **Treasurer:** Mrs. Shameemah Brandt
Secretary: Mrs. A. Salie, **Assistant Secretary:** Mrs. G. Claasen

Seed Funding approach and structure

Below are the funding approach and a recommendation of how the entire community can work alongside each other to make this endeavor a success. This approach is flexible and can be built around the needs and processes of the community. The approach has been structured in this way to support the co-operative through the early, risky stages of the business, thus increasing the chances of its success.

The co-operative can source additional financial assistance by the Department of Trade and Industry as well as further business capacity building that will ensure the success of the co-op.

The approach is broken down into five consecutive phases with the following finance gateways:

Phase 1: Application for Seed funding: Proposal creation (this document) - The goal of which is to allow the funder to make a positive financial decision, and commit to financing Phase 2. With the following in mind: Knowing what the precise seed funding requirement is.

Phase 2: Seed funding is acquired.

- Identification and training of the Co-operative members.

Phase 3: Implementation of the Sport Co-operative

Phase 4: The co-operative will become funders / financial contributors of the Sport for change activities as well as financially viable community members.

Phase 5: Mentorship, Monitoring and Evaluation.

Proposed funding structure for the Project:

- Seed funding obtained
- Co-operative will be formed by the respective community members.
- Income generation activities and events will be hosted
- The Co-operative will become funders of the Sport for Change activities, by donating 15 % of their monthly income to the overseeing committee.

The Co-operative will receive additional funding from the Department of Trade and Industry. (These amounts are not to be handed to the committee as part of the agreement)

Arise believes that future rounds of funding could come from a blend of both debt and grant capital.

Arise would ideally like an exit strategy after 1 year, and also recognizes that the businesses would need continuous monitoring to ensure the business growth will be measurable against the financial contributions made towards the Sport for change activities

Arise' value add to the project:

Arise believes that we can offer value to the project, including access to:

- Governance and growth support to the business
- Networks and communication channels
- Additional human capital and strategic support

Initial assessment of the grant

The objective of the seed funding into the project is to capitalize the infrastructure and start -up operating costs for the co-operative over five months.

Headline financial projections for the next twelve months include: This projection is broken down per month.

- Revenue from Manufacturing and additional fundraising Events: ZAR 59, 543. 33
- Operational Costs: ZAR 47,009.67
- 15% Contribution to Sport for change Activities: ZAR 8, 931. 50
- Net Income: ZAR 12,533.60.00
- Profit margin: 1.3 %
- Seed Funding Required: ZAR 43,220 .00

15% Fund Disbursement

Human Resources	Quantity	Price	Duration	Total p.m	Total p.a
Administration Support	1	R 800.00	12	R 800.00	R 9 600.00
Co-op Coordinator	1	R 1 000.00	12	R 1 000.00	R 12 000.00
Implementing Coaches Stipend	6	R 840.00	12	R 5 040.00	R 60 480.00
Administration and Communication	1	R 500.00	12	R 500.00	R 6 000.00
				R 7 340.00	R 88 080.00
Sport Equipment	1	R 1 591.50	12	R 1 591.50	R 19 098.00
Total Cost				R 8 931.50	R 107 178.00

Assumptions:

- Number of fundraising events in 2013/2014: 6 Major Events
- Arise expects that by the end of 2013, the Co-operative can raise sufficient capital from local investors and financial endeavors to capitalize its markets and expand to other communities in the Central Karoo.

Targets:

Financial and operational:

- 35 paying clients for institutionalized/ Associations sportswear and school wear + 500 private clients for school wear and low cost clothing for 2013/2014
- A target profitability of ZAR 50,000 to be re-invested into 2014/2015
- Co-operative fully rolled out and replicated in 2015

Social

- 90% of the Co-op members remain
- 90% improvement in self-confidence and financial sustainability by the Co-op members.
- Employment of at least 20% additional community members of Bergsig and Goldnerville
- 90% of those employed receiving incomes above the South African minimum wage.

Benefits

- Communities are being developed and empowered
- Resources are being shared
- Development from grassroots (4yr olds).
- Impacting families.

Responsibility

- Towards a community with a strong value system.
- For health, safety and the environment
- To raise the quality of life of participants by creating jobs.
- For their lives.
- For all equipment and finances that they are entrusted with.
- To maximise sponsor exposure
- To submit Quarterly and Annual Reports
- Towards Transparency / Accountability

Partners

Arise signed a Memorandum of Agreement with the Municipality of Laingsburg, that will partner with the Organization to ensure that the Co-operative will be assisted and capacitated to ensure their success.

Keys to Success

- Excellence in the fulfilling of the promise
- Visibility
- Leveraging from an excellent pool of expertise and support structures
- Consistently developing productive and thought provoking learning experiences to maintain growth and success.
- Adaptation
- Recognition for achievement.
- Easy access to services
- Seasoned advisory team
- Forming strong business relationships with our partners and Collaborators