



ANNUAL REPORT 2021/2022



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ABOUT US

The Durban Child & Youth Care Centre (formerly Durban Children's Home) is a registered NPO (NPO number: 002-363) providing loving care for 74 orphans, destitute and neglected children, deemed by the Children's Court to be at risk. We are registered with the Department of Social Development and accept children from all over KwaZulu Natal. The Durban Child and Youth Care Centre is rated a Level One contributor (135% B-BBEE procurement recognition). All donations made to our organisation are tax deductible and qualify for a Section 18A tax certificate, in terms of Section 18A (1) of the Income Tax Act 1962, as amended.

“We exist to promote a sense of physical and emotional well-being, through a safe and therapeutic environment, for children who are at risk because of neglect, abuse and orphanhood.”

OBJECTIVES

The measurable success of our mission is dependent on achieving the following objectives:

- To ensure that every young person serviced by our programmes, experiences their right to a safe and secure environment, which provides opportunities for experiences, which are in keeping with the reality of their own family and community circumstances.
- To ensure that every young person and his/ her family have access to a purposeful, goal directed assessment, which will ensure maximum development.
- To ensure that all those who intervene in the lives of young people and their families, should be trained, and have the young person's best interests at heart.
- To ensure that the community is a resource, which provides the young person and his/ her family with valuable support.

OUR TEAM

BOARD OF MANAGEMENT

Thokozani Radebe	Chairperson
Sithembiso Cele	Vice Chairperson
Grant Fincham	Treasurer
Thabi Hadebe	Secretary
Ansuya Ram	Board Member
Nhlakanipho Bhengu	Board Member
Alan Beesley	Board Member
Nikita Smith	Board Member

OPERATIONAL TEAM

Mandy Goble	Director
Nicolette Modicka	Development & Relationship Manager
Sarah Delagey	Systems Administration Manager
Tasniem Mocarib	Bookkeeper
Bridget Govender	Coordinator
Emilia Hollander	Receptionist

CHILD CARE TEAM

Premie Pillay	Residential Social Worker
Andile Biyela	Residential Social Worker
Ntombenhle Mkhwanazi	Child Care Manager
Xolisile Mtambo	Senior Child & Youth Care Worker
Bonsilie Kweyama	Senior Child & Youth Care Worker



CHAIRPERSON'S REPORT

In closing my report last year, I shared a verse from Hosea 2:15 “God is the only one that can turn a valley of troubles into a door of HOPE!” Let us hold tightly onto hope; hope for an end to this pandemic and a brighter future for our country. It was with this hope held tightly to our chests that we moved into the new year. We saw the pandemic splutter through another year and as it did, lose its grip of fear on us.



We saw what can be accomplished when ordinary people stand together in the face of unbridled criminality during the July looting. As I reflected on these two events, the words ‘we are blessed, truly blessed’ kept playing on my mind. I believe it fitting that our report on the year past, focusses on the many blessings bestowed on us.

Not one of our staff members who tested positive for Covid-19 had to cope with being critically ill. And to date none of our children have tested positive for the virus. In fact, the focused emphasis on sanitizing and wearing masks resulted in a marked drop in the number of visits to clinic for general colds and flu as experienced in previous years.

The fluctuating levels of restrictiveness related to covid, prevented the programme from reverting to normal practice structures and consequently impacted on workflow. For example, rotational school attendance meant that there were children on the properties 24/7. Our social services report on page 9 speaks to how our child care team had to adjust our traditional methods of doing things in order to cope and maintain our level of service to the many little lives entrusted to us.

It was a relief to see the Reunification Programme gain momentum over the year resulting in 16 children being successfully reunited with family, and this despite the June/July holiday placements being cancelled at the 11th hour when Covid-19 restrictions made it impossible for children to leave the Centre yet again. This success was largely due to the tireless and persistent pressure placed on agency social workers by our two residential social workers. The noteworthy achievements of our Residential and Amaqhawe Special Care Centre Programme during the year under review can be found on page 10.

It was unfortunate that our fundraising efforts did not enjoy the same success as our Residential and Amaqhawe Programmes. Whilst our Development and Relationship Manager went above and beyond in her efforts to secure the shortfall required to break even, the reality was that our donors were just not able to contribute more than they did. The financial results for the year reflect the stark reality of an economy on its knees, for many different reasons and with no increase to subsidy from government for the second year running now, the gap between subsidy and cost of care has widened alarmingly. Our full fundraising report can be found on page 12 and 13. I cannot express strongly enough how much we appreciate the support of every one of our donors, who gave either in the form of financial awards and/or donations in kind. One cannot place a value on the important role they have played in keeping the doors and arms of our organisation open for the many children who desperately need the safety of our programme.

