



REPORT 2024

For the year ended 30 June







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OUR **ANNUAL**
REPORT



OUR ANNUAL REPORT

We are pleased to present the Black Umbrellas Annual Report for the financial year ended 30 June 2024. In this report, we reflect on our journey to inspire, develop, mobilise, connect entrepreneurs and innovative individuals, solutions and resources to effect positive economic and social change. Additionally, the report consolidates our work for the 2022 and 2023 financial years in a single narrative.

This annual report is an invitation to celebrate the strides made in rebuilding a more resilient and impactful organisation. It also demonstrates our commitment to transparency, accountability, and our ongoing journey towards a stronger, more resilient Black Umbrellas.

While the road ahead will require continued effort, we remain confident that the strategic measures implemented have established a strong foundation for sustainable growth and reaffirmed our dedication to fostering entrepreneurial development.

The report reflects a more comprehensive, impact-driven approach that extends beyond financial performance to encompass social value and long-term sustainability. It has been expanded to include a section on how Black Umbrellas creates value through its business model. It also provides deeper insight into the various programmes implemented via the Virtual Incubation platform. Furthermore, the governance section has been enhanced. We remain committed to continuously improving how we present our annual reports.

As we present this report, we extend our gratitude to our partners, donors, and stakeholders for their continued support and partnership.



WHO **WE** ARE
AND WHAT WE DO



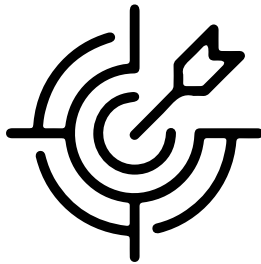
Who we are

Black Umbrellas, a partner entity of the Cyril Ramaphosa Foundation, is a non-profit organisation established in 2005 to partner with entrepreneurs, funders, communities, and government to drive an inclusive economy by enabling the growth and success of emerging enterprises.

It is positioned to bridge the economic and opportunity inequality gap that affects Black-owned small businesses by providing business development support services that enable entrepreneurs to meaningfully participate in the mainstream economy.

WHO WE ARE AND WHAT WE DO

Our Vision



To address inequality, poverty, and unemployment in South Africa by supporting Black entrepreneurs who are committed to creating and growing successful businesses.

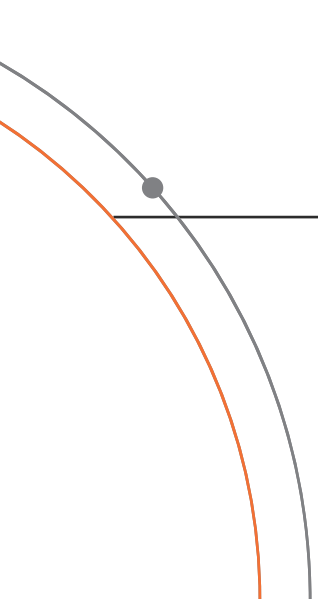
We run innovative development programmes which positively impact both the entrepreneur and their business.

Our Mission



Black Umbrellas fulfils the mandate of supporting entrepreneurship and it is strengthened through strategic infrastructure, resources and has access to an ecosystem that assures its operational effectiveness and leadership capacity. This is pivotal in strengthening Black Umbrellas' ability to deliver on its mandate of supporting and developing emerging Black entrepreneurs.

DREAM. BELIEVE. CREATE. GROW. SHARE



What we do

Black Umbrellas provides business development support services through virtual incubation programmes to Black-owned small businesses that are in various stages of their development. Its programmes empower entrepreneurs with the necessary foundations, confidence, and skills to build and grow resilient businesses within the mainstream economy.

Black Umbrellas' Virtual Incubator platform is designed to enable entrepreneurs to learn, collaborate and grow their businesses without any geographic limitations. The programme develops entrepreneurs to establish important foundations and sustainable business practices for their enterprises, prepare for funding, investor participation, facilitate access to networks and market opportunities. The business development support involves a series of learning modules, expert mentorship, and consultative support from business coaches, delivered through three differentiated programmes:

Masakhe Programme – is designed to support Small Medium Enterprises (SMEs) in the initial stages of their business development journey. Specifically, it targets those who are either in the ideation phase (still refining their business idea), in the pre-revenue phase (have not yet generated significant income), or in the start-up phase (have been in operation for less than 12 months).

Siyakhula Programme – is tailored to meet the unique requirements of business owners who are beyond the ideation and start-up phase and have already established their businesses. This programme is designed to help participants identify growth opportunities, overcome current business challenges, and take their businesses to the next level.

Asindize Programme – is designed to empower potential high-growth enterprises with the resources and opportunities they need to ensure scalability and sustainability. The programme is aimed at businesses that have already achieved some level of success but need additional support to reach their full potential.

Why Black Umbrellas Matters

SMEs are the backbone of the economy, accounting for the majority of jobs and businesses in most countries. However, they often need help accessing coaching, training, and other resources. SME development organisations such as Black Umbrellas can help them overcome these challenges to grow and succeed.

At Black Umbrellas, we are driven by a powerful vision: to create a South Africa where poverty, inequality, and unemployment are replaced by opportunity, empowerment, and economic growth.

We believe that entrepreneurship is not merely a means to financial success but a vehicle for social change. The creation of sustainable businesses through development provides income for the owner and employment opportunities for others, enabling this change.

Acting as a catalyst for inclusive economic participation, Black Umbrellas contributes towards fostering a generation of Black-owned small businesses, contributes to poverty alleviation, employment creation, and economic development in South Africa by empowering entrepreneurs with the required skills to grow their businesses.

By nurturing the entrepreneurs' spirit of innovation, perseverance, and business acumen, we are sowing the seeds of empowerment that will ripple across generations.

“

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GLOBAL

ALIGNMENT



**Aligning entrepreneurial
development with the global
development agenda**

DREAM
BELIEVE
CREATE
GROW
SHARE



GLOBAL ALIGNMENT

At Black Umbrellas, our mission to develop and support Black-owned SMEs aligns strongly with the global development agenda outlined in the United Nations Sustainable Development Goals (SDGs). While our core focus is on entrepreneurship, our work generates broader socio-economic value that contributes to a more inclusive and sustainable economy.

Our work at Black Umbrellas is designed to respond and contribute towards the collective attainment of the following four key SDGs:

01

SDG 1 (No Poverty): By helping entrepreneurs transition into viable, revenue-generating enterprises, creating jobs and income opportunities.

02

SDG 8 (Decent Work and Economic Growth): We champion inclusive economic growth through SME development, enabling entrepreneurs to formalise operations, increasing the bottom line.

03

SDG 9 (Industry, Innovation, and Infrastructure): Our support for early-stage businesses in sectors like green energy and digital services fosters innovation and contributes to the diversification of the South African economy.

04

SDG 10 (Reduced Inequalities): We are fundamentally committed to addressing economic inequality by empowering Black-owned SMEs, especially those led by women and youth.

Through the empowerment of emerging entrepreneurs, many from disadvantaged communities, and in solidarity with other ecosystem players, we are not only building businesses but also contributing to transformative change in livelihoods, employment, innovation, and access to opportunity.



EXECUTIVE

SUMMARY

A snapshot of the
Annual Report



EXECUTIVE SUMMARY

This annual report covers a period of significant transformation and repositioning of Black Umbrellas. The strategic priorities for the period ended 30 June 2024 have been driven by a need for diversification and operational excellence. As highlighted by our chairperson, a key focus has been to secure discretionary funding to enable innovation beyond ring-fenced outcomes. This has been supported by a continuous refinement of our digital platform and implementation tools, which have facilitated improved programme implementation.

At the end of June 2024, Black Umbrellas emerged from a transformative and challenging period anchored by its commitment towards the empowerment of Black-owned small businesses. These challenges include the slow recovery of the economy from the COVID-19 pandemic, the implementation of a technology-enabled model of delivering business development support services and the challenging funding environment.

In response to these challenges, Black Umbrellas undertook a rigorous restructuring process designed to strengthen our organisational resilience, streamline operations, and ensure long-term sustainability. This period of transformation, though demanding, has positioned us for an agile and resilient future. We have implemented improvements to our programme delivery model, strengthened our monitoring and evaluation processes, streamlined our processes for operational efficiency, and reaffirmed our strategic position of addressing economic inequality through partnerships with diverse stakeholders and donor communities. Our leadership team is committed and energised around this renewed strategic focus, enabling us to better support the entrepreneurs who participate in our programmes.

● Key highlights and performance review

Our performance for the financial year under review is characterised by meaningful progress and enhanced impact, demonstrating our ability to deliver value amidst a challenging funding environment.

Power milestones

- **SMEs incubated:** 204 new SMEs were registered in the Virtual Incubation Programme during the period under review, contributing to a cumulative total of 12,555 SMEs incubated since inception in 2005.
- **Inclusivity:** We maintained a strong focus on inclusivity, with 103 female entrepreneurs and 101 youths supported.
- **Job creation:** The incubated SMEs created a total of 356 jobs, highlighting the programme's tangible contribution to employment.

● High-level performance

Programme effectiveness

89%

Our redesigned virtual incubation programmes, Masakhe, Siyakhula, and Asindize, attracted strong interest, with 204 new enrolments and an impressive 89% pass rate on learning modules. This was enabled by a new capacity planning tool, which enhanced our support for entrepreneurs.

Financial stewardship

34%

Despite a challenging financial year, we managed to reduce the operating deficit by 34% from the previous year, with total expenses contained to 22% below budget. Our financial controls were significantly enhanced through a transition to a simplified accounting system and greater integration with the Cyril Ramaphosa Foundation's financial oversight structures.

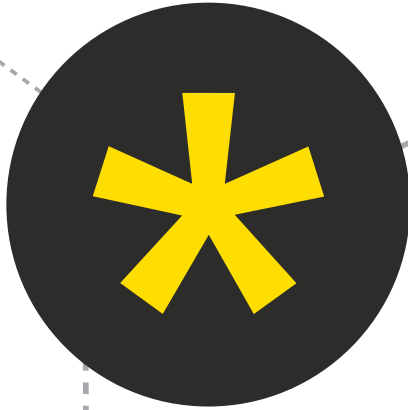
Partnerships and stakeholder engagement

80%

We retained over 80% of our funders, a testament to the value of our sustained engagement. Our successful hosting of Global Entrepreneurship Week in November 2023 reached over 500 participants, strengthening our presence within the entrepreneurial ecosystem.

