



Shiselweni Reformed Home-Based Care Financial Statements – 2015/16

**SHISELWENI REFORMED HOME BASED CARE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

PLEASE NOTE: THE FIGURES BELOW ARE IN SOUTH AFRICAN RAND

CCF & Associates
Chartered Accountant (SA)
Registered Auditor

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

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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 29 February 2016 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



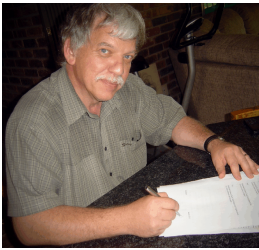
Per: C.C. Fourie

5 May 2016



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 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 29 FEBRUARY 2016**

	Notes	<u>Feb 29, '16</u>	<u>Feb 28, '15</u>
ASSETS			
Fixed Assets	1	1,680,984	1,061,212
Current Assets			
Bank	2	809,022	279,304
Wheelchairs		33,600	90,000
TOTAL ASSETS		<u>2,523,606</u>	<u>1,430,516</u>
EQUITY AND FUNDS ON HAND			
Equity			
Capitalized funds		1,680,663	1,044,806
Retained Earnings at 1st March		106,494	104,544
Net Income / (Deficit) for the year		816	1,950
		<u>1,787,974</u>	<u>1,151,301</u>
Trust Funds			
Adopt-A-Caregiver	3	58,489	45,464
Medical Kits	4	46,272	30,309
Frans Dreyer Trust	5	40,000	-
MTN Swaziland	6	132,894	110,171
TFCF	7	457,977	93,270
Trust Funds		<u>735,632</u>	<u>279,215</u>
TOTAL EQUITY AND FUNDS		<u>2,523,606</u>	<u>1,430,516</u>

**SHISELWENI REFORMED CHURCH HOME BASED CARE
INCOME STATEMENT
FOR THE YEAR ENDED 29 FEBRUARY 2016**

	NOTES	<u>Mar '15 - Feb '16</u>	<u>Mar '14 - Feb '15</u>
Income			
Donations Received		611,487	816,301
Outreach Team Contributions		2,330	2,001
Other Income		16,905	-
Interest Received		13,039	22,747
Total Monetary Income		<u>643,761</u>	<u>841,049</u>

Income through Volunteer Services (calculating monetary value of volunteer services rendered)		
CEO (80 hours x R225 x 12)	216,000	206,400
COO (150 hours x R80 x 12)	144,000	135,000
Coordinators (43 x R1350 x 12)	696,600	642,600
Caregivers (1178 x R565 x 12)	7,986,840	7,106,940
Total Income through Volunteer Services	<u>9,043,440</u>	<u>8,090,940</u>

Total Income	<u>9,687,201</u>	<u>8,931,989</u>
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Expense

Stipends for Volunteer Services (assuming that volunteers had to be paid for their services)		
CEO (80 hours x R225 x 12)	216,000	206,400
COO (150 hours x R80 x 12)	144,000	135,000
Coordinators (43 x R1350 x 12)	696,600	642,600
Caregivers (1178 x R565 x 12)	7,986,840	7,106,940
Total Stipends for Volunteer Services	<u>9,043,440</u>	<u>8,090,940</u>

Caregivers

Uniforms	-	61,258
Medicine	9,910	28,141
Bibles	13,000	550
Funerals of Caregivers	4,000	9,000
Food Hampers	434,286	689,821
	<u>461,196</u>	<u>788,770</u>

Dwaleni Preschool

Maintenance	4,702	9,515
Educational Aids	11,298	9,821
Salaries	87,760	73,900
Goods and Services	6,513	8,410
Year-end Party	4,500	4,000
	<u>114,773</u>	<u>105,645</u>

Neighbourhood Care Points

Dwaleni	94,785	105,819
Matsanjani	94,264	90,735
Big Bend	141,200	59,700
Ndzevane	52,000	19,520
Ekuthuleni	20,811	-
Mbangweni	58,105	-
Hlushwana	26,272	4,647
Mshiphila	5,215	-
Manyandeni	20,723	19,589
Mantambe	69,921	66,075
	<u>583,295</u>	<u>366,085</u>

Wheelchair Ministry	56,400	75,000
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Charity		7,500	4,200
Co-ordinators			
Travelling		94,320	92,680
Food		9,212	8,634
Training		-	14,777
Stationary		9,006	10,864
		<u>112,538</u>	<u>126,955</u>
Training			
Food		8,980	13,072
Travelling Costs		3,380	10,830
Stationary		460	3,000
Honorarium		600	450
		<u>13,420</u>	<u>27,352</u>
Administration			
Stationary		-	7,295
Photocopies		902	700
Bank charges		4,892	4,668
		<u>5,794</u>	<u>12,663</u>
Advocacy			
Calendars and photos		-	13,492
Pamphlets		5,474	-
DVD		-	2,350
		<u>5,474</u>	<u>15,842</u>
Vehicle		59,542	20,607
Insurance on Buildings		2,144	2,041
Board Meetings		900	540
Travelling Expenses		1,538	-
		<u>64,123</u>	<u>23,188</u>
Depreciation	8	58,318	20,183
Total Expense		<u>10,526,272</u>	<u>9,656,823</u>
Net deficit		(839,070)	(724,834)
Capitalization of Funds		839,887	726,784
Net surplus		<u>816</u>	<u>1,950</u>