The women and men who constitute our Board of Management are acknowledged for their commitment and enthusiasm. Sharing the same heart for the work of this organisation makes working with this ethical group of people a great honour and privilege, and I thank them for their service.

Inspirational leadership is the ability to be a positive influence on those around you and *motivate* others toward success. The Board of Management and I, are incredibly blessed and proud of the astute leadership of Mandy Goble, Director of Durban Child and Youth Care Centre. We commend her and her team for their amazing work, especially during these trying times.

God is good all the time and Durban Child and Youth Care Centre having shown great resilience over this past year, looks to the future with renewed hope.

Ms TN Radebe

DIRECTOR'S REPORT

*The beautiful thing about working with children is how they remind us, every day in so many ways, why we cannot lose hope. Hope for our future, for our families and for our country. This little four-letter word, **H O P E** is so much bigger than what it looks like on paper.*



In reflecting on this past year, I am pleased to highlight the successes of our organisation's resilience in one of the toughest years experienced by many across the world. I must acknowledge the commitment and dedication of our Board of Management, our amazing and strong DCYCC team and all our friends and supporters that share and support our vision as an organisation.

As you read through our report you will see the extent to which each of our departments were pushed beyond their limits and strived to reach our organisation's mission. I am extremely proud that despite the many challenges that were thrown our way, our child care team and social workers remained focused and determined to meeting the needs of the vulnerable children and youth in our care. Our traditional processes were challenged during these unprecedented times, but with faith and determination to meeting the changing needs of children the team preserved. Our programmes were adjusted as required and the results of the achievements of our Residential Programme and Amaqhawe Care Centre is evidence of this.

At this time, I echo our Chairperson's words of Hope! The generous support of so many of our donors kept hope alive as we struggled to raise funds towards our operational costs in an environment that has become progressively more hostile and barren. You will note in our fundraising report on page 12 and 13, that despite such challenges we were extremely blessed with the financial support of various donors that gave so generously towards our renovation and maintenance needs. Having been in operation for more than 117 years, we were amazed by the financial contribution of a donor that allowed us to renovate and upgrade almost all our ablutions facilities throughout our buildings. These upgrades may not seem like

much to many, however they along with the various other projects have kept us compliant with health and safety regulations and as importantly renewed the sense of pride and dignity within our home. Despite having sustained a loss this financial year, I commend our fundraising department for their tenacity and resilience during this time.

In closing my report, I mention the Women Aglow. This faithful group of women have for more than 31 years now bolstered the spirit of hope in this organisation through their ceaseless prayers. This spiritual support has been of great comfort to us especially during these very dark and bewildering times.

Mrs Mandy Goble

SOCIAL SERVICES REPORT

Child and Youth Care

Child and Youth Care is a profession which focuses on the growth and developmental needs of children and families. In order to meet these needs, the child care team was actively involved in the life space of our children. Weekly team meetings, in-service training sessions and unit meetings with our social workers were disrupted by the effects of Covid-19 on the educational system, the broader welfare system and support services. To cope with few opportunities for the child care team to meet for planning, feedback and support we became skilled at the use of social media platforms for communication. WhatsApp groups allowed for effective and efficient communication within the different departments of our operation.

Our child care team benefitted from a range of workshops and trainings offered on-line, and had it not been for the steady increases to the cost of petrol we may well have seen a saving to this cost item. Although our Volunteer Programme remained closed for 2021, during the 4th quarter with restrictions dropping to level 1 we were able to open this vital support to our programme. We chose to give priority to applicants interested in providing homework supervision and extra lessons for specific subjects, as academic support has become an even greater need than in the past as reflected by the year end results. Whilst disappointing, these results were not surprising as we had seen how our children had struggled with only 50% of face-time teaching. The financial support of a donor enabled us to strengthen the academic support programme that we had developed in response to the floundering educational support from schools. One of our suitably qualified members of staff was repositioned solely to coordinate this Programme which proved to be of great support and encouragement to our children.



Social Work

Effective and efficient teamwork is an ideal that we consciously and conscientiously strive towards, and our Social Workers and Child Care Team did not disappoint. They pulled together at the critical times demonstrating the benefit of experience. Seemingly insurmountable problems were quickly dissected, and solutions found and then implemented. As an organisation we could not have asked for greater levels of commitment and loyalty as shown by our staff during the year under review. Whilst there were some movement of employees, the stability of our programme was secured by the exceptional core team of workers who have provided dedicated service to the organisation over many years. The work of these special people does not go unnoticed, and they are formally acknowledged with great appreciation by the Board for their dedication.