Impact

Beyond the numbers, the report showcases powerful stories of transformation. Entrepreneurs such as Bolwa Security Services, Infix Creations, Noni Property Developments, and HLN Green Energy Solutions illustrate how mentorship, digital incubation, and access to markets translate into sustainable growth, job creation, and social change.



● **Governance and accountability**

Governance and accountability remain the bedrock of our organisation. We are dedicated to leading with honesty, fairness, and strong ethical principles, reinforced by a governance framework designed to promote ethical leadership, ensure regulatory compliance and align with our partners' strategies. The Board of Directors, which holds ultimate responsibility for strategic direction and risk oversight, is effective and committed. We have significantly strengthened our governance and operational resilience by revising our risk policy framework, updating our Code of Conduct, and implementing a comprehensive Monitoring and Evaluation (M&E) framework, ensuring that the trust placed in us is consistently upheld.

● **Looking ahead**

As we look to the future, our vision remains firmly rooted in driving meaningful economic inclusion. We are committed to empowering entrepreneurs with the tools, resources, and support needed to build resilient businesses that contribute to a thriving and inclusive economy. Our strategic priorities for the coming year are focused on deepening our impact, expanding access to opportunities, and fostering growth within underserved communities. By nurturing innovation and entrepreneurship, we aim to unlock potential, bridge economic divides, and shape a more equitable tomorrow for all.

To achieve this, we are pursuing a few strategic priorities. We are focused on diversifying our funding by pursuing strategic partnerships to secure discretionary funding, which will enable us to drive innovation and support transformative programme development. A key area of focus is strengthening programme delivery for operational excellence to improve the long-term success of the small businesses we support. We will also increase our support for youth and women entrepreneurship and continue to evolve into a more agile, collaborative, and data-driven organisation.



OVERVIEW

AND HIGHLIGHTS

**We inspire, develop, mobilise,
and connect entrepreneurs**



OVERVIEW AND HIGHLIGHTS

At the heart of our mission lies a steadfast commitment to empowering entrepreneurs. We inspire them by igniting their passion for innovation, developing their skills through tailored programmes, and mobilising their potential to thrive economically. By fostering meaningful connections within a vibrant entrepreneurial ecosystem, we ensure that every aspiring business leader has the support to turn ambition into impact.

Power milestones

The power milestones below highlight the organisation's achievements and progress in supporting small business development. These milestones reflect both the outcomes attained during the reporting period and the cumulative impact since inception.



204

Number of SMEs incubated



12 555

Number of SMEs incubated since inception



103

Number of females incubated



101

Number of youths supported



356

Jobs created by incubated SMEs

● High-level performance review

The period under review has been characterised by meaningful progress, strategic growth, and enhanced impact in line with our mission. Amid both key achievements and challenges, we have continued to deliver value to participants in programmes, strengthen our operational excellence, and build robust partnerships. This section outlines the achievements and challenges that have shaped our work during this reporting period, reflecting our commitment to fostering inclusive economic participation through the development of SMEs.

● Success indicators

For an entrepreneur to complete the Black Umbrellas programmes, they must meet the following criteria to graduate:

Masakhe	No Certificate and add to the list of terminations	Completing 1 or fewer activities
	Certificate of participation	Completing 2 or more activities
	Certification of completion	Submitting a Business Model Canvas and achieving 80% or more in the Business Toolkit Module
	Certificate of graduation	Completing the requirements for Completion as well as submitting a Start-Up Plan, achieving 80% or more in the SA Tax, Companies Act, B-BBEE and Consumer Protection Act
Siyakhula	No Certificate and add to the list of terminations	Completing 1 or fewer activities
	Certificate of participation	Submission of baseline only
	Certification of completion	Submission of baseline and development plan
	Certificate of graduation	Submission of baseline, development plan, and passing the assessments for the mandatory modules, namely, Finance, Marketing, and Operations
Asindize	No Certificate and add to the list of terminations	Completing 1 or fewer activities
	Certificate of participation	Submission of baseline and Pivoting Playbook only
	Certification of completion	Submission of baseline, pivoting playbook and growth plan
	Certificate of graduation	Submission of baseline, pivoting playbook and growth plan, participation in the pitching exercise and passing the mandatory modules of Finance, Marketing, HR, Procurement and Supply



Key Highlights

204 SMEs participated in Black Umbrellas programmes with a 89% pass rate.

Two entrepreneurs gained national recognition, one winner and one finalist in top SME competitions.

Improved financial stewardship through enhanced internal controls.

Improved our M&E framework practice, resulting in enhanced reporting of programme outcomes.

Rolled out a Leadership Development Programme focusing on strategic thinking and coaching.

Improved operational excellence, enhanced project tracking and data capture, streamlining processes and improving monitoring, evaluation, and future decision-making

In 2022/2023, Black Umbrellas achieved significant progress in programme innovation, stakeholder engagement, and organisational development. The successful launch of three improved Virtual Incubation programmes, Masakhe, Siyakhula, and Asindize, provided a more targeted approach, which resulted in 314 SME registrations, highlighting a major step forward in digital programme delivery. Strong funder retention, with over 80% of partners maintained, reflected the value of sustained stakeholder engagement. The opening of the Illovo Co-Working Space and the establishment of the Mount Coke business lounge expanded our physical footprint. A hybrid work model and enhanced wellness initiatives supported staff development. Governance was further strengthened through revised risk policies and a refreshed oversight strategy.

In 2021/2022, Black Umbrellas remained steadfast in its mission to support SMEs amid ongoing economic pressures linked to the COVID-19 pandemic. The organisation expanded its offerings to foster business resilience and innovation and delivered targeted training. Strengthened financial oversight resulted in clean audit outcomes, while enhanced monitoring and evaluation systems improved the tracking of SME performance and sustainability. Strategic alignment between internal KPIs, national priorities, and funder expectations further positioned the organisation for greater impact.



CHAIRPERSON'S & CEO'S STATEMENTS

**Commitment to
creating a positive,
sustainable economic
impact**





CHAIRPERSON'S AND CEO'S MESSAGES

We are dedicated to making a long-term difference in the economic well-being of entrepreneurs in ways that last and continue to grow over time. Our unwavering commitment to creating a positive economic impact remains at the core of our mission.

Chairperson's Statement

It has been a profound privilege to serve as Chairperson of Black Umbrellas since 2019. I am proud of the strides we have made together with our partners, funders, management, and employees, as well as participants of the Virtual Incubation Programme.

I had the opportunity to participate in the conceptualisation of the Black Umbrellas business model in 2005 and was later appointed as a Board member. From the outset, we were intentional about creating an incubation model grounded in measurable outcomes such as job creation, revenue growth, improvement in net asset value and tax paid. This approach laid the foundation for what has become the standard across numerous incubators in South Africa. We shared our model openly, allowing others to adopt and adapt it, proving our commitment to sector-wide development rather than organisational dominance.

I have witnessed the transformation of our participants from informal contractors to formal and sophisticated businesses in the mainstream economy, employing hundreds of local people.

What began as a series of physical incubators in 6 (or 7) provinces has now evolved into a robust online system, catalysed by our strategic decision to digitise in 2019 just before the COVID-19 pandemic struck. "Had we not digitised, we would have been unable to deliver any of our programmes during the COVID period and post the pandemic it enabled us to have a broader reach." Two primary strategic priorities have guided our efforts as the Board during the period under review:

- **Diversification of funding** - We continue to build and foster new partnerships, to allow for innovation and transformative programme development.
- **Operational excellence** – focused on enhancing and refining programme implementation tools which facilitated improved project tracing and critical datamanagement, supporting effective monitoring and evaluation and informing future decisions for programme enhancement.

“

If a handful of people at Black Umbrellas can touch over 12,000 businesses since inception, imagine what a hundred entities like us could do.”

Businesses

12,000

Governance and accountability remain a bedrock of our organisation. There have been no governance failures, the leadership team operates with transparency, and we remain grounded in our purpose and our values. People matter most and we have significantly invested in performance management, staff empowerment, and clear reporting structures to improve operations and delivery. With organisational management housed with management, the Board is able to maintain strategic oversight.

Our financial position is stable., Financial controls are rigorous, with a zero-based budgeting approach and a strong internal culture of accountability. We enjoy the support and wisdom of our partner, the Cyril Ramaphosa Foundation on fiscal governance.

