



Shiselweni Reformed Home-Based Care Financial Statements – 2014/15

**SHISELWENI REFORMED HOME BASED CARE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2015**

PLEASE NOTE: THE FIGURES BELOW ARE IN SOUTH AFRICAN RAND

CCF & Associates
Chartered Accountant (SA)
Registered Auditor

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2015**

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Approval and statement of responsibility

The Company's Directors are responsible for the maintenance of adequate accounting records, and the preparation and integrity of the annual financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements.

The Directors are also responsible for the Company's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatement and loss. Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the Members have every reason to believe that the body corporate has adequate resources in place to continue in operation for the foreseeable future.

The annual financial statements set out on pages 6 to 10 are the responsibility of the Members and have been approved by the Directors and are signed on their behalf by:



.....

Chairman



.....

CEO



ccf & associates

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Practice No. 964719**

Report of the Independent Auditors

To the Members of:

SHISELWENI REFORMED HOME-BASED CARE

We have audited the Annual Financial Statements set out on pages 6 - 10. These Financial Statements are the responsibility of the Company's Directors. Our responsibility is to report on these financial statements based on our audit.

Scope

We conducted our audit in accordance with statements of South African Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance that the Financial Statements are free of material misstatement.

An Audit includes:

- a. Examining on a test basis, evidence supporting the amounts and disclosures included in the Financial Statements.
- b. Assessing the accounting principles used and significant estimates used by management.
- c. Evaluating the overall financial presentation.

We believe that our audit provides a reasonable basis for our opinion.

We have received all the information and explanations we required.

Audit opinion

In our opinion, these Financial Statements fairly present, in all material aspects, the financial position of the Institution at 28 February 2014 and the results of its operations and cash flow information for the year then ended in accordance with Generally Accepted Accounting Practice issued by the South African Institute of Chartered Accountants.

CCF & ASSOCIATES

CCF & Associates
Chartered Accountant (SA)
Registered Accountant and Auditor



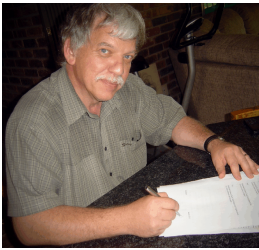
Per: C.C. Fourie

29 April 2015



Shiselweni Reformed Home-Based Care

CEO Report



Once again the past year held many highlights for Shiselweni Home-Based Care (SHBC). At the beginning of the year the ministry consisted of 38 projects. By the end of the year the group had grown to 42 projects with more than 1 100 volunteers, caring for almost 4 500 clients. During the year extensive research was done on the outcomes of the home-based caring program. This was done by Prof Robin Root, a medical anthropologist from the City University of New York together with Prof Alan Whiteside, Professor Emeritus, University of KwaZulu-Natal and former director of HEARD (Health Economics & HIV/AIDS Research Division) and myself. One of the most significant outcomes of the holistic caring approach of the volunteers, is the substantial decline among SHBC clients in overall mortality, from 32.2% in 2008 to 9.2% in 2013. This reduction is

approximately double the decline in HIV/AIDS mortality rates for the rest of Swaziland. It was also noted that 92% of participants taking part in this research, felt their health had improved as a result of SHBC involvement in their lives. Realizing the importance of people starting anti-retroviral therapy (ART) as soon as possible, referring potential clients for HIV testing and subsequently referring them to health facilities to initiate ART, is vital to SHBC's approach. During the past year over 3200 people were referred for HIV testing and more than 4000 were referred for ART. Addressing stigma is also core to SHBC's mission of bringing back hope into the lives of the hopeless. Almost 110,000 visits were paid to the clients during the year in order to support them in a holistic way. The results of this research project will soon be published in the distinguished *African Journal for AIDS Research*.

However, apart from the caregiving ministry, which may be considered as the "core service" of SHBC, the other three focus areas of the organization play an increasingly important role:



- In 2011 SHBC established an early childhood development center at Dwaleni. Since then four more centers were established in the Shiselweni area of Swaziland. At Big Bend more than 100 children are attending classes daily;
- During 2014, SHBC also provided food to orphaned and vulnerable children. A total of 373 children received daily nutritious meals at seven different neighborhood care points. We are presently seeking funds to expand this program to eleven areas, with the hope to feed more than 900 children daily;
- Since 2010, SHBC has also been able to provide new wheelchairs to approximately 450 invalids.