Statistics that provide a snapshot of the achievements of the Residential and Amaqhawe Special Care Centre Programmes during 2021/2022.

77

boys and girls, between the ages of 2 and 18 years were cared for over the 12-month period.

16

children were reunited with family and community.

10

children in need of a safe and therapeutic environment were admitted.

43

food parcels were provided to families as children spent time with family during school holidays. The provision of this food security has become more important as unemployment soared.

15

home visits were conducted.

8

children who were due to leave the programme, Parental Support Programme were offered to their families

71

children attended school.

23

schools provided children with access to education.

68

visits to schools were conducted.

HUMAN RESOURCE REPORT

For the year ending March 2022, there were 46 staff members on payroll in total.
34 permanent staff and 12 staff on contract.



8 new employees that had joined our team



7 employees that had left



4 employees that had become permanent staff after the duration of their contracts.

Skills Development & Training

Our team of child and youth care workers and unemployed learners continued to work towards improving their qualification by completing the level 5 child care work training made available through the Health and Welfare Sector Education and Training Authority (HWSETA). Although weary from the protracted time taken to work through this qualification mainly due to the restrictions of Covid-19, the fortitude of our workers is to be applauded.



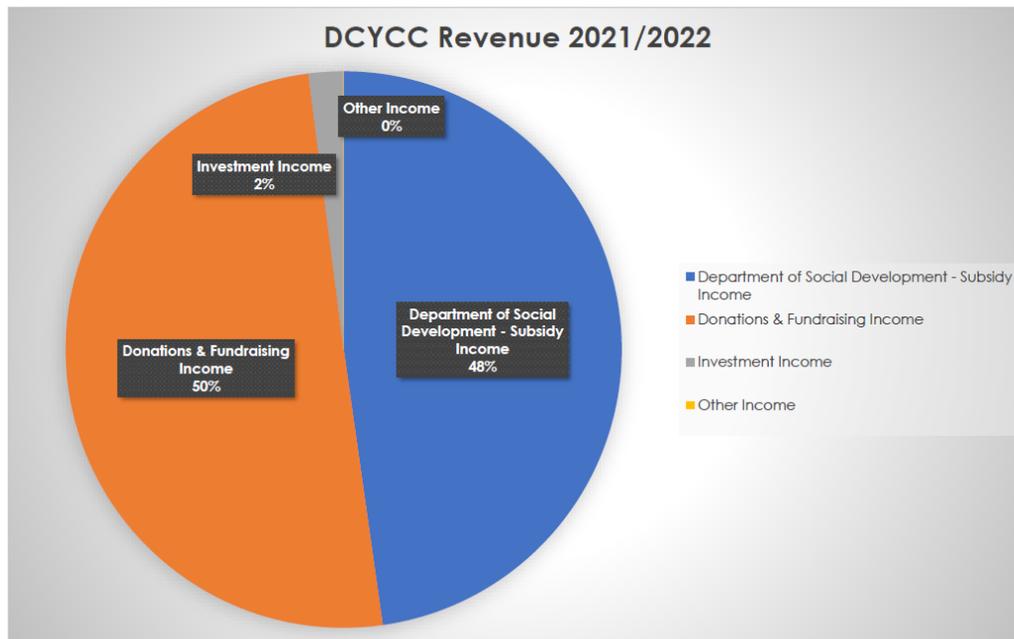
LONG SERVICE AWARDS

IN THIS YEAR, LONG SERVICE AWARDS ARE AWARDED TO JUST ONE EMPLOYEE, FOR 10 YEARS OF LOYAL AND DEDICATED SERVICE, CHILD AND YOUTH CARE WORKER, MAZWI SHANGE.



FUNDRAISING REPORT

We would like to take this opportunity to thank each and every one of our donors for their compassion and commitment to supporting our organization over the years. The year under review was indeed a challenging one, but thanks to these loyal donors we were able to remain a safe and therapeutic environment for vulnerable children and youth. Below is a chart of our organization’s revenue income. With only **48%** being covered by subsidies received from the Department of social Development and **2%** from investment income, we had to fundraise to cover the operational shortfall of **50%**.



With resilience our team pushed forward, directing all efforts to secure the funds needed. The outcome of this resilience is reflected in our overall savings to budget, which saw a decrease in our expense base of **5.23% (R459 301)**. With focus turning to online platforms, face-to-face engagements and donor interactions were replaced with online meetings and even virtual events, as well as phone calls and emails. This was the year that we saw our online programme reach new heights and our team must be commended for their hard work and determination in securing **R3,587 452.00** in total towards our operational shortfall for the year. It is then regrettable that, despite all our efforts we fell short of breaking even with a **R1,176 071** deficit.