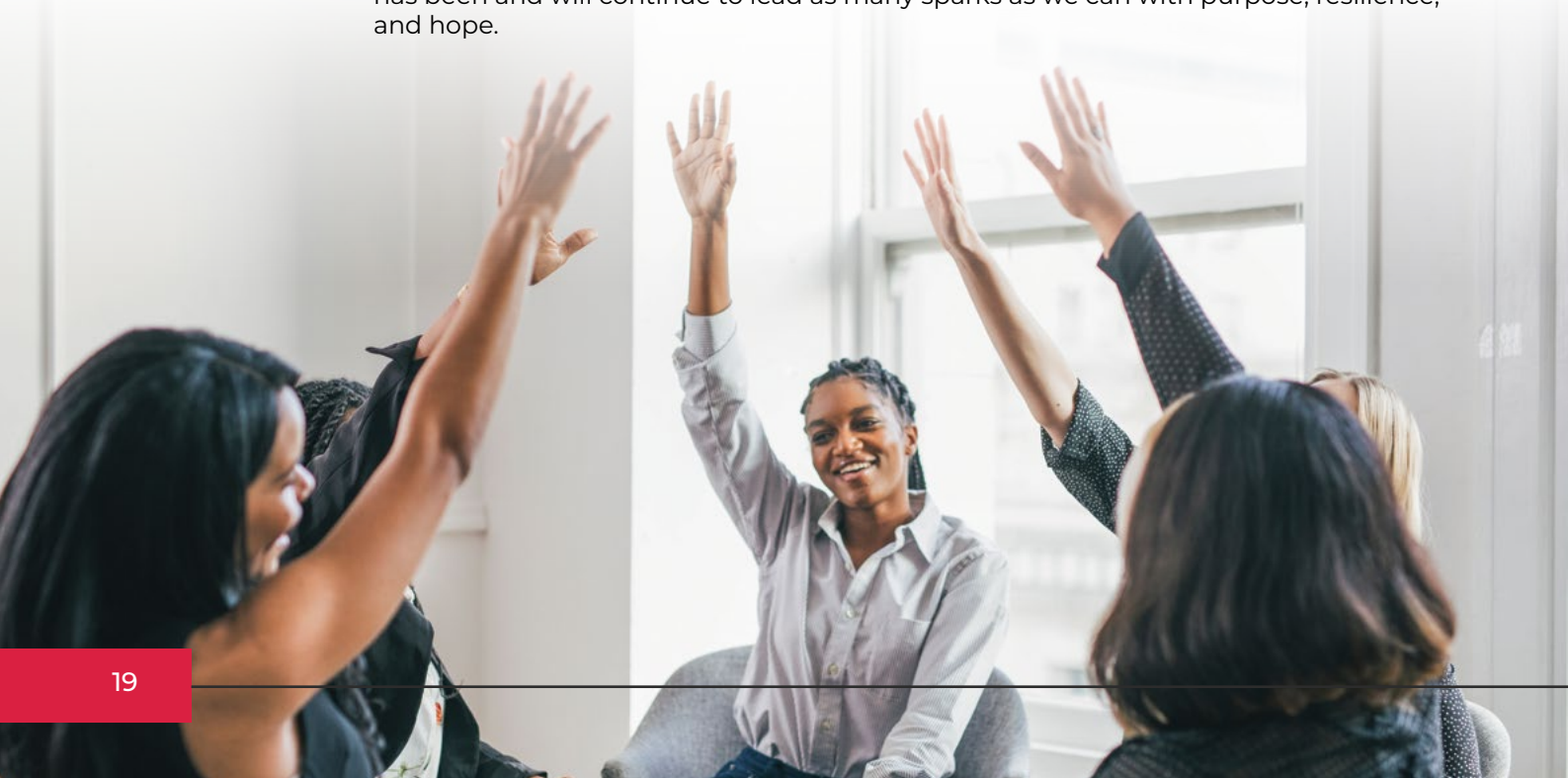
I am perpetually inspired by the trust placed in us by our participants, the entrepreneurs that we support, our funders, and our employees. We serve, not for accolades, but because we believe deeply in the transformative power of this work. We are indeed making a difference but it is not yet time to count blessings!

“

The sustainability of South Africa is our collective responsibility - Get involved. And volunteer your time. Give a reasonable percentage of your expertise to a cause that matters. You can catalyse change.”

Looking ahead, we will continue to respond to the ever-evolving entrepreneurial landscape in South Africa. We want to encourage wider entrepreneurial participation by showcasing local heroes and their incredible stories of our participants, our incredible staff and their stories, and the partners that have powered our journey and perhaps even of the immense potential that still lies ahead.

In closing, I offer my heartfelt gratitude to the many incredible people and organisations that have helped us over the years. Your belief in our mission fuels our work every day. We know the challenges are many, but we are inspired by the millions of sparks of innovation and self-belief emerging across the continent. Black Umbrellas has been and will continue to lead as many sparks as we can with purpose, resilience, and hope.



CEO's Statement

As I reflect on our journey, I do so with deep gratitude, a sense of responsibility, humility, and renewed purpose. The past few years have tested the resilience of our organisation and the small business community we serve. The impact of the COVID-19 pandemic, coupled with internal restructuring and leadership transitions, offered us an opportunity to pause, reflect, and strategically reposition Black Umbrellas for the future.

As we entered the 2023/24 financial year, our focus sharpened on building organisational resilience, improving the quality of our programme delivery, and driving systemic economic impact. Building on the progress we have made over the preceding two financial years, we increased the efficacy of the delivery of our programmes through design and content improvements, continued the transformation of our financial systems and enhanced our fundraising approaches in response to the changing environment.

“

Throughout, we remained committed to meeting the evolving needs of our entrepreneurs.

While this report primarily covers the year ending 30 June 2024, it also includes key highlights from previous years. It tells a broader story, not just of performance, but of renewal.

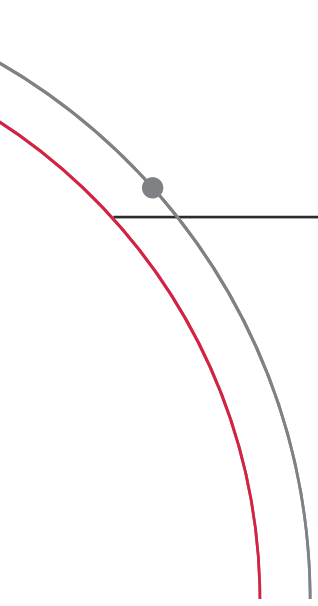
In 2021/2022, Black Umbrellas sustained essential SME support services amid significant economic strain, deploying a hybrid service delivery model and providing over 9,000 hours of training. We strengthened financial oversight, secured a clean audit, and reinforced our monitoring and evaluation systems despite constrained resources.

In 2022/2023, we advanced our digital transformation by launching three Virtual Incubation Programmes, Masakhe, Siyakhula, and Asindize, with 314 SME registrations. We retained over 80% of our funders, opened two new Co-Working Spaces, and reaffirmed our clean audit outcomes. At the same time, we faced difficult realities, fundraising performance reached only 28% of our R60 million target, programme applications declined, and staff turnover increased.

● Programme impact

In 2023/24, we sharpened our focus on accessibility, financial stewardship, and programme effectiveness. Our flagship virtual incubation programmes, Masakhe, Siyakhula and Asindize attracted 204 enrolments into programmes and an impressive 89% pass rate of learning lab courses. These outcomes were enabled by the successful implementation of a new resourcing and capacity planning tool, which enhanced our ability to support entrepreneurs effectively and efficiently.

The Black Umbrellas incubation programme continues to play a pivotal role in advancing inclusive economic growth by supporting high-potential Black-owned SMEs across South Africa. Through structured mentorship, access to markets, skills development, and compliance support, the programme empowers entrepreneurs to build sustainable businesses that contribute meaningfully to the economy. Inclusivity remains a key priority, with dedicated efforts to increase the participation of women and youth, in line with national transformation objectives.



The broader impact of the programme is evident in the growth, resilience, and employment creation driven by the SMEs we support, as highlighted on pages 32-37 of this report. By fostering an enabling environment for Black-owned businesses to thrive, the programme directly addresses systemic challenges such as unemployment, poverty, and inequality. Notably, two participants achieved national recognition in leading SME competitions, further demonstrating the quality and relevance of our incubation model.

Testimonials from beneficiaries, featured in this report, provide personal accounts of the programme's impact on their entrepreneurial journeys and communities. These stories affirm that a focused, responsive approach to the empowerment of small businesses delivers enduring socio-economic value and makes a meaningful contribution to South Africa's broader development agenda.

● **Financial performance**

Financial controls were enhanced significantly. A transition to a simplified accounting system and greater integration with Cyril Ramaphosa Foundation's financial oversight structures resulted in improved monthly management accounts, timely completion of the 2023 audit, and further credit balance reduction by June 2024. Monthly management accounts and internal controls were consistently maintained, contributing to more accurate forecasting and decision-making.

Despite a challenging funding environment, we mobilised funds from donors and partner entities to implement programmes that reached over 600 entrepreneurs in three years. The financial and institutional support received from Mabindu Trust and Cyril Ramaphosa Foundation enabled the organisation to overcome operational budget challenges and improved cost forecasting and financial stewardship.

● **Organisational culture**

We continued to invest in strengthening our internal culture. A revised Code of Conduct was introduced to support an ethical and values-driven environment. Additionally, a structured Leadership Development Programme focused on coaching and strategic thinking was rolled out to deepen leadership capacity and drive accountability.

None of our progress would have been possible without the dedication of our staff. Their commitment to our mission, even during uncertain times, has been consistent. Their efforts in programme delivery, stakeholder engagement, and operational management are the foundation upon which our success is built.

● **Governance and systems**

The adoption of a comprehensive Monitoring and Evaluation (M&E) framework, underpinned by clearly articulated theories of change, marked a critical step towards more transparent impact measurement and programme responsiveness. Leadership transitions in senior management prompted a shift to a leaner, more integrated operational structure. Rather than immediate replacement, we leveraged support from the Cyril Ramaphosa Foundation's executive team to bolster functions in finance, fundraising, stakeholder engagement, programme enablement, and communications. This collaborative approach strengthened capacity while maintaining effectiveness.



● Stakeholder engagement

Our engagement approach with our stakeholders focuses on maintaining strong relationships with our funders, entrepreneurs, and other like-minded organisations in the ecosystem. We recognise that the work of Black Umbrellas cuts across multiple sectors. These include enabling our partners to achieve their empowerment compliance goals, their contributions towards reducing economic inequality, access to value-added services for our entrepreneurs, and the sharing of insights with the broader small business development ecosystem. We are pleased to have retained relationships with our partners who contribute financially and intellectually in support of our bold ambitions jointly held by ourselves and programme participants. A notable highlight was our successful hosting of Global Entrepreneurship Week in November 2023, which reached over 500 participants through a series of hybrid events. Our stakeholders continue to serve as a vital source of inspiration and strength, particularly during times of significant transition.

● Looking ahead

As outlined in the Chairperson's statement, our priorities are focused and intentional. We are committed to consolidating our programme model, improving the retention and success of entrepreneurs, and expanding our footprint through high-impact partnerships. We will continue to strengthen our governance, embed our M&E systems into daily practice, and explore more sustainable and diversified funding approaches. Our goal is to evolve into a more agile, collaborative, and data-driven organisation that remains firmly rooted in service to small businesses. To our partners, funders, board, the executive, and our employees, thank you. Your support and trust have carried us forward. As we step into the future, we do so with cautious optimism, strategic clarity, and a deep sense of duty to the SMEs and communities we serve.

Together, we remain committed to building an inclusive, entrepreneurial ecosystem that empowers South African SMEs to thrive.



STRATEGIC

CONTEXT

AND EXECUTION

**Enabling equal and sustainable
economic access and participation**



STRATEGIC CONTEXT AND EXECUTION

Our work is driven by a commitment to fostering equitable and economic inclusion, empowering entrepreneurs to be resilient in participating in the mainstream economy.

This section is divided into four areas that highlight our end-to-end approach to empowering entrepreneurs. It begins with a description of the **“Black Umbrellas’ business model,”** which outlines how we create value. This is followed by a detailed overview of our **“Virtual Incubation Programme,”** a digital platform designed to empower participating entrepreneurs. The third section, **“Impact in Focus,”** showcases our transformational success stories through narrative testimonials from programme participants, providing qualitative evidence of our impact. Finally, **“Driving Impact Through Our People”** acknowledges our employees as the vital implementation component and driving force behind our mission.

1. Black Umbrellas’ business model

Black Umbrellas’ business model is centred around delivering structured, high-impact development programmes that support SMEs at various stages of their journey, from ideation to growth and funding readiness. These programmes are delivered through the Virtual Incubation Programme at no cost to the entrepreneurs. Black Umbrellas provides coaching, mentoring, technical assistance, and training tailored to the needs of each entrepreneur. This approach is designed to enable entrepreneurs to build viable and job-creating businesses.

To sustain its operations, Black Umbrellas partners with donors from private, philanthropic, and public sectors to support the execution of its empowerment strategy, positively impacting lives and livelihoods through entrepreneurship.

Value proposition



For entrepreneurs

Access to structured programmes, coaching, mentoring, technical support, and a virtual incubation platform to foster business readiness, growth, and sustainability.



For funders

Strategic partnerships that deliver tangible socio-economic returns, including job creation, skills development, and enterprise growth, benefiting SMEs and local communities.

Black Umbrellas' key resources include a skilled internal team with deep expertise in training and coaching, which forms the backbone of its programme execution. It implements a robust digital infrastructure, the Virtual Incubator, an integrated cloud-based platform to deliver scalable and efficient entrepreneurial support services.

The organisation is supported by a physical infrastructure of business lounges and shared office spaces located in Illovo, Johannesburg, and Mount Coke in the Eastern Cape. The spaces provide entrepreneurs with access to professional environments.

The launch of the Mount Coke Incubator was concluded in July 2024. This has enabled Black Umbrellas to have a physical presence in a small rural town and reach entrepreneurs in this location. The incubator was funded and supported by the Small Enterprise Development Agency (SEDA).

Complementing these assets is a growing body of intellectual property comprising custom learning content, coaching methodologies, and programme modules that enable consistent, high-quality entrepreneur development.

Its revenue model is mainly supported by designated grants from funders, which are linked to specific deliverables. To ensure long-term sustainability, the strategic intent includes diversifying income streams by introducing fee-based services for corporate clients and exploring commercial opportunities from the Virtual Incubation platform.

In response to current financial constraints and broader economic pressures, Black Umbrellas remains committed to sustainability through a focused strategy. This includes reducing costs and optimising operations, developing a more sustainable funding model, aligning resources and staff roles with strategic priorities, and strengthening stakeholder trust to ensure long-term resilience and effectiveness.

This strategic direction is anchored in delivering quality services to our participants, because through this impact, we can justify our existence. We will continue with the diversification of funding, ensuring that we always have the required resources and capacity to empower our participants. The organisation is also focused on completing and operationalising an improved Virtual Incubator platform, developing hybrid support models that blend in-person and virtual engagement, and expanding its reach within under-resourced communities.

2. The Virtual Incubation Programme

The Virtual Incubation Programme, launched in 2021, is a flagship initiative designed to support the development and growth of emerging SMEs across South Africa. In 2024/25, Black Umbrellas redesigned its offering and developed capacity planning tools for the delivery of its programmes.

The reasons for the redesign were informed by feedback from the first iteration of implementing programmes on the new platform, which was a fully online offering.

These programmes are geared towards scalability, inclusivity, and empowerment of entrepreneurs and their businesses for sustainability and economic transformation. The three programmes, Masakhe, Siyakhula and Asindize, are designed to support entrepreneurs at various levels of their business growth.

The programme enables communication with like-minded entrepreneurs, provides networks with experts from diverse fields, and supports access to markets and funding opportunities. The programme also enables Black Umbrellas to effectively offer post-incubation support, development, procurement, and finance opportunities to all participants who have been through the programme.

Our mission to effect positive economic and social change through entrepreneurship and small business development has a far wider reach and has never been more precise and critical.



A single view of an entrepreneur cycle



Business plan

Compliance

E-Learning

Financial tracking

Employment tracking

Panels and scoring

Bookkeeping

Collaboration

Application

Selection

Coach and mentor

Masakhe Programme – Laying the right foundations for your emerging business. (Let us Build)

01

Masakhe – meaning “let us build” in isiXhosa - is an entry-level **six-month programme** for SMEs in the ideation, pre-revenue, or start-up phase of development or establishment. The outcome for an entrepreneur in this programme is the assessment of the value proposition and business model to test for viability and potential to deliver sustainable results.



● Qualifying criteria

- Must have a business idea or an existing business that has been operating for less than 12 months.
- Must be registered with the Companies and Intellectual Property Commission (CIPC).
- 51% Black-owned.

● Programme activities

- Assess your value proposition and business model.
- Test for viability and potential for growth.
- E-Learning and Masterclasses.
- Expert guidance and mentorship.

● Expected outcomes

- Validated business opportunity.
- Business model.
- A start-up plan.
- Gaps for further development identified.
- Increased business acumen.
- Higher levels of entrepreneurial confidence.



Siyakhula Programme – Scale and grow.

02

Siyakhula – an isiXhosa and isiZulu phrase meaning “we are growing” - is an **eight-month programme** tailored to cater to the unique requirements of the specific growth stage of the entrepreneur’s business. The programme is designed to help business owners identify growth opportunities and overcome current challenges. An initial diagnosis of the business informs a development plan.



● Qualifying criteria

- Generating a minimum annual revenue of R750,000.00.
- The business must be CIPC registered.
- Must have at least one permanent employee.
- 51% Black-owned.

● Programme activities

- Identify growth opportunities and compliance.
- E-Learning & Masterclasses.
- Baseline assessment.
- Business coaching.
- Mentorship.

● Expected outcomes

- Increase in the number of customers.
- Increase in turnover.
- Efficient use of resources.
- Funding and market ready.
- Invitation to join the Asindize programme.

Asindize Programme – Get your business market, finance, and network ready.

03

Asindize – broadly translated as “let us fly” in isiZulu - is a **twelve-month programme** that is specifically designed to empower potential high-growth enterprises with the right resources and opportunities to ensure scalability and sustainability. This programme aims to propel enterprises forward by connecting them to the right business opportunities.



● Qualifying criteria

- 51% Black-owned.
- Been in operation for at least 3 years.
- Have a minimum of five permanent employees.
- Growth potential to reach R1.5 million turnover during the programme.
- Must be registered with the CIPC.

● Programme activities

- Growth plan assessment.
- Funding pitch to stakeholders.
- Expanded network opportunities.
- E-Learning & Masterclasses.
- Executive coaching.
- Mentorship.
- Assistance with market strategies.
- Link to 3rd party financiers.

● Expected outcomes

- Improved business experience.
- Able to analyse the business strategically.
- Have a minimum of two new jobs.
- Financial growth with increased turnover.

Training Course Highlights:

*** Target** **75%**
Module Completion

Module completion for Masakhe 1 was 78% at the end of the programme, which surpassed the target of 75%. 91% of Masakhe entrepreneurs who complete a module also pass with over 80%.

*** Target** **90%**
Learning Lab Engagement

Siyakhula engagement rate increased to 42% while Asindize increased to 61%. In Siyakhula, 87% of entrepreneurs completing a module also pass it, while this is at 82% for Asindize. Masakhe's engagement rate stands at 81%, with a strong overall completion performance across all cohorts.

*** Coaching** **89%**
Up to 89% of active entrepreneurs received coaching support.

Operational Challenges

The transition from the old to the newly designed development programme presented a significant challenge for the programme delivery team. While the team successfully concluded the phasing out of old programmes and enrolled new cohorts, the migration process resulted in some discontent among entrepreneurs whose participation was prolonged. Despite the financial loss incurred during this transition, the changes were necessary to ensure that our programmes remain relevant and impactful for our participants.

In addition to programme-related challenges, the organisation experienced staff turnover in senior management. Rather than immediately replacing these positions, we opted for a strategic restructuring to maximise the utilisation of existing resources. We leveraged the invaluable assistance of the Cyril Ramaphosa Foundation's executive team, which provided interim leadership across critical functions like finance, fundraising, and stakeholder engagement. This beneficial arrangement will continue until Black Umbrellas has the financial capacity to employ its resources.

3. Impact in Focus – Our Transformational Success Stories

This section showcases the tangible outcomes of Black Umbrellas' work and is subdivided into four categories as follows:



Participants' impact stories

Testimonials from entrepreneurs whose lives and businesses were transformed through the Virtual Incubation programme and other support programmes. These stories provide qualitative proof of growth in turnover, employment creation, operational maturity, and sectoral innovation.



Support impact stories

Highlights of the supportive infrastructure (such as Business Lounges, Co-Working Space initiatives, and Mentoring Circles) that form the broader ecosystem enabling entrepreneurial success. These stories reflect the value of creating enabling environments and not just content and curriculum.



Private sector partnerships

Showcases collaborative projects with institutions like the Nedbank Foundation, Sanlam Foundation, and South32. These stories highlight how joint efforts are driving green innovation, job creation, and SME resilience, often aligned with corporate social investment and Broad-Based Black Economic Empowerment (B-BBEE) strategies.



Driving impact through our people

The final part acknowledges the driving force behind strategy execution, our people. It explains how cross-functional teams, including HR, IT, Finance, and Marketing, supported by the executive team and the Board of Directors, are aligned behind the organisation's mission.