In a ministry such as this, finances will forever be a challenge. God is blessing us with a high number of volunteers stepping forward, wishing to be trained. The cost of training and equipping one caregiver is approximately R450. A very basic food parcel costs around R120. When multiplied by 1 100, this becomes a huge R132 000 (\$12 000) per month! Even keeping the medical bags filled to meet the most basic needs, such as multi-vitamins, pain tablets, ointment, gloves, etc., adds up to R70 (\$7) per caregiver per month.

Our "Adopt-A-Caregiver" program, through which we endeavor to find one supporter for each of the caregivers who will be willing to contribute R250 per month towards the support of the caregiver still needs to expand. With this support we will be able to replenish the medical bags of the caregivers as well as help them with food. Unfortunately we still have only 10% of our caregivers supported through this initiative. On the other hand, even this relatively small number of people involved with Adopt-a-Caregiver still enabled us to give each of our caregivers a small food parcel on three occasions throughout the year. We would dearly love to see this program expanding. For more information about Adopt-A-Caregiver, please visit our website at: www.shbcare.org and click on Adopt-A-Caregiver.

SHBC still regularly receives short-term mission teams both from South Africa and abroad. Some of the outreaches are focused on preliminary investigation with the view of establishing long-term partnerships. Others are more specialized, such as medical teams or people focusing on building projects. As CEO of SHBC I am often invited to speak at church and mission conferences and I am also regularly invited to preach in churches in South Africa. Setting up partnerships remains an important part of our work. It is really one of our ultimate goals, that people will not only support the caregivers but will build lasting relationships with them.

A few reasons can be identified why people wish to get involved in this ministry:

- The volunteers in this ministry have a heart and a passion for what they are doing, which is contagious
- Money is spent responsibly with an extremely small amount being spent on overheads
- Emphasis is placed on building relationships, both with visitors to the ministry as well as with the clients
- Groups visiting this ministry leave with the impression that both they and the ministry had gained from the visit and that true partnering had taken place.

Following a report in the Tampa Bay Times in 2013 regarding the lack of good governance, transparency and ethics management in the not-for-profit sector, where, in one case, less than 1% of funds collected actually reached the recipients for whom it was intended, SHBC decided to allow an ethics risk assessment to be done with regard to the organization's governance structures, covering aspects such as SHBC's Volunteer Charter, its Disciplinary Code, Protection of Privacy policy, Conflict of Interest policy, SHBC's Code of Ethics and SHBC's Asset Utilization Policy. The conclusion of the report was that SHBC complies to all ethical requirements for an NGO of its size with the understanding that, as the organization further expands, certain policies may need to be adapted or created. SHBC now also has a certified and registered Ethics Officer serving as one of the board members. SHBC subsequently applied for membership of the international World Association for NGOs (WANGO) which was approved. This endorsement is important both to SHBC as well as potential donors, as it gives the necessary peace of mind that SHBC complies to all ethical requirements of an NGO.



SHBC consists exclusively of volunteers and each person involved in the organization – from the board members to the caregivers – all sign a contract in which they commit themselves to do the work on a voluntary basis. However, if these volunteers had to be paid for the work they do for SHBC, it would, conservatively, amount to at least R8,1 million per year. Compared to what SHBC has received through donations and grants during the past year (R1,37 million), it is clear that SHBC is still contributing in kind, almost six times the amount of money received from donors. This, for me, is a sign of the commitment, value and health of the organization. However, at the same time it can be said that there are huge opportunities for individuals, churches and other organizations to invest financially in the work of SHBC.

I am honored to work with some of the most amazing people imaginable in Swaziland. But I am equally honored to work with amazing partners from all over the world. We have prayer partners. We have individuals and churches contributing towards the work of SHBC on a regular basis. We have larger corporates and organizations assisting us with our preschool and feeding programs. We want to thank you for the way in which you have contributed towards the caring of these people. You, together with our caregivers, are making an incalculable contribution towards the well-being of thousands of people. May God bless you.