**SHISELWENI REFORMED CHURCH HOME-BASED CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

NOTES TO THE BALANCE SHEET	Feb 29, '16	Feb 28, '15
1 Fixed Assets		
Dwaleni Kitchen	430,160	430,160
Dwaleni Preschool	218,899	218,899
Matsanjeni Kitchen	374,800	374,800
Mbangweni Kitchen	472,790	-
Total Buildings	1,496,650	1,023,860
Furniture & Accessories		
Tables	1	1,600
Chairs	1	984
Fridge	875	1,575
Gas stove	819	1,474
Gas Geyser	950	1,550
Pressure Pump	1,251	2,041
Total Dwaleni NCP	3,897	9224.00
Carpets	925	1,664
Junglegym	1,825	3,285
Cabinet	712	1,282
Fax	1	135
Lawn Mower	1,975	3,161
Steel Cabinets	2,166	3,166
Total Dwaleni Preschool	7,604	12693.00
Chairs	4,500	8,100
Tables	2,400	4,320
Pots	1,675	3,015
Total Matsanjeni NCP	8,575	15435.00
Fridge	258	-
Total Mbangweni NCP	258	-
	1,516,984	1,061,212
2 Cash at bank		
Absa Savings account	305,796	50,214
First National Bank of Swaziland Limited	286,741	24,224
Investment Advantage	216,485	204,865
Total Cash at bank	809,022	279,304
Less: Total Trust Funds	735,632	279,215
Funds Available	73,390	89
3 Adopt-a-Caregiver		
Money donated by donors to assist SHBC in giving food parcels and other necessary items to caregivers		
Opening balance	45,464	118,347
Funds Received	447,310	444,209
	492,775	562,556
Less spent on food parcels	(434,286)	(517,092)
Amount not yet spent	58,489	45,464

**SHISELWENI REFORMED CHURCH HOME-BASED CARE
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 29 FEBRUARY 2016**

	<u>Feb 29, '16</u>	<u>Feb 28, '15</u>
4 <u>Medical Kits</u>		
Money collected to supply each of the caregivers with a backpack containing a Bible and basic medical supplies		
Opening balance	30,309	34,796
Funds received	25,874	23,654
	<u>56,182</u>	<u>58,450</u>
Less money spent on medical kits	(9,910)	(28,141)
Amount not yet spent	<u>46,272</u>	<u>30,309</u>
6 <u>Frans Dreyer Trust</u>		
Funds provided by DRC Moreletapark for evangelism		
Opening Balance	-	-
Funds received from Frans Dreyer Trust	40,000	-
	<u>40,000</u>	<u>-</u>
Less spent on evangelism training	-	-
Amount not yet spent	<u>40,000</u>	<u>-</u>
6 <u>Pre-School Fund</u>		
Funds provided by MTN (Swaziland) for the Hand-in-Hand Pre-school at Dwaleni		
Opening Balance	123,366	105,302
Funds received from MTN	166,666	179,860
	<u>290,031</u>	<u>285,162</u>
Less money spent on pre-school	(157,137)	(161,797)
Amount not yet spent	<u>132,894</u>	<u>123,366</u>
7 <u>Neighbourhood Care Point Fund</u>		
Funds provided for the NCPs at ten different locations		
Opening Balance	93,270	160,180
Funds received for food	739,640	370,000
	<u>832,910</u>	<u>530,180</u>
Less funds spent on Neighbourhood care	(690,347)	(436,909)
Amount not yet spent	<u>142,564</u>	<u>93,270</u>

SHISELWENI REFORMED CHURCH HOME-BASED CARE
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 29 FEBRUARY 2016

	Feb 29, '16	Feb 28, '15
NOTES TO THE INCOME STATEMENT		
8 <u>Depreciation</u>		
Tables	1,599	3,200
Chairs	983	1,968
Dwaleni NCP	Fridge	700
	Gas stove	655
	Gas Geyser	600
	Pressure Pump	790
	Carpets	739
	Junglegym	1,460
Dwaleni Preschool	Cabinet	570
	Fax	134
	Lawn Mower	1,186
	Steel Cabinets	1,000
	Chairs	3,600
Matsanjeni NCP	Tables	1,920
	Pots	1,340
Mbangweni NCP	Fridge	42
Vehicles	Landcruiser	41,000
	58,318	20,183

**SHISELWENI REFORMED CHURCH HOME-BASED CARE
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 29 FEBRUARY 2016**

9 Expenditure as a percentage of total