Infix Creations - Crafting cultural excellence

Creative industry



Fikiswa Mlomo, the founder of Infix Creations, is a passionate fashion designer from the Eastern Cape province, dedicated to celebrating local heritage through her handcrafted clothing and leather accessories. With over 90% of her products meticulously crafted by hand, Fikiswa's brand reflects her deep connection to the rich cultural tapestry of her roots. Her participation in high-profile showcases like Source Africa in South Africa and Berlin Fashion Week in Germany has significantly boosted the visibility of her business, positioning Infix Creations as a growing force in the fashion industry.

Despite her creative talent, Fikiswa faced significant operational challenges, including inefficient business systems and a lack of data-driven insights. These hurdles made it difficult to scale her business effectively. Seeking guidance, she joined the Black Umbrellas programme, where tailored mentorship, business training, and access to entrepreneurial networks provided her with the tools to streamline her operations. Through the programme, she transformed her approach to decision-making, adopting more structured processes and improving overall efficiency.

Infix Creations currently stands as a testament to the power of women-led entrepreneurship.

“

With the support from Black Umbrellas, I've turned my vision into a thriving business, balancing my creative passion with sound business practices,” expressed Fikiswa.

As she continues to grow, Fikiswa's success story serves as an inspiration for other emerging entrepreneurs, demonstrating how mentorship, training, and a strong network can help turn creative potential into a sustainable, globally recognised enterprise.

Noni Property Developments, from solo to leading a successful team

Property sector



Noni Property Developments, led by Sinazo Ncindi, Bloemfontein, Free State province, experienced transformative growth through the Black Umbrellas programme. Noni is an emerging player in the real estate market, making housing affordable, accessible, and safe for South Africans. Access to a dedicated business coach and tools like the Business Model Canvas provided clarity, structure, and strategic insight.

The programme's expert-led training, focusing on South African tax compliance, operations, and marketing, empowered Sinazo with vital skills to enhance her business operations and navigate challenges with confidence. These resources laid the foundation for long-term sustainability and innovation.

“

Within six months in the programme, our revenue grew by 33% and the team expanded to four people, said Sinazo.

Her leadership was recognised with her appointment as the youngest board member of the Multi-let Owners Association, signalling industry-wide respect for her expertise. The skills gained not only enhanced internal processes but also positioned Noni Property Developments as a key player in the real estate market, known for excellence, adaptability, and forward-thinking solutions.

Sinazo's journey is one of resilience, learning, and visionary leadership. Embracing the feedback and rigorous mentorship provided by the programme, she cultivated a culture of continuous improvement, customer focus, and team empowerment. With eyes set on the future, Sinazo is committed to expanding the company's footprint, driving innovation in housing solutions and uplifting communities. Her story is a powerful reminder of how the right assistance can ignite entrepreneurial success and inspire a new generation of changemakers.

Bolwa Security Services - Creating sustainable jobs

Private security industry



Bolwa Security Services is a Johannesburg-based company in the Gauteng province that provides professional security and guarding services through trained, accredited officers to both the public and private sectors. Founded in 2018 by Johnson Bongani Vetbooi, Bolwa began operations with a single guard covering both day and night shifts. However, through the intervention programmes freely offered by Black Umbrellas, Bolwa has grown significantly, currently employing 75 guards and offering a wide range of professional security services with plans for further expansion.

It credits the Black Umbrellas programme for its significant growth journey. The company joined the developmental programme in 2019 with no prior knowledge of running a business, only a clear vision and passion. Bolwa received essential training, mentoring, and coaching through participating in the programme.

Black Umbrellas played a vital role in assisting the enterprise in establishing proper structures needed for growth. They also facilitated valuable networking opportunities and connected the company to other support channels. The Virtual Incubator platform made it easy to attend coaching sessions and training classes, which helped enhance the company's knowledge and capabilities in various aspects of business operations.

Most importantly, Black Umbrellas taught valuable business skills and fostered a deeper understanding of how to effectively manage a business. The programme instilled resilience and encouraged a strong

presence in the entrepreneurial journey. "Being part of a vibrant network of fellow entrepreneurs was equally beneficial. Sharing space with others and realising that many challenges are common helped to prevent feelings of isolation, while ongoing success stories nurtured a strong entrepreneurial spirit," said Johnson Bongani Vetbooi, founder of Bolwa Security Service.

The business expanded to three other provinces, Kwa-Zulu Natal, Western Cape, and North West. Johnson was awarded the Entrepreneur of the Year award by Black Umbrellas in recognition of his achievements.

The experience gained from participating in the programme proved invaluable in developing Bolwa's business acumen. In 2021, Black Umbrellas recognised Bolwa with an award for creating the most jobs during the pandemic, a milestone the company is immensely proud of.

“

Just as Black Umbrellas transformed our journey, we are committed to transforming the lives of others,” said Johnson.

L D Masoga Consulting T/A LDM Energy - Growth through marketing and mentorship

Energy sector



Deborah Masoga launched her business initially focusing on IT equipment sales and distribution. Over time, the company diversified into fuel distribution, supplying diesel, gas, UPL 93/95, paraffin, and heavy-duty oils in bulk, as well as providing generator refuelling services across Gauteng, North West, Mpumalanga, and Limpopo provinces.

Before joining the Siyakhula Programme, LDM Energy operated without a defined marketing strategy and had limited brand visibility. Deborah candidly shared that they lacked an understanding of how critical marketing and brand positioning are for business growth. Through Black Umbrellas' targeted mentorship, masterclasses, and business coaching, she and her team gained essential skills in marketing and compliance. The team is finalising a LinkedIn marketing campaign with the help of an outsourced agency, an initiative that stems directly from the knowledge and confidence gained through the programme.

“

We learned that marketing and brand awareness are essential for a business to grow and enhance its credibility and luckily, we continue to access the learning platform,” said Deborah.

Looking ahead, Deborah is determined to continue building on this foundation. She expressed a keen interest in further developing her business communication skills, particularly in crafting compelling proposals and responding effectively to tenders. Her vision is not only to scale her brand but also to create meaningful employment opportunities within her community. Deborah's story is a testament to the transformative impact of the Siyakhula Programme, providing more than just business tools but fostering confidence, resilience, and purpose-driven growth.

“

At Black Umbrellas, we are committed to empowering entrepreneurs with the skills and support they need to grow impactful businesses” said Simnikiwe Kakaza, Black Umbrellas Business Coach.

HLN Green Energy Solutions - Powering the future

Energy sector



HLN Green Energy Solutions, founded by Hlulani Ndlovu, is a 100% Black and youth-owned company based in Tzaneen, in the Limpopo province. It is committed to tackling the challenges of load-shedding, high electricity costs, and climate change through accessible green energy solutions. With certification as a PV Green installer from the South African Photovoltaic Industry Association, Hlulani established the company with technical expertise, a vision, and basic business structures.

“

I joined the Black Umbrellas' Siyakhula Programme to gain vital entrepreneurial skills and guidance to build a successful and structured enterprise, and I do not regret the time invested,” expressed Hlulani.

Through the support of Black Umbrellas, Hlulani received mentorship, business coaching, and training in financial management, planning, and marketing. The programme's most impactful feature was the dedicated coaching, which helped him formalise his business plan, improve accounting systems, presentations to funders, and develop strategic marketing approaches. As a result, the business has employed one full-time and two part-time staff members.

The programme also helped Hlulani develop systematic business operations, instil accountability among team members, and adopt innovative marketing strategies. HLN Green Energy Solutions is more competitive and community-focused, measuring success through operational efficiency, customer satisfaction, and stakeholder relationships. Hlulani's ability to balance learning and business demands highlights his resilience and dedication. His journey from technician to entrepreneur reflects the transformative impact of structured support and his commitment to sustainable development and youth empowerment.

NTCS Engineering - An emerging player in the manufacturing sector

Manufacturing sector



NTCS Engineering, a Johannesburg-based manufacturer of industrial components such as bolts, nuts, and bearings, joined the Black Umbrellas programme in June 2021. Led by Eric Pester Mabasa, the Managing Director with over a decade of experience, the company leveraged Black Umbrellas' Business Foundation and Readiness Programmes at that time to strengthen its operations and enhance its production capabilities.

As a result, NTCS Engineering has made impressive strides in optimising its business processes and positioning itself for impactful growth.

“

During the height of the COVID-19 pandemic, we faced significant challenges. However, through Black Umbrellas, the company was awarded a R50,000 grant that facilitated the purchase of essential machinery and the hiring of additional staff”, said Pester.

This support proved crucial in enabling the company to scale operations during an uncertain period. Founder Eric Mabasa credits Black Umbrellas' business coaching and strategic support for the vital expansion that helped the business during the pandemic and emerge stronger.

NTCS Engineering is a prime example of the value of targeted support for SMEs. The company's growth and resilience during challenging times highlight how Black Umbrellas' resources uplift entrepreneurs to overcome challenges and thrive in a competitive market. With continued mentorship and strategic guidance, NTCS Engineering is poised for ongoing success in the industrial manufacturing sector.

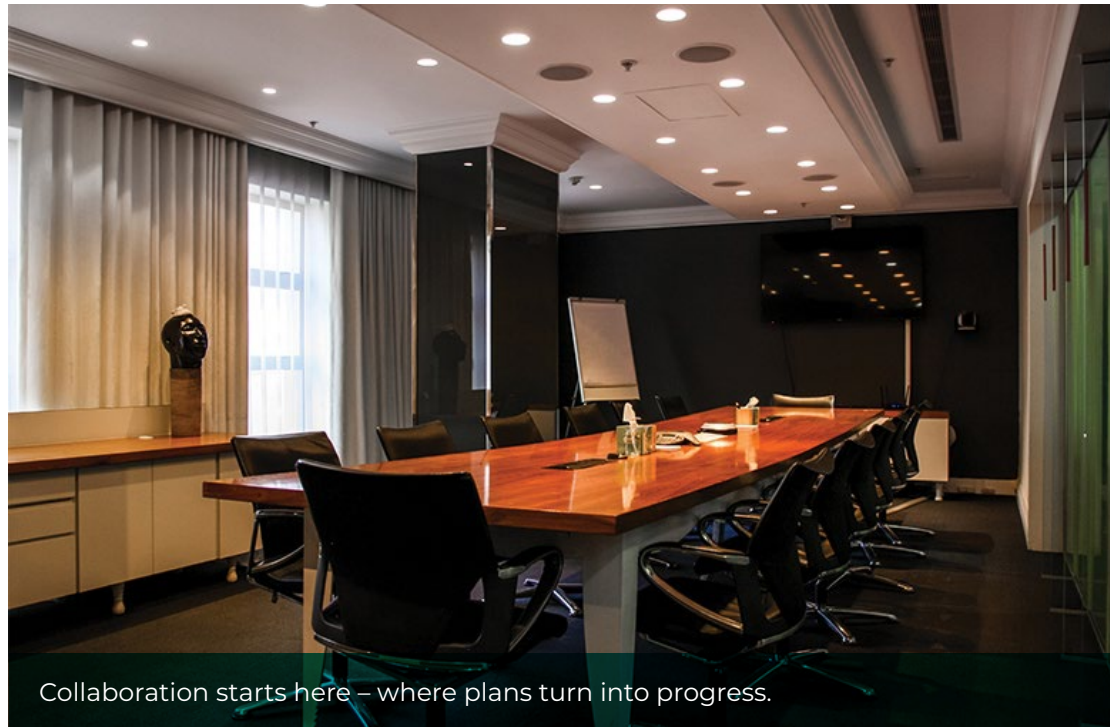


Black Umbrellas Business Lounges - Enabling access, building confidence

The Black Umbrellas Business Lounges are an essential component of our entrepreneur support infrastructure, designed to provide a professional and accessible space where emerging business owners can conduct meetings, access business tools, and connect with mentors, clients, and peers. These lounges serve as a physical extension of our commitment to fostering an enabling environment for small and growing Black-owned enterprises.

Equipped with Wi-Fi, meeting areas, printing facilities, and comfortable workspaces, the Business Lounges are much more than just a place to work, they are hubs of opportunity. For many entrepreneurs who may not yet have access to private office space or formal boardrooms, these lounges create an atmosphere of professionalism and legitimacy. They are safe, resource-rich environments that support confidence in daily operations and empower entrepreneurs to represent their businesses with pride.

By providing this valuable resource at no additional cost to incubated businesses, Black Umbrellas removes a significant barrier to early-stage growth. The Business Lounges also foster peer interaction, spontaneous knowledge-sharing, and networking, creating fertile ground for collaboration and innovation. These spaces are a testament to our belief that access, visibility, and dignity are just as important as training and mentorship on the journey to business success.



Collaboration starts here – where plans turn into progress.

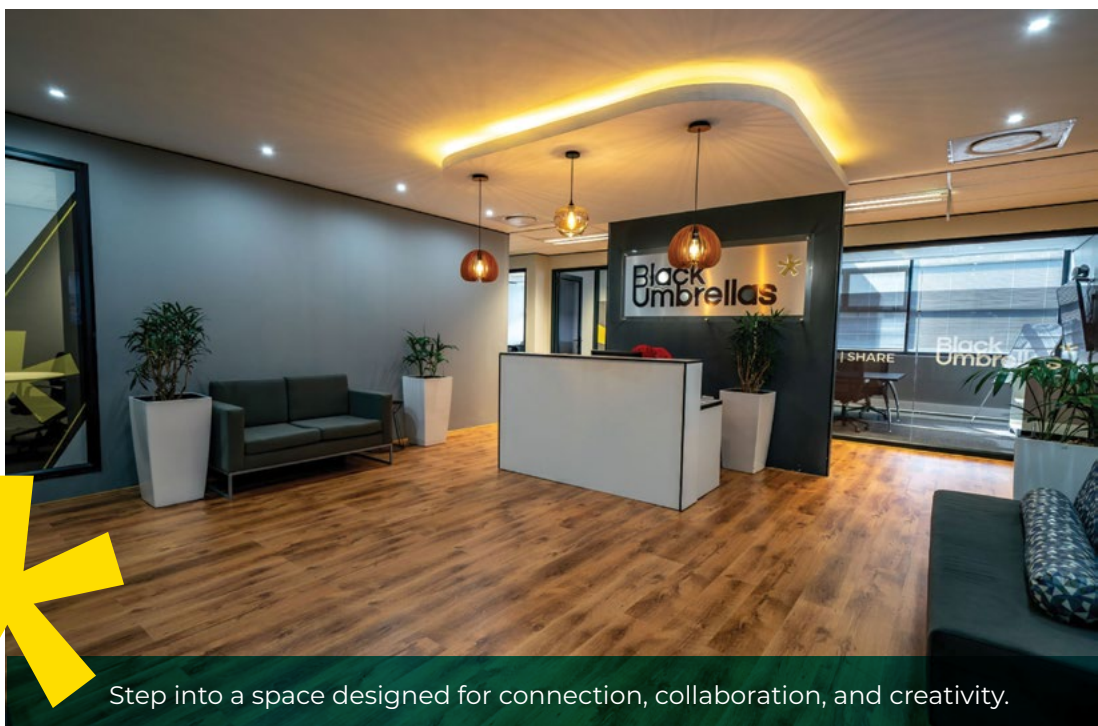


● **Black Umbrellas Co-Working Space initiative - More than just a place to work**

The Black Umbrellas Co-Space Initiative was developed as a strategic response to one of the most pressing challenges faced by emerging SMEs, which is access to affordable, professional workspaces. This initiative offers shared office environments designed specifically to support the needs of early-stage and growing businesses. These co-working hubs provide not only physical infrastructure such as workstations, meeting rooms, and high-speed internet but also a collaborative atmosphere that fosters networking, productivity, and innovation.

What sets the Co-Working Space initiative apart is its integration into the broader Black Umbrellas incubation ecosystem. SMEs working from these spaces benefit from immediate access to business development support, coaching, and mentorship offered by Black Umbrellas. This proximity to expertise and peer entrepreneurs enhances learning opportunities, accelerates problem-solving and builds a strong sense of community. The shared environment also enables real-time knowledge exchange, sparking partnerships and collaborations across industries.

More than just a place to work, the Co-Working Space initiative represents a deliberate investment in the long-term success of South Africa's small and emerging businesses. By removing barriers to professional office space and embedding entrepreneurs in a dynamic and supportive environment, Black Umbrellas is helping to nurture confident, capable business leaders ready to contribute to economic transformation and job creation.



Step into a space designed for connection, collaboration, and creativity.



SUPPORT IMPACT STORIES



Black Umbrellas Mentoring Circles - Building knowledge communities

The Mentoring Circles is a dynamic initiative aimed at enriching the incubation experience for entrepreneurs in our programmes. These virtual group mentoring workshops bring together seasoned professionals and emerging business owners in an open, collaborative environment. Themed sessions offer practical learning, sector-specific insights, and shared experiences that help participants address real-world business challenges.

Each session includes mentor-led presentations on key business topics, followed by interactive Q&A segments that encourage engagement and discussion. The format allows entrepreneurs to connect with a panel of mentors and peers, fostering a supportive space for open conversations, problem-solving, and collaborative learning. This approach also highlights common threads across diverse industries and business models, deepening the understanding of participants and building valuable networks.

Mentoring Circles have quickly become a cornerstone of Black Umbrellas' support ecosystem. By reinforcing peer learning, encouraging collaboration, and boosting the confidence of emerging business leaders, this initiative continues to add meaningful value to the incubation journey, strengthening both individual growth and the broader entrepreneurial landscape.

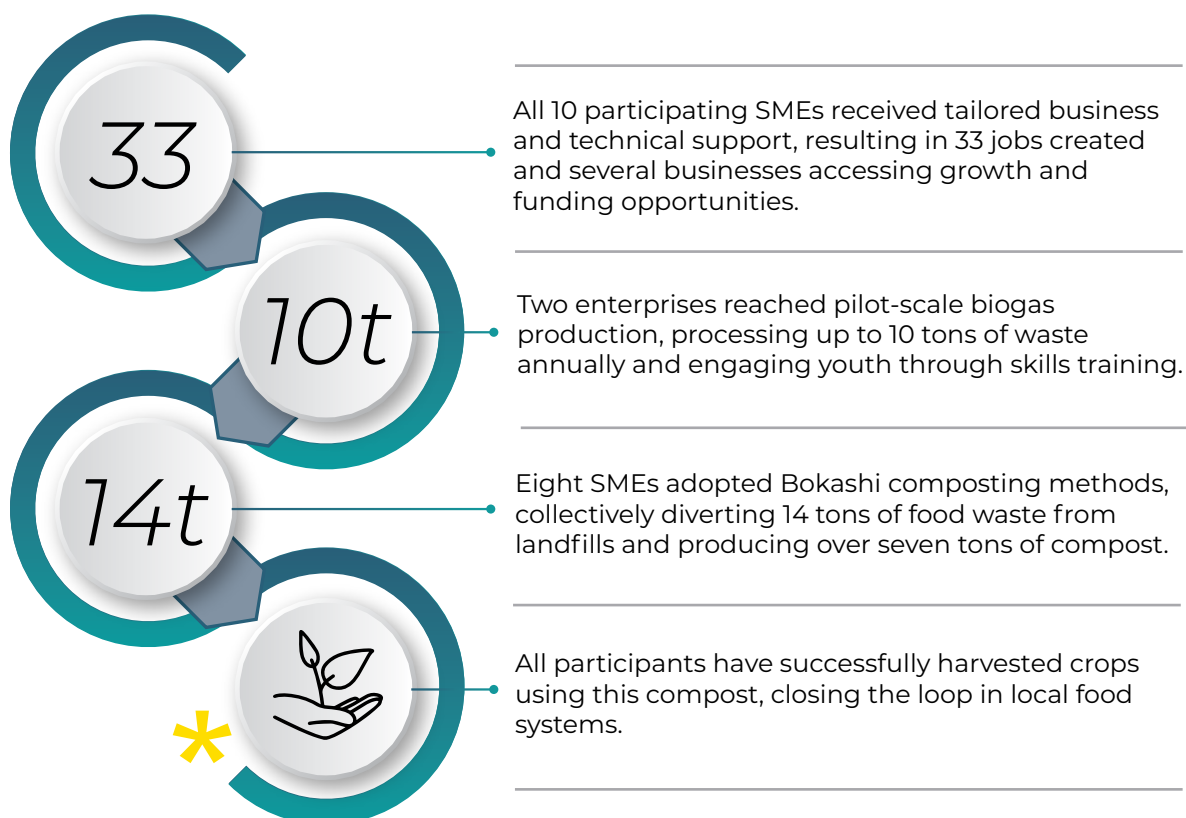


Partnership for a circular economy - Turning waste into opportunity

Facilitated through a strategic collaboration between the Nedbank Foundation, Black Umbrellas, and the Council for Scientific and Industrial Research (CSIR), this project advocates for the beneficiation of food waste as a key driver of South Africa's green economy. The initiative facilitates the conversion of organic waste into biomethane for clean household energy and the production of nutrient-rich compost, thereby providing an alternative to chemical fertilisers.

