



Young Heroes

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9 February 2008

## **Young Heroes' Second Year: A Report to Sponsors on 2007**

At the beginning of February 2006, Young Heroes launched its operations in support of the orphans of Swaziland. As we celebrate our second anniversary and look forward to our third year, it's an appropriate time to report to you, our sponsors, about our accomplishments in the year past and our goals and challenges in the year ahead.

We're pleased to report that 2007 was a year of significant growth for Young Heroes. Among the highlights of the year:

- The number of families we support grew by 56%.
- Young Heroes Foundation received 501(c)(3) non-profit certification from the U.S. Internal Revenue Service and constituted its first formal board of directors.
- Our donor base continued to diversify as we received funding from foundations, corporations, schools, churches and individuals.
- We added two valuable staff members in Swaziland: a family relations officer, Phephe and a bookkeeper.
- We expanded partnerships with other organizations in Swaziland in order to better assist the families we serve.
- We received significant support from the producers of the highly successful Bush Fire music festival and its sponsors, who have decided to make Young Heroes the beneficiary of this year's festival during the first weekend of August.

## **SPONSORSHIP**

At the core of Young Heroes' mission are the sponsorship stipends that we supply directly to orphan families. As we continue to enroll new families in our program, we are now involved in more than 60 communities throughout Swaziland.

When we reported to you at this time last year, we had achieved either full or partial sponsorship for 237 families with 521 children. Of those, 412 children were sponsored directly, while the remaining 109 also benefited from the funds for food and clothing that came to their homesteads.

As of the end of January 2008, we are now supporting 370 families with a total of 848 orphans – a 56% increase in the number of families and a 63% increase in children that we serve. Of these, 103 families are fully sponsored for all children; and 651 orphans are sponsored directly.

This is slightly below the goal of 300 new sponsorships that we had set at the beginning of last year, but we still consider it a notable accomplishment for an organization so young. We're deeply grateful to the people and organizations who made this growth possible: our sponsors and donors.

These generous donors come from all sectors and all over the world, including:

- Companies such as Acorn Massage in the United States, and the First National Bank and the Mountain Inn in Swaziland;
- Foundations such as AllPeopleBeHappy and the Hastings-Quillan Foundation;
- Rotary clubs in Canada, Swaziland and the United States;
- Schools ranging from Waterford KaMhlaba and Sifundzani Primary in Swaziland to the Bryant School in Dubuque, Iowa and Ras Tanura in Saudi Arabia;
- Organizations including the African Alliance, Friends of Swaziland and Just Be Nice;
- Committed families such as the Eisenbergs of Phoenix, Arizona; the Burnetts of Lakewood, Colorado; and the Redders of Summit, New Jersey.

Those are just a few of the many to whom we owe a debt of gratitude.

## **FINANCES**

Again this year, we're very pleased to report to you that we've been able to raise significantly more funds than the program cost to run.

As it has since our inception, Swaziland's National Emergency Response Council on HIV/AIDS continues to underwrite the entire cost of Young Heroes' operations. Thus, with the small exception of transaction fees charged by PayPal, all donations we receive go directly to the orphan families.

The budget that NERCHA allocated to us for the year past was \$89,429. Because of our demonstrated effectiveness, \$130,000 will be allocated for the year ahead. The two major components in this increase will go towards an expanded marketing program and a modest salary for the American staff, which worked on a volunteer basis in 2007. A full budget breakdown is found at the end of this letter.

In the past twelve months, Young Heroes received just over \$136,000 in donations. Of this amount, just under 30% came from Swaziland itself, showing the growing support we have gained in country. Because the majority of donations are pledged for a year in advance and paid monthly, the full amount currently raised to support 651 orphans with a combination of food and food/clothing sponsorships is slightly over \$200,000.

Copies of Young Heroes Foundation's IRS Form 990 are available to any sponsor who would like to review them. To request a copy, please send an email to [steve@youngheroes.org.sz](mailto:steve@youngheroes.org.sz).

## **MONITORING**

As of December 2007, we had 304 sponsored families, of which 163 were visited in person during the year by our family relations officer at least once. Therefore, we were able to monitor Young Heroes' program by direct observation of 53% of sponsored families. This meets our target of visiting 50% of families, and shows a significant increase over last year's number of 35%.

With the addition of another family relations officer this year, we hope to again increase the number of sponsored families visited significantly.

Site visits revealed that the vast majority of homesteads comply with all regulations regarding Young Heroes, the most of important of which being that all funds are to be used for the benefit of the children. All families report eating more regularly and having more funds available for school fees. As a result, the sponsored children are noticeably healthier (a fact regularly reported by our partners at Good Shepherd Hospital's home-based care team) and the majority who are of school age are enrolled in school.

Again this year, we found only a handful of problems, all of which were dealt with immediately. One challenge, however, remains ongoing.

We have been finding lately that a growing number of our families' caretakers are having health problems, primarily due to age or HIV. This not only hinders their ability to care for children, but at times has prevented them from traveling to the post office to receive their family's monthly stipend.

To address this, we' continue to communicate closely with our families, community contacts and post offices. Among our means of addressing this problem:

- alerting all families that if such a problem arises, they should immediately get inform their community contact so they can let us know;
- informing the post office that another person will collect the monthly stipend;
- informing families that if their community contact is not available, they should send another member with the Young Heroes ID to the post office. Postmasters call us in such an instance, so that we can deal with the situation on the spot;
- assess the family to see whether another caretaker will be needed on a continuing basis.

## **THE YEAR AHEAD**

### **Sponsorships**

Although the growth of organizations tends to slow as they mature, we have set ourselves a goal as ambitious as last year: By the end of this year, we hope to have 1,000 children directly sponsored.

### **Operations**

In light of our growing number of responsibilities, we soon hope to add two more staff members in Swaziland: another family relations officer to help us efficiently monitor more families, and a part-time assistant to help ensure that all record-keeping is accurate and up to date.

During the past year, our invaluable American volunteers, Brendan Hayes – who was instrumental in making Young Heroes a reality – and Angela Dewey, have returned to the United States. They will be missed greatly, but thanks to Encore Service International, we have been fortunate enough to locate another highly experienced volunteer who is slated to arrive in Swaziland in March.

Some time during the first half of this year, NERCHA's monitoring and evaluation team will conduct an operations audit of all of our processes. We look forward to their study, and to any recommendations they have that will enable us to work more effectively.

### **Initiatives**

Along with our regular operations, we plan four major undertakings in the year ahead.

#### Database Enhancement

We have two objectives in upgrading our technical capability. The first is to make our system more flexible and responsive in light of Young Heroes' growth.

Equally important is our plan to create a new section of the database for our sponsors. In this new area, we will upload information on your family that we've gathered on site visits, and send an email to you so that you can have an up-to-the-minute report on the conditions on the homestead you're helping to support.

### Enhanced Donor Communication

The effort outlined above is just getting underway, and will take several months to complete and test. In the meantime, we are implementing another program designed to enhance communication between you and your family.

Beginning with this month's distribution of funds, postmasters throughout Swaziland will help family caretakers to write messages to their sponsors, should they so desire. These messages will be returned to us with the monthly receipts; we'll then forward them to you. We're very grateful to SPTC, the Swazi postal system, for their participation in this.

### HIV Testing

We're currently working with partners and seeking funding to develop a program through which we will bring voluntary testing and counseling to the homesteads of all the families enrolled in Young Heroes. If we're able to accomplish this, it will be the first such outreach to the homestead level in Swaziland. According to our plans, children who are found to be HIV positive will be given immediate medical attention, and we will provide transport funds for the child and caretaker to travel to a clinic once a month thereafter, ensuring continuing medical care. To roll out our planned pilot program to the first 200 families, we estimate a need for \$25,000.

### Education Fund

According to the recently enacted constitution of Swaziland, primary schooling will become free beginning in January 2009. However, students in secondary school will still face high tuition fees, in addition to the cost of uniforms and books. Therefore, one of our goals this year is to create a fund of \$75,000 annually to underwrite the education of 250 secondary-school students in our program.

**Both of these testing and education programs will require and maintain separate funds within Young Heroes. If you are interested in donating to them; know of funding sources that you think we should approach; or would like to receive more information about them, please contact [steve@youngheroes.org.sz](mailto:steve@youngheroes.org.sz).**

In closing, we simply want to thank you all once again for making Young Heroes a success in its second year. Our ability to help Swaziland's orphan families is entirely dependent on your remarkable generosity. Our goal in the year ahead is to make Young Heroes ever more worthy of your support.

Siyabonga kakhulu,

Young Heroes

YOUNG HEROES BUDGET  
2008-2009 FINANCIAL YEAR

All operational costs are funded by Swaziland's National Emergency Response Council on HIV/AIDS (NERCHA).

	SZL	USD\$	
<b>YOUNG HEROES FOUNDATION</b>			
BUDGET		46,667	
Salary		24,000	salary
Subscriptions		3,600	Foundation Center and Cision public relations databases
Bank /Corporate Fees		800	
Accountant		1,000	2008 taxes
Office Supplies		1,000	postage, business cards, stationery, etc.
Encore Service International		1,500	finding American volunteer for Swazi office
Insurance		1,000	D&O insurance for board of directors
Marketing		13,000	
Miscellaneous		800	
<b>SWAZI OPERATIONAL</b>			
<b>BUDGET</b>			
Web Maintenance/ Data Base	60,000	10,000	data base enhancement and redesign, more disc space, troubles site
Bank Fee	15,000	2,500	monthly fee of E1,250 for bank account/ transaction and forex fees
Young Heroes Foundation	280,000	46,667	detailed above
Postal Service Fee	40,000	6,667	transaction fees up to maximum cost of E10 each (ave.3000 p/m)
Printing/Postage/Design	20,000	3,333	Print ID cards, welcome packets to mail for sponsors, etc. laptop needed for field visits; peripherals and programs
Hardware/Software	10,000	1,667	as needed e.g. ACDsee PRO
Petrol and car services	50,000	8,333	for petrol 2 vehicles, oil and services vehicle to enroll families and monitor via site visits
Training	50,000	8,333	professional training for staff
Marketing	220,000	36,667	Consultancy fees, promotional materials, branding and ads
Stationery/Office Supplies	5,000	833	photo paper, certificate papers, envelopes, regular supplies
Board fees	15,000	2,500	Board meetings, lunch, travel costs for 4 meetings, 11 people
Contingencies	15,000	2,500	for unexpected costs including medical aid and education initiatives

<b>TOTAL in Emalangen</b>	<b>780,000</b>	<b>130,000</b>	Total
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