GIRLS & BOYS TOWN

Healing Heartbroken Children

Healing Hearts, Transforming Lives

A Journey of Hope and Resilience

Integrated Biennial Report

2022 – 2024

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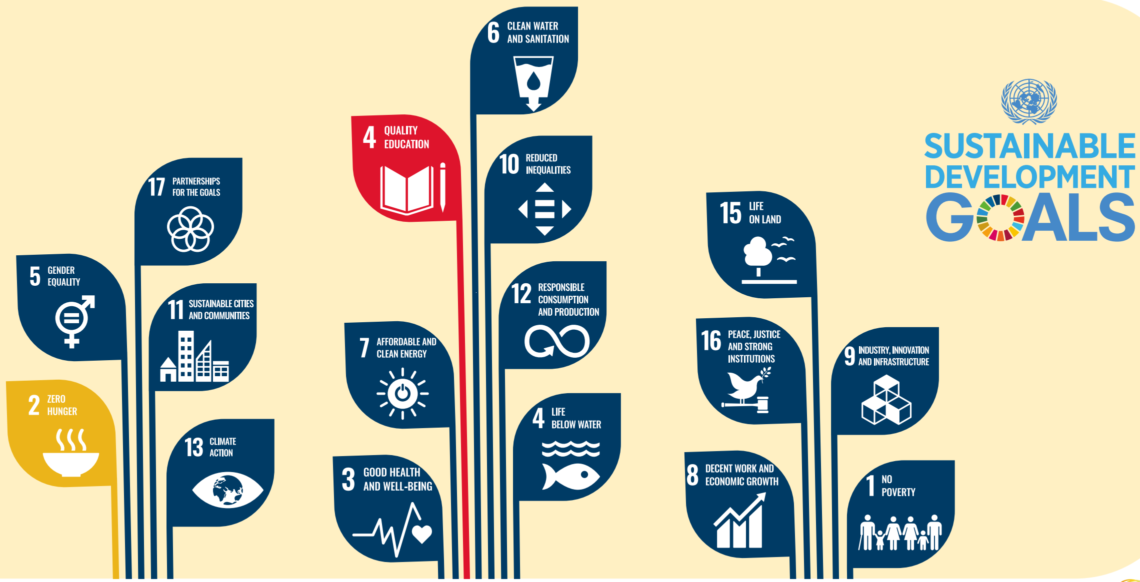
Delivering social capital through our core purpose

GBTSA's core purpose is to holistically Heal and empower youth who are vulnerable and unsafe, to reclaim their lives and heal from past traumas. We align our Environmental, Social and Governance (ESG) practices with the United Nations Sustainable Development Goals (UN SDGs) to ensure that our activities meet the standards of the universal global drive to achieve the specified targets by 2030. The SDGs where we believe we can have the biggest impact are as illustrated in the adjoining infographic.



About this report

This 2022 – 2024 biennial report covers the operations of Girls & Boys Town South Africa (GBTSA) from 1 April 2022 to 31 March 2024.

It continues GBTSA's established practice of reporting every two years to stakeholