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Ubuntu means if your brother or sister is down, pick them up. If they are hungry, feed them. If they are strangers, accommodate them. Ubuntu is humanity; think of others before you think of yourself. That is what ubuntu is all about.

—Sipho Gumede
Dear friends of Ubuntu Education Fund,

Ubuntu, the ultimate philosophy of community, has been an integral part of South African culture for centuries. Ubuntu sees humanity as a worldwide network of family, both obligated to provide, and entitled to receive, each other’s support and generosity. Ubuntu is the life force that makes a group of people a community—and in turn makes that community far stronger than the individuals that compose it.

As Ubuntu Education Fund approaches its five year anniversary in 2004, we have likewise become more than a collection of individuals and programs. While each Ubuntu initiative has a specific area of focus—literacy, technology, health—together they work towards a larger goal. They engage in the continued struggle to make the free South Africa a prosperous South Africa. They provide the guidance, support and resources necessary for township children to access opportunities open to their global peers and to reap the benefits of a global economy. Ultimately, Ubuntu Education Fund enables township children to participate in the global community—the realization of ubuntu.

In 2003, Ubuntu Education Fund moved out of a one-room office into a 3,000 square meter complex in the center of Port Elizabeth’s Zwane Township. The complex has since become a thriving hub of community development. We are proud of Ubuntu’s growth. Working with over 24,000 children and 13,000 adults, Ubuntu’s programs represent significant progress in sustainable community development.

In the past year we have focused particularly on developing organizational capacity. Through an increasingly effective team, we continue to adapt and improve our programs, as well as the models that enable these programs to proliferate.

Equally as inspiring as our progress in South Africa, are the daily acts of ubuntu we see from our global network of friends and supporters. We thank you.

Malizole Banks Gwaxula and Jacob Lief
Ubuntu Education Fund is a non-profit organization dedicated to working with the people of the Eastern Cape Province to develop quality education and healthy communities in the New South Africa.
**History of Ubuntu Headquarters, 5 QeQe Street**

As we look toward a year that will mark both ten years of democracy in South Africa and five years of Ubuntu Education Fund, the site of Ubuntu’s headquarters speaks volumes to Ubuntu’s role in the community, and the history that made it necessary.

Ubuntu’s new headquarters sits on a plot of land set back from QeQe Street. This major artery winds its way from the market at Njoli Square eventually splitting into the dusty footpaths of Zwide Township—a maze of shacks and matchbox homes with scant public infrastructure. On Ubuntu’s grounds, a crumbling foundation lies half-covered in red dirt and the few weeds and shrubs that township soil can sustain.

**5 QeQe Street 1990 . . .**

The people of Zwide Township marched from Njoli Square, down QeQe Street to this spot. Enraged by the atrocities of the Apartheid government and outraged that any symbol of this evil system should stand in their community, township residents leveled the token infrastructure. The Zwide Post Office was burned down to the foundation that remains today.
Five years ago, when Jacob Lief and Banks Gwaxula founded Ubuntu Education Fund, the optimism of new freedoms fueled township life. Conversation focused more on hope for the future than the suffering of the past, more on the opportunities available to children than those denied to their parents. People voiced their joy in voting, in traveling without a passbook, in months unmarked by violence and bloodshed. Yet everyday needs remained unmet. Still mired in poverty, township communities continued to face the daily hardships endemic to a third world standard of living.

Today, in Ubuntu’s Zwide township complex, community development is a thriving enterprise. Ubuntu Education Fund has made sustainable community-owned and operated programs a daily reality for township communities. Our new headquarters is a highly visible nexus where community members can find information, access resources and create networks of support.

Ubuntu’s initiatives serve over 40,000 South Africans
Walking through the front doors of Ubuntu’s headquarters, visitors observe the daily evidence of our progress.

Samkelo, the manager of Ubuntu’s Sivulile Computer Initiative, works at one of the Board Room’s computer consoles, parsing together a training manual for township teachers. With information and materials gleaned from a university course he has just completed, Samkelo creates a blueprint for technology education. By improving each school’s ability to maintain and utilize technology resources in all aspects of education, Samkelo exponentially increases the impact of each Ubuntu computer center. Ubuntu’s ten centers serve over 10,000 children and their communities.

Qondakele, who manages our Siyafunda Library Initiative, makes last minute preparations for the launch of the program’s new College and Career Guidance component. Orchestrating the first career fair ever to take place in the Port Elizabeth townships, Qondakele used Ubuntu’s network and resources to bring corporations, universities and prestigious speakers to motivated township students. We see our team creating a bridge between a first-world economy and thousands of children working to overcome third-world poverty. Ubuntu’s library program provides literacy and information resources to over 5,000 youth through five centers.

In the Ubuntu health center, Mpilo-Lwazi’s 24 health educators complete their weekly training workshop. In addition to workshop space, the center provides our staff with a health resource library and an emergency counseling room. The center facilitates staff development while also responding to the needs of the community, two of Ubuntu’s fundamental goals. Through school-based lessons, community workshops and counseling, our health initiative now reaches over 24,000 children and 13,000 adults.

Outside, children play and mothers congregate beneath the shade of a flourishing garden. A Leopard Tree stands at the center, a testament to a nascent global community. Planted by Ubuntu’s Young Ambassadors, eight children from Harlem and eight from Zwide Township, it serves as a harbinger of a world united in ubuntu.
Ubuntu Education Fund is founded on the philosophy of ubuntu, a universal bond of sharing that connects all of humanity. We have used this philosophy to create the Ubuntu Model—a community-based strategy that ensures ownership and sustainability of education projects. The Ubuntu Model depends upon a close relationship between the organization and the communities it serves. Ubuntu staff members live in the townships where they work; administrators and teachers from local schools sit on Ubuntu’s Boards of Directors and Advisors. This close relationship allows Ubuntu to tailor its programs in response to input from parents, teachers, students and community leaders. Working together, Ubuntu and the community create projects owned and operated by the people they serve. By training and hiring local people to run its programs, Ubuntu infuses communities with skills and resources while ensuring the sustainability of all of its programs. Although Ubuntu’s work remains geographically focused, the Ubuntu Model is a blueprint for culturally appropriate, socially responsible, sustainable development that can be implemented in any community around the world.
Siyafunda Library Initiative creates libraries and career guidance centers that provide children and adults with the resources needed to develop reading and writing skills that will enable them to participate in the workforce and in higher education.

**Siyafunda Library Initiative (“We Are Reading”):**
- has built 4 libraries in township primary schools
- has created a career and college guidance center in a township high school
- will open 2 new libraries and one career guidance center in 2004
- serves over 5,000 children and their communities

**A New World**
Our Ubuntu Library
By Yandiswa Nyoka, Grade 5, Jarvis Gqamlana Primary School

The Library is a place where one can learn, look at the building, strong and tall
Painted in rainbow colors, signifying our heritage, our privilege
To be true South Africans, as Nelson Mandela has said
‘Reading a book a day will bring you that much closer to the key
That will open doors of many opportunities’

Gather around my brothers and sisters, feel the beat in your heart
As we clean our slate and start, a new beginning of something wonderful
There is a whole new world out there waiting to be graced by your presence
Just take one step and read a book
Sivulile Computer Initiative provides communities with the skills and resources they need to participate in South Africa’s increasingly technology-driven economy and higher education systems.

**Sivulile Computer Initiative (“Opening Doors”):**
- has built 10 state-of-the-art computer centers
- will open 2 more centers in 2004
- has trained 180 township teachers as computer instructors
- assists school communities in developing small technology-based businesses that enable each center to become self-sustaining
- serves over 10,000 children and their communities

**Education, Empowerment and Economic Resources**
Lungisa Atwell, an 11th grade student at Kwa Magxaki high school, sees her school’s computer center as more than a classroom. After learning to use computers to draw pictures, write stories, and even do accounting and math, she had a new idea. She gathered a group of friends to document and photograph their community. Cebisa Sodladla, Kwa Magxaki’s computer instructor, worked with Lungisa to create a community newsletter. The students sold copies to their friends, teachers, families and neighbors. Lungisa’s club collected over 1,000 Rand, no small accomplishment in a community with over 90% unemployment. They used the money to purchase fans and curtains to keep their computer center cool while they are working on the newsletter’s second issue.
Mpilo-Lwazi Health Initiative

Mpilo-Lwazi arms communities with the knowledge they need to prevent the spread of AIDS and to lead healthy lives.

Mpilo-Lwazi (“Health-Knowledge”):
• provides school-based health lessons to over 24,000 children according to a curriculum that builds from basic health topics such as nutrition and hygiene, to crisis issues such as HIV/AIDS and abuse
• conducts 85 community workshops each month to provide the same health information to over 13,000 adults and out-of-school youth
• operates a Counseling Referral and Advocacy program that provides information support and guidance to children affected by the crises of AIDS and abuse.
• distributes over 1 million condoms each year
• will launch a food and medicinal gardening component in 2004

Teaching Health, Saving Lives

Mthetho Lupha is a typical example of a vulnerable child in our townships. She is a nine-year-old girl living in Joe Slovo Township, a maze of shacks with scant public infrastructure, no electricity or sanitation systems—a community haunted by a 90% unemployment rate and a 25% HIV infection rate. Her father died last year from AIDS and her mother has fallen extremely ill—like most township residents she has not been tested but it is clear she is also dying of complications from HIV. Neither Mthetho nor her mother understands the disease that is destroying Mthetho’s family.

As a child and a female in the township, she cannot ask questions of elders or discuss issues of a sexual nature. In order to become a healthy, productive adult, Mthetho desperately needs accurate health information and a support system to help her cope with the devastation AIDS has brought to her community.

Mthetho has formed a close bond with Thami, the Ubuntu health educator who teaches Mpilo-Lwazi classes at her school. Mthetho disclosed to Thami the family situation that will soon leave her an orphan. Mthetho now participates in the Counseling Referral and Advocacy (CRA) component of Mpilo-Lwazi as well. Through weekly one-on-one counseling sessions, Mthetho receives emotional support and learns coping skills that enable her to deal with the loss of her parents. Her counselor has ensured that a healthy and capable family member is now caring for her.

Ubuntu’s health initiative operates in communities where one person in four is HIV positive
A Partnership in Cultural Exchange

Young Ambassadors introduces future leaders to their global community
The Young Ambassadors Program introduces South African and American middle school students to the culture and history of their international peers and their global community.

Young Ambassadors:
• has created a partnership between Frederick Douglass Academy II in Harlem, New York and Sivuyiseni Intermediate School in KwaMxaki Township, South Africa
• includes a curriculum component through which scholars at both schools study each other’s history and culture
• includes a correspondence component through which scholars exchange letters and photo diaries
• includes a travel component through which eight scholars and three educators from FDA II spend two weeks in South Africa and eight scholars and three educators from Sivuyiseni spend two weeks in New York
• encourages South African and American students to identify common struggles in their communities and take leadership roles in addressing these issues

Common Ground
When Keith Campbell first arrived in South Africa, he had trouble finding common ground with Felix Makwinde. Keith had the serious demeanor of a young man raised in Harlem, New York. Felix epitomized the sincerity and innocence of a typical township child. They struggled to find things to talk about for the first few days.

While hiking through the Bavianskloof Nature Reserve that weekend, the Young Ambassadors came upon a river. Due to recent winter rains, the river had swelled into ice-cold rapids over five feet deep. The game rangers leading the group jumped into the water and started shuttling the groups’ food and equipment to the other side. Keith quickly followed suit, jumping in and carefully wading through behind the rangers. After depositing two of his classmates' backpacks on the far shore he turned to see that Felix too had jumped in the water. Felix was bracing himself against the current and helping a small shivering girl onto his shoulders. Looking at each other neck deep in the river, Keith and Felix found that their common ground, as selfless leaders amongst their peers, far outweighed their superficial differences.
## UBUNTU EDUCATION FUND AND SUBSIDIARY
### CONSOLIDATED STATEMENTS OF ACTIVITIES

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<td>2003</td>
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<td>Total</td>
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<td><strong>REVENUES AND OTHER SUPPORT:</strong></td>
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<td>Contributions</td>
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<td>Grants</td>
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<td>Donated rent and legal fees</td>
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<td>Other</td>
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Net assets released from restrictions due to satisfaction of restrictions

|                      | 2003    |  | 2002 |
|                      | Total    | Unrestricted | Temporarily Restricted |
|                      | -  | 18,000 | (18,000) | -  |

**EXPENSES:**

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<td>Program operations</td>
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<td>310,729</td>
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<td>Administrative**</td>
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<td>525,873</td>
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**CHANGE IN NET ASSETS**

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<td>47,291</td>
<td>63,291</td>
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Net Assets, beginning of year

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<td>139,613</td>
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Net Assets, end of year

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<th>2003</th>
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<td>$186,904</td>
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Foreign Currency Translation Adjustment

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<th>2002</th>
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<td>$7,876</td>
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* Net of 55,773 of related expenses.
** Includes $67,668 of donated services in 2003 and $37,500 in 2002.
INDEPENDENT AUDITORS' REPORT

Board of Directors
Ubuntu Education Fund
Hoboken, New Jersey

We have audited the accompanying consolidated statements of financial position of Ubuntu Education Fund and subsidiary as of June 30, 2003 and 2002, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Ubuntu Education Fund and subsidiary as of June 30, 2003 and 2002, and the changes in their net assets and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

WISS & COMPANY, LLP
Livingston, New Jersey
September 8, 2003
Ubuntu Donors

Gifts of $75,000 or more
Department of Health,
Republic of South Africa
Latham & Watkins LLP
Robert S. Kaplan Foundation
Tabatznik & Nesdadt Family

Gifts of $20,000 or more
Brack Family Foundation
Elton John AIDS Foundation
David Lamond
Lamond Family Foundation
Dina & Larry Lichtman-Smith
Cynthia & Daniel Lief
Vincent & Ann Mai
Nomadocs
Sarita Kenedy East Foundation

Gifts of $10,000 or more
Elizabeth Taylor AIDS Foundation
The Jaffe Group
Joel & Vanetta Joffe
Stuart & Laura Litwin
Lois & Irving Blum Foundation
Philip D. & Tami Murphy Foundation
Rivendell Foundation
Riverdale Country Day School
United Nations Association, Riverdale Chapter
The West Foundation
William & Helen Mazer Foundation

Gifts of $5,000 or more
Anglo-American Chairman’s Fund
Discovery Health Fund
Exprodat Technology Inc.
Global Fund For Children
Harris Family Foundation
Institute for International Education
International Foundation
Investec Inc. Trust
Janet M. Grace Estate
Riverside Church Sharing Fund
Bruce Rodney & Valerie Southgate
United Nations 1% Fund
for Development

Gifts of $1,000 or more
James & Karen Bagrie
Bristol Myers Squibb–Secure the Future
Broadway Cares Equity Fights AIDS
Ashley Bryan
Buckley School
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Chansoo & Elisabeth Bittner Joung Foundation
Anne Court
Sarah Court
Department of Arts & Culture,
Republic of South Africa
Florence V. Burden Foundation
Fredrick Douglass Academy II
Joe & Paula Gantz
Margaret Grace
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Islesford Dock Restaurant
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Lane Family Foundation
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Santiago Osorio
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Richard & Ann Sullivan
Thomas L. & Dorothy E. Litwin Family Fund
Karole Turner Campbell
Basil & Agnes Vassiliou
Rod & Susan Ward
Wendel Gilley Museum
Alan & Lynn Wheat
Wiss & Co.
Chris Young
Ariane Zurcher-Long

Gifts of $1 or more
Anonymous (6)
Judith Aberlow
Hanna Abrams
Cleone Adonis
Michelle Andreadis
Molly Armstrong
Kim Auerbach
Ron & Emily Axelord
Antoinette Baker
Peggy & Alan Barnett
Pat & Wendy Barta
Amy Basile
Diane & John Baum
Jane Baum
Mr. & Mrs. Beard
Cathy & Nick Belitsos
Leo & Jill Bellarmino
Diana & Norman Benzaquen