The project empowered 10 small and medium enterprises (SMEs) across four provinces, Gauteng, Eastern Cape, Mpumalanga, and Kwa-Zulu Natal. It fosters innovation, entrepreneurship, and sustainability at the grassroots level.

Key impact outcomes



Looking ahead, the partners aim to expand the reach of biogas and composting technologies while continuing to strengthen the capacity of SMEs to lead South Africa's transition to a circular inclusive economy.



The Sanlam Foundation Project - Igniting entrepreneurial potential of women-owned businesses

Over the last three years, the Sanlam Foundation has been a crucial partner for Black Umbrellas in enterprise development, empowering over 60 entrepreneurs across various key programmes. This strategic partnership stands out for its deliberate focus on empowering female entrepreneurs and its innovative, tiered approach to programme delivery. The collaboration is designed to ensure that support is highly relevant to each entrepreneur's specific stage of development, thereby driving meaningful economic inclusion and job creation. This has provided us with valuable lessons on how targeted, context-specific interventions can effectively transform SMEs into sustainable job-creating businesses.

● Programme tailored to the context of entrepreneurs

The partnership delivered two key entrepreneurial development programmes, designed to meet the specific needs of entrepreneurs at various stages of their business journey. The Masakhe programme, an entry-level, six-month incubation initiative, was designed to equip early-stage entrepreneurs with foundational business skills and validated business models. In contrast, the Siyakhula programme was an eight-month programme tailored for established businesses, focusing on enhancing compliance, financial access, and revenue growth. This strategic, two-tiered approach, informed by an initial business diagnosis, ensured that each entrepreneur received support that was highly relevant to their stage of development.

● Female focused

The Sanlam Foundation has been a crucial partner in our mission to ignite the potential of women-owned businesses over the past three years. This partnership has been deliberately focused on empowering a substantial cohort of female entrepreneurs, providing them with the tools and support needed for success. Through our joint efforts, we have empowered 60 entrepreneurs across various programmes, with a clear focus on increasing the participation and success of women in active entrepreneurship.

● Economic inclusion and job creation

The tangible impact of this partnership is demonstrated by the direct contributions to economic inclusion and job creation. The Masakhe programme resulted in 11 new jobs, while the Siyakhula programme contributed an additional 17 jobs, bringing the total to 28 new jobs created by the participating SMEs. These achievements underscore the programme's effectiveness in fostering viable businesses and ensuring that entrepreneurial success translates into employment opportunities and meaningful economic participation within communities.

28

new jobs created by the participating SMEs

● Lessons gained in the partnership

The collaboration with the Sanlam Foundation has provided valuable lessons on what drives success in enterprise development. The Masakhe programme proved pivotal in bridging the gap between business ideation and viable business planning, achieving an 80% completion rate. We learned that providing structured tools, expert coaching, and mentorship is highly effective in preparing entrepreneurs for growth. The Siyakhula programme demonstrated that targeted support for compliance and funding readiness can help SMEs formalise operations and scale sustainably, with high module completion rates and successful job creation being clear indicators of impact.

South32 – Empowerment and sustainability



The South32-funded Virtual Incubation programme, implemented by Black Umbrellas, provided targeted enterprise development support to 20 early-stage SMEs in the Richards Bay area in the Kwa-Zulu Natal province. Delivered through a robust digital platform, the programme integrated online learning modules, personalised business coaching, and pitch training to equip entrepreneurs with the essential skills needed to foster sustainable growth and business resilience.

● Key achievements

65%

of the participating enterprises were pre-revenue start-ups

Beneficiary reach and demographics

From a pool of 59 applicants, 20 SMEs were selected across various sectors, including construction, retail, and manufacturing. The cohort was demographically diverse: 55% male-owned and 45% female-owned, with 60% of businesses led by youth. Notably, 65% of the participating enterprises were pre-revenue start-ups, highlighting the programme's focus on nurturing entrepreneurs at the earliest stages of development.

85%

engagement rate was achieved, with 17 out of 20 beneficiaries completing all eight learning modules.

Entrepreneurial skills development

An impressive 85% engagement rate was achieved, with 17 out of 20 beneficiaries completing all eight learning modules. The modules recorded an average pass rate of 86%, with top-performing areas including Business Finance (89%), South African Tax (88%), and the Business Toolkit (89%). Collectively, the beneficiaries logged a total of 870 sessions on the Virtual Incubation platform, averaging 48 logins per participant, demonstrating strong commitment and adoption of the digital learning approach.



17

entrepreneurs successfully developed Business Model Canvases and pitch decks.

Business coaching and pitch readiness

Through one-on-one coaching, 17 entrepreneurs successfully developed Business Model Canvases and pitch decks. Of these, 15 pitched their businesses live to expert panels, gaining valuable feedback to refine their ideas. The coaching sessions addressed specific needs in financial planning, compliance, and market research, further strengthening the participants' business acumen.

20

The Masakhe programme effectively empowered 20 SMEs to build strong foundational skills, validate their business models, and prepare for investment opportunities.

The Masakhe programme effectively empowered 20 SMEs to build strong foundational skills, validate their business models, and prepare for investment opportunities. The high completion rates, quality of pitch readiness and demonstrated commitment among participants underscore the programme's success. Furthermore, there is a clear demand for continued support through post-incubation interventions like the Siyakhula programme.

This initiative stands as a testament to the power of digital incubation in bridging geographic divides and driving SME resilience, particularly within underserved regions such as the King Cetshwayo District.

28

jobs were created across Masakhe and Siyakhula, with SMEs generating revenue and improving compliance.

Overall impact

Economic contribution - 28 jobs were created across Masakhe and Siyakhula, with SMEs generating revenue and improving compliance.

These programmes exemplify how targeted support, combining training, mentorship, and strategic tools, can transform SMEs into drivers of employment and innovation. Black Umbrellas' adaptive approach ensures continued relevance and impact in South Africa's entrepreneurial landscape.



DRIVING IMPACT THROUGH OUR PEOPLE

4. Driving impact through our people

Employees are the cornerstone of Black Umbrella's mission to empower emerging Black-owned SMEs and drive inclusive economic development in South Africa. Their unwavering dedication is vital to the successful implementation of our Virtual Incubation programme. This collective effort ensures that small businesses evolve from survivalist ventures into sustainable enterprises, contributing significantly to job creation and economic growth.

The seamless operation of our programme is made possible by the collaborative efforts of various divisions within the organisation. Human Resources plays a crucial role in recruiting and nurturing talent, Finance ensures the prudent management of resources, IT provides the necessary technological infrastructure, Marketing amplifies the organisation's reach and impact, and the Executive team offers strategic direction and oversight. Without the synergy of these dedicated teams, the realisation of Black Umbrella's vision would not be possible.



“

Employees are the cornerstone of Black Umbrella's mission to empower emerging Black-owned SMEs and drive inclusive economic development in South Africa.



STAKEHOLDER **RELATIONSHIPS** AND PARTNERSHIPS

Building trust through
collaboration



STAKEHOLDER RELATIONS AND PARTNERSHIPS

We foster collaboration that drives meaningful and lasting change through actively engaging with our stakeholders beyond transactional engagements to fostering long-term and mutually beneficial partnerships that drive progress.

- Strong and meaningful stakeholder relationships are vital to the success and sustainability of our mission. Throughout the year, we remained committed to engaging openly and collaboratively with our diverse stakeholders, including participants, partners, funders, and key sector institutions. Concerted efforts were made to build and maintain these relationships, which are critical not only for resourcing and funding our work but also for strengthening our presence and credibility. Some of the stakeholder engagement activities include the following:



Hosting of the Global Entrepreneurship Week in November 2023, which reached over 500 participants through a series of hybrid events.



Site visits to participants in the Sanlam Foundation Project were arranged, offering delegates valuable insights into the operating environments, opportunities, and challenges faced by the entrepreneurs.



Stakeholders from SEDA, SEFA, and the NYDA participated in pitch sessions with Siyakhula programme participants, providing feedback and assisting with access to grants and finance opportunities.

Our engagement strategies are focused on continuing to cultivate strong, trust-based relationships that support our long-term goal of supporting entrepreneurs to cultivate and grow their businesses.



GOVERNANCE

AND ACCOUNTABILITY

A commitment to integrity and
transparency



GOVERNANCE AND ACCOUNTABILITY

By aligning our governance with global best practices and stakeholder expectations, we not only mitigate risks but also build trust, proving that responsible leadership and long-term value creation go hand in hand.

- At Black Umbrellas, governance is the bedrock of our operations. We remain deeply committed to integrity, transparency, and sound governance, which continue to guide our leadership and decision-making. These principles ensure the responsible stewardship of all resources entrusted to us and reinforce our mission of supporting entrepreneurs and our employees.

Black Umbrellas is governed by the Board of Directors, which holds ultimate responsibility for the governance, strategic direction, and risk oversight. The Board ensures that the organisation operates with independence, inclusivity, and the competencies required to fulfil its developmental mandate. It meets quarterly to assess performance and deliberate on key governance matters.