In Christ

Dr Arnau van Wyngaard
(CEO: SHBC)

SHISELWENI REFORMED CHURCH HOME BASED CARE
BALANCE SHEET
AS AT 28 FEBRUARY 2015

	Notes	<u>Feb 28, '15</u>	<u>Feb 28, '14</u>
ASSETS			
Fixed Assets	1	1,061,212	1,010,055
Current Assets			
Bank	2	279,304	634,439
Wheelchairs		90,000	-
TOTAL ASSETS		<u>1,430,516</u>	<u>1,644,494</u>
EQUITY AND FUNDS ON HAND			
Equity			
Capitalized funds		1,044,806	948,097
Retained Earnings at 1st March		104,544	103,207
Net Income / (Deficit) for the year		1,950	1,337
		<u>1,151,301</u>	<u>1,052,641</u>
Trust Funds			
Adopt-A-Caregiver	3	45,464	118,347
Medical Kits	4	30,309	34,796
MTN Sw aziland	5	110,171	105,302
TFCF	6	93,270	160,180
Safaids	7	-	173,229
Trust Funds		<u>279,215</u>	<u>591,853</u>
TOTAL EQUITY AND FUNDS		<u>1,430,516</u>	<u>1,644,494</u>

**SHISELWENI REFORMED CHURCH HOME BASED CARE
INCOME STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2015**

	NOTES	Mar '14 - Feb '15	Mar '13 - Feb '14
Income			
Donations Received		816,301	853,912
Outreach Team Contributions		2,001	7,990
Other Income		-	1,420
Interest Received		22,747	17,703
Total Monetary Income		<u>841,049</u>	<u>881,024</u>
Income through Volunteer Service: (calculating monetary value of volunteer services rendered)			
CEO (80 hours x R215 x 12)		206,400	192,000
COO (150 hours x R75 x 12)		135,000	126,000
Coordinators (42 x R1275 x 12)		642,600	547,200
Caregivers (1107 x R535 x 12)		7,106,940	5,934,000
Total Income through Volunteer Services		<u>8,090,940</u>	<u>6,799,200</u>
Total Income		<u>8,931,989</u>	<u>7,680,224</u>
Expense			
Stipends for Volunteer Services (assuming that volunteers had to be paid for their services)			
CEO (80 hours x R215 x 12)		206,400	192,000
COO (150 hours x R75 x 12)		135,000	126,000
Coordinators (42 x R1275 x 12)		642,600	547,200
Caregivers (1107 x R535 x 12)		7,106,940	5,934,000
Total Stipends for Volunteer Services		<u>8,090,940</u>	<u>6,799,200</u>
Caregivers			
Uniforms		61,258	-
Medicine		28,141	138,511
Bibles		550	6,000
Funerals of Caregivers		9,000	6,000
Food Hampers		689,821	439,371
		<u>788,770</u>	<u>589,882</u>
Dwaleni Preschool			
Maintenance		9,515	2,439
Food		-	3,514
Educational Aids		9,821	9,018
Salaries		73,900	65,890
Travelling and Lodging		-	2,800
Goods and Services		8,410	2,812
Year-end Party		4,000	2,000
		<u>105,645</u>	<u>88,472</u>
Neighbourhood Care Points			
Dw aleni NCP		105,819	161,130
Matsanjeni NCP		90,735	151,934
Big Bend		59,700	87,428
Ndzevane		4,647	-
Manyandeni		19,520	-
Manyandeni		19,589	2,750
Mantambe		66,075	2,876
		<u>366,085</u>	<u>406,118</u>
Wheelchair Ministry		75,000	16,200
Charity		4,200	4,270
Co-ordinators			
Travelling		92,680	76,610
Food		8,634	5,147
Training		14,777	-

Stationary		10,864	2,998
		<u>126,955</u>	<u>84,755</u>
Training			
Food		13,072	8,575
Travelling Costs		10,830	8,350
Stationary		3,000	40
Honorarium		450	1,600
		<u>27,352</u>	<u>18,565</u>
Administration			
Postage		-	260
Stationary		7,295	3,968
Photocopies		700	1,340
Bank charges		4,668	2,902
		<u>12,663</u>	<u>8,470</u>
Advocacy			
Sign Board		-	7,397
Calendars and photos		13,492	11,830
Pamphlets		-	338
DVD		2,350	31,263
		<u>15,842</u>	<u>50,828</u>
Vehicle		20,607	29,604
Insurance on Buildings		2,041	1,944
Board Meetings		540	375
		<u>23,188</u>	<u>31,923</u>
Depreciation	8	20,183	20,183
Total Expense		<u>9,656,823</u>	<u>8,118,866</u>
Net deficit		(724,834)	(438,641)
Capitalization of Funds		726,784	439,979
Net surplus		<u>1,950</u>	<u>1,337</u>