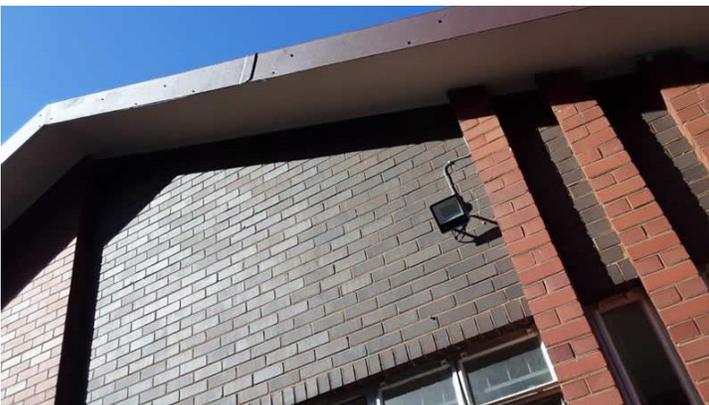
HIGHLIGHTS OF SPECIAL PROJECT FUNDING FOR THE YEAR



When our school bus, donated to us in 2017 by the IQRAA Trust, was stolen from our property last October, we were devastated. Having a safe and reliable vehicle to transport our children on daily basis is one of our top priorities. We would like to take this opportunity to thank the IQRAA Trust for their financial contribution of R75 000 towards a new school bus. Together with the insurance payout and funding from other sources, their contribution enabled us to buy a brand new school bus for our children.

We have been grateful for all the funding received during the year that allowed us to undertake some much-needed renovations in and around our houses. We would like to acknowledge all our donors that gave generously towards the following projects:

- Renovation and upgrades to our Ablution facilities in all our buildings.
- Isolation units/rooms renovated.
- Removal of carpets and installation of vinyl flooring in certain houses.
- Conversion of garage into office space.
- Repair to our hall roof.
- Repairs to damaged flooring in teenage girls unit.



TREASURERS REPORT

In the concluding paragraph of the 2021/2022 report, it was written “The financial buffers we have built up over the recent years are of comfort and will be needed as the effects of the corona virus continue to be felt and there is no doubt the economy of KZN is under enormous strain”. This unfortunately, was the reality of the financial year ended 31 March 2022, where the organization posted a net deficit of R 1,176,071. This reduced our net equity levels from R 5,8 Million to R 4,6 Million.



It was a tough year, as echoed in the president’s report, and it is clear the economy is strained and the people of KZN are suffering.

However, there is hope and our path is clear:

- We have a strategic fund-raising development plan that has yielded positive results most years which we will adhere to,
- We have amazing donors who continue to support us year in and year out,
- We have remarkable staff who continue to do the right thing despite the circumstances,
- We believe in God’s provision for our cause.

The financial highlights for the year are summarized in the following table:

	2022	2021	2020
Revenue: Department of Social Development Income	3,411,884	3,592,639	3,692,578
Expenditure:			
Costs of running the centre	(8,320,352)	(7,738,404)	(7,739,736)
Deficit to be funded	(4,908,468)	(4,145,765)	(4,047,158)
Fundraising income	3,587,539	4,565,522	4,945,853
Surplus (shortfall to be covered)	(1,320,929)	419,757	898,695
Income(deficit) from investments & sundry	144,858	909,535	(548,484)
Reported surplus (deficit)	(1,176,071)	1,329,292	350,211

- Revenue: The Department of Social Development revenue was down 5.3% due to decrease in the number of children placed in care during the year. There was no increase in the residential subsidy from the Department of Social Development.
- Fundraising Income: Other income comprising of donations, bequests and fundraising was down 27.26%. This is not only reflective of the tough economic circumstances which has been highlighted, but also as a result of a timing issue. In the year ended March 2021, we received numerous once off relief funding, most noticeably the National Lotteries Commission Covid Fund and the Solidarity Fund and this boosted our 2021 figures compared to 2022. A clearer picture emerges when one looks at the years ended March 2021 and March 2022 and indeed the current 2023 year as a 'covid grouping'. When we look at the 'covid grouping', the picture is brighter, and it is evident that the organization is covering its costs in providing crucial services during these desperate times for many.
- Operating Expenses: This increased by 6.99%, the main cause being the expenses related to the return to 'business as usual' after the harshness of the lockdown period. The expenses below support the view that the last 2 years of activity almost need to be seen as one, as covid distorted the income and expense levels of both years.
 - Education cost increased threefold to R 332,132.00,
 - Transport costs almost doubled to R 202,482.00,
 - Repairs and maintenance increased almost twofold to R347,144.00.
- As a further comment on operating expenses the biggest expenses continue to be salaries, catering costs and electricity and water, which accounts for 77% of the total expenditure and are closely monitored by the Board. The benefits of outsourced catering against expense and inhouse catering are in the final stages of being reviewed.
- Investment income: This line item returned to normal after the volatility caused by covid on the financial markets of the world. The Board is satisfied with its investment fund and is confident in its ability of providing a level of long-term sustainability for the organization.