● **Governance framework**

Our Governance framework is designed to promote ethical leadership, ensure legal and regulatory compliance, build stakeholder trust, and align operations with the strategies of partner entities. It supports the organisation's overall mission by optimising performance, mitigating risks, and reinforcing an accountable, values-driven culture.

The Governance framework enables the Board to fulfil its responsibilities, which include:

Strategic oversight and policy direction.

IT governance.

Risk management and internal controls.

Conflict of interest management.

Legal and regulatory compliance.

Stakeholder engagement and relations.



During the period under review, the Board of Black Umbrellas comprised five members who provided strategic oversight and governance in alignment with the organisation's mission. On 27 March 2024, one of the Board members, Mr. Kgotsso Schoeman, resigned, reducing the number of Board members to four. Despite this change, the Board remained effective and committed, convening four times during the reporting period. All meetings were well-attended, reflecting the Board's dedication to robust governance and active participation in organisational oversight.

● **Governance highlights and strategic improvements**

Over the past year, we took significant steps to strengthen our governance and operational resilience:

- Compliance strengthening - We updated and approved the Promotion of Access to Information Act (PAIA) Manual to ensure alignment with the Protection of Personal Information Act (POPIA) legislative requirements.
- Improved oversight - The Board's annual Workplan was revised to better reflect strategic priorities and ensure focused and effective oversight.
- Updated the Code of Conduct - We implemented a new Code of Conduct that consolidates key organisational policies and includes new provisions on bullying, discrimination and responsible use of resources, reinforcing our values-driven culture.
- Enhanced risk management - Our risk policy framework was revised to align with evolving organisational needs and external developments.



● **Protection of Personal Information Act (POPIA)**

As an organisation committed to the highest standards of governance and integrity, we acknowledge our responsibility to protect the personal information of all our stakeholders. Our operations are fully aligned with the Protection of Personal Information Act (POPIA), which governs the lawful processing of personal information in South Africa. We have implemented robust measures to ensure that all data, from our employees, board members, funders, and programme participants, is collected, processed, and stored with the utmost care and in strict accordance with the Act. This commitment to data privacy is not just a regulatory obligation, it is a fundamental pillar of our ethical framework and a testament to our dedication to building and maintaining trust with every individual and entity with whom we engage.

“

At Black Umbrellas, governance is the bedrock of our operations. We remain deeply committed to integrity, transparency, and sound governance, which continue to guide our leadership and decision-making.



LOOKING

AHEAD

AND STRATEGIC PRIORITIES



LOOKING AHEAD AND STRATEGIC PRIORITIES

We aim to empower entrepreneurs to foster growth and thrive in an inclusive and dynamic economy.

As we look to the future, our vision remains firmly rooted in driving meaningful economic inclusion. We are committed to empowering entrepreneurs with the tools, resources, and support they need to build resilient businesses that contribute to a thriving and inclusive economy.

Our strategic priorities in the coming year focus on deepening our impact, expanding access to opportunities, and fostering growth within underserved communities. By nurturing innovation and entrepreneurship, we aim to unlock potential, bridge economic divides, and shape a brighter, more equitable tomorrow for all.

Our strategic priorities



Diversification of funding: We have actively pursued strategic partnerships to secure discretionary funding, enabling us to drive innovation and support transformative programme development beyond conventional ring-fenced outcomes.



Youth entrepreneurship: Delivering effective programmes to increase participation of start-ups and micro businesses owned by the youth.



Entrepreneurial support for women: Increase the number of support programmes for women in active entrepreneurship.



Strengthening programme delivery for operational excellence: We are focused on improving the long-term success of the small businesses we support by strengthening programme delivery and providing the resources needed to navigate a competitive business environment.



Driving organisational agility and collaboration: We are evolving into a more agile, collaborative, and data-driven organisation, better equipped to respond to the dynamic needs of small businesses and to drive sustainable impact.

ACKNOWLEDGEMENTS

DREAM
BELIEVE
CREATE
GROW
SHARE



ACKNOWLEDGEMENTS

● **Funders and strategic partners**

We express our heartfelt gratitude to our funders and partners for their steadfast support and commitment to our mission and vision. Your investment has been crucial in helping emerging entrepreneurs grow their businesses, leading to improved economic status and job creation within local communities.

● **The Board**

Our deepest appreciation goes to the Board for their exemplary leadership and stewardship. Your strategic guidance has ensured that Black Umbrellas remains true to its mandate while adapting to the evolving business landscape, steering the organisation in the right direction to fulfil its long-term vision.

● **The Executive Team**

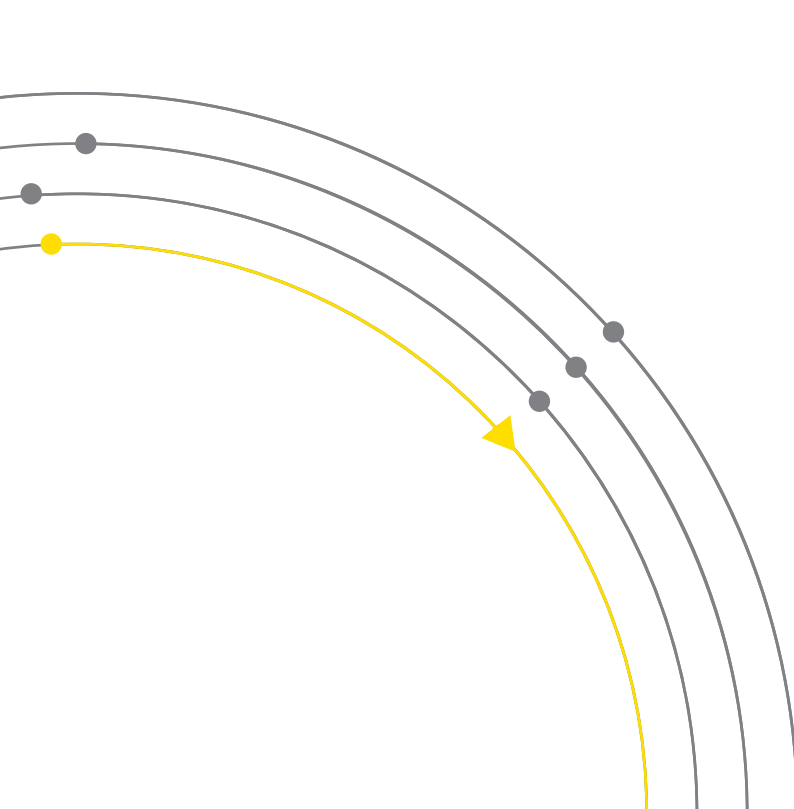
We acknowledge the Executive Team for their unwavering focus and dedication in executing the organisation's strategy. Your leadership has been essential in driving the implementation of key initiatives, ensuring that Black Umbrellas continues to thrive and deliver on its goals.

● **Employees**

We extend our sincere appreciation to all employees for their dedication and hard work in implementing the Virtual Incubation programme and supporting other critical functions within the organisation. Your commitment and efforts have played a key role in the continued success of our programmes and in providing valuable support to entrepreneurs.

● **Participants of the Virtual Incubation programme**

We commend the participants in our Virtual Incubation programme for their dedication and resilience. Your commitment to growing your businesses has had a profound impact, resulting in enhanced economic opportunities and job creation that benefit local communities across the country.



DREAM
BELIEVE
CREATE
GROW
SHARE

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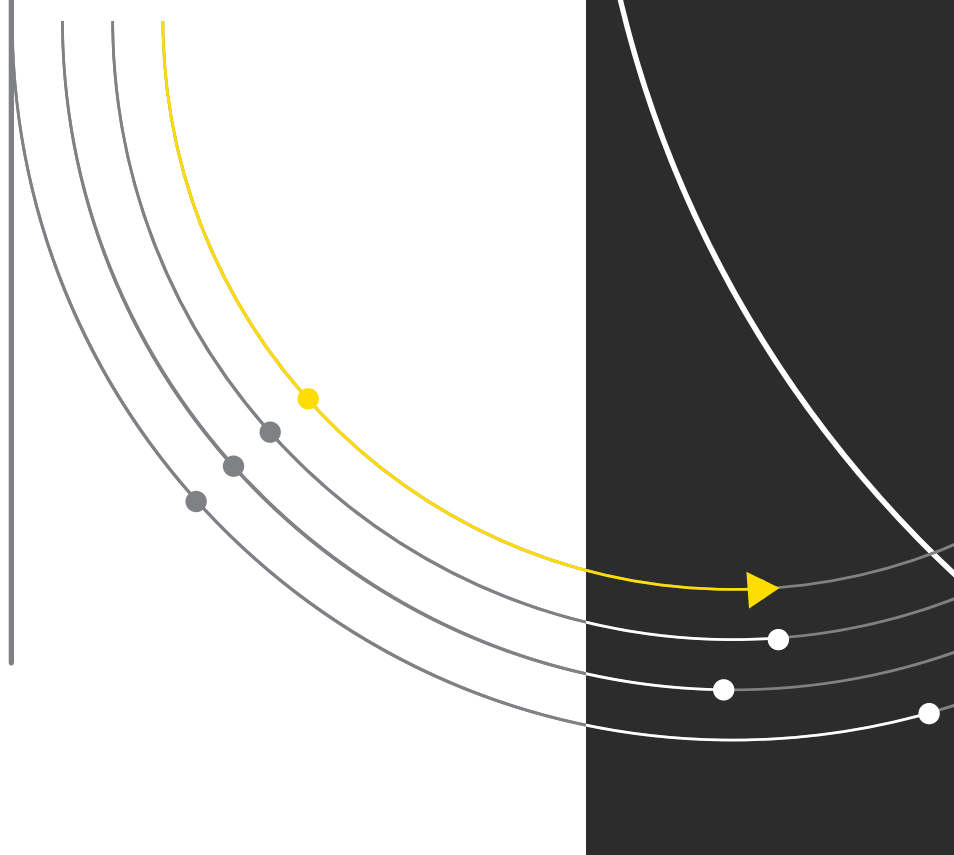
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