**SHISELWENI REFORMED CHURCH HOME-BASED CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2015**

NOTES TO THE BALANCE SHEET

	<u>Feb 28, '15</u>	<u>Feb 28, '14</u>
1 Fixed Assets		
Dw aleni Kitchen	430,160	358,820
Dw aleni Preschool	218,899	218,899
Matsanjeni Kitchen	374,800	374,800
Total Buildings	<u>1,023,860</u>	<u>952,520</u>
Dw aleni - Tables	1,600	4,800
Dw aleni - Chairs	984	2,952
Dw aleni - Fridge	1,575	2,275
Dw aleni - Gas stove	1,474	2,129
Dw aleni - Gas Geysler	1,550	2,150
Dw aleni - Pressure Pump	2,041	2,831
Total Dw aleni NCP	<u>9,224</u>	<u>17,137</u>
Preschool - Carpets	1,664	2,403
Preschool - Junglegym	3,285	4,745
Preschool - Cabinet	1,282	1,852
Preschool - Fax	135	673
Preschool - Lawn Mower	3,161	4,347
Preschool - Steel Cabinets	3,166	4,083
Total Dw aleni Preschool	<u>12,693</u>	<u>18,103</u>
Matsanjeni - Chairs	8,100	11,700
Matsanjeni - Tables	4,320	6,240
Matsanjeni - Pots	3,015	4,355
Total Matsanjeni NCP	<u>15,435</u>	<u>22,295</u>
	<u>1,061,212</u>	<u>1,010,055</u>
2 Cash at bank		
Absa Savings account	50,214	106,740
First National Bank of Swaziland Limited	24,224	14,827
Investment Advantage	204,865	512,873
Total Cash at bank	279,304	634,439
Less: Total Trust Funds	279,215	591,853
Funds Available	<u>89</u>	<u>42,586</u>
3 Adopt-a-Caregiver		
Money donated by donors to assist		
Opening balance	118,347	68,409
Funds Received	444,209	489,309
	562,556	557,718
Less spent on food parcels	(517,092)	(439,371)
Amount not yet spent	<u>45,464</u>	<u>118,347</u>

**SHISELWENI REFORMED CHURCH HOME-BASED CARE
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2015**

	Feb 28, '15	Feb 28, '14
4 Medical Kits		
Money collected to supply each of the		
Opening balance	34,796	136,307
Funds received	23,654	43,000
	58,450	179,307
Less spent on medical kits	(28,141)	(144,511)
Amount not yet spent	30,309	34,796
5 Pre-School Fund		
Funds provided by MTN (Swaziland)		
Opening Balance	105,302	50,220
Funds received from MTN	166,666	189,137
	271,968	239,357
Less spent on pre-school	(161,797)	(134,055)
Amount not yet spent	110,171	105,302
6 Neighbourhood Care Point Fund		
Funds provided by TFCF for the NCPs		
Opening Balance	160,180	76,771
Funds received from TFCF	370,000	617,196
	530,180	693,967
Less funds spent on Neighbourhood care	(436,909)	(533,788)
Amount not yet spent	93,270	160,180

**SHISELWENI REFORMED CHURCH HOME-BASED CARE
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2015**

	Feb 28, '15	Feb 28, '14
7 <u>SafAIDS</u>		
Funds supplied by SafAIDS to		
Opening Balance	173,229	-
Funds received from SafAids		173,229
	173,229	173,229
Funds utilised directly	(173,229)	
Amount not yet spent	-	173,229
	-	173,229

NOTES TO THE INCOME STATEMENT

8 Depreciation

Dw aleni - Tables	3,200	3,200
Dw aleni - Chairs	1,968	1,968
Preschool - Carpets	739	739
Preschool - Junglegym	1,460	1,460
Preschool - Cabinet	570	570
Matsanjeni - Chairs	3,600	3,600
Dw aleni - Fridge	700	700
Matsanjeni - Tables	1,920	1,920
Dw aleni - Gas stove	655	655
Preschool - Fax	538	538
Matsanjeni - Pots	1,340	1,340
Dw aleni - Gas Geyser	600	600
Dw aleni - Pressure Pump	790	790
Preschool - Lawn Mower	1,186	1,186
Preschool - Steel Cabinets	917	917
	20,183	20,183

SHISELWENI REFORMED CHURCH HOME-BASED CARE
 NOTES TO THE FINANCIAL STATEMENTS - continued
 FOR THE YEAR ENDED 28 FEBRUARY 2015

9 Expenditure as a percentage of total