In closing my report, I highlight that having made a case for the 'covid years' to be grouped together, I have provided a more accurate picture of the financial health of the Durban Child and Youth Care Centre. I include the current year in this bracket as the effects of covid are still very much a reality. In this current year we see much hope in the midst of the struggle, and as a Board are very aware of God's presence with us as we continue to serve the most vulnerable sector of our community.

Mr GR Fincham

AUDITED FINANCIAL STATEMENTS

DURBAN CHILD AND YOUTH CARE CENTRE

(Registration number: 002-363 NPO)

Annual Financial Statements for the year ended 31 March 2022

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

Figures in Rand	Note(s)	2022	2021
Assets			
Non-Current Assets			
Fixed Assets	2	1	1
Investments	3	4 311 373	4 208 372
		<u>4 311 374</u>	<u>4 208 373</u>
Current Assets			
Accounts Receivable	4	913 222	427 886
Bank Accounts/Cash On Hand	5	847 850	3 096 489
		<u>1 761 072</u>	<u>3 524 375</u>
Total Assets		<u>6 072 446</u>	<u>7 732 748</u>
Equity and Liabilities			
Equity			
Accumulated Funds		4 636 483	5 812 554
Liabilities			
Current Liabilities			
Accounts Payable	6	513 822	520 117
Funds Committed for Project Expenditure	7	922 141	1 400 077
		<u>1 435 963</u>	<u>1 920 194</u>
Total Equity and Liabilities		<u>6 072 446</u>	<u>7 732 748</u>

DURBAN CHILD AND YOUTH CARE CENTRE

(Registration number: 002-363 NPO)

Annual Financial Statements for the year ended 31 March 2022

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	Note(s)	2022	2021
Revenue	8	3 411 884	3 592 639
Other income	9	3 587 539	4 565 522
Operating expenses		<u>(8 320 352)</u>	<u>(7 738 404)</u>
Operating Surplus/(Deficit)		(1 320 929)	419 757
Investment income	11	144 858	137 220
Investment fund write down/write back		-	<u>772 315</u>
Net Surplus/(Deficit) for the year		<u>(1 176 071)</u>	<u>1 329 292</u>



Registered Auditors
Chartered Accountants (SA)

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Independent Auditor's Report

To the management of Durban Child and Youth Care Centre

Qualified opinion

We have audited the financial statements of Durban Child and Youth Care Centre (the organisation) set out on pages 11 to 18, which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the basis for qualified opinion section of our report, the annual financial statements present fairly, in all material respects, the financial position of Durban Child and Youth Care Centre as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

Basis for qualified opinion

In common with similar organisation, it is not feasible for the organisation to institute accounting controls over cash collections prior to initial entry of collections in the accounting records. Accordingly, it was impractical for us to extend our examination beyond the funds actually recorded.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the organisation in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Partners: S Stanley CA(SA) RA, MJ Brand CA(SA) RA, O Chetty CA(SA) RA, PW Gericke CA(SA) RA, JM Howitz CA(SA) RA, BA Michel CA(SA) RA, M Sharpley CA(SA) RA, JG Verburg CA(SA) RA, N Weymouth CA(SA) RA

Associate: K Naicker CA(SA) RA

Consultant: GA Noble CA(SA)

IRBA Practice No.: 902950

Baker Tilly Morrison Murray is a member of the global network of Baker Tilly International Ltd and the local network of Baker Tilly South Africa Proprietary Limited, the members of which are separate and independent legal entities.



Independent Auditor's Report

Other information

The members are responsible for the other information. The other information comprises the information included in the document titled "Durban Child and Youth Care Centre annual financial statements for the year ended 31 March 2022", which includes the management committees report as required by the Companies Act of South Africa and the Detailed Income Statement, which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the members for the Annual Financial Statements

The members are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the members determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the members are responsible for assessing the organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



Independent Auditor's Report

- Conclude on the appropriateness of the managements' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink, appearing to read "Baker Tilly Morrison Murray", written over a horizontal line.

Baker Tilly Morrison Murray

Partner: JG Verburg CA(SA)
Registered Auditor

Westville

Date: 23 August 2022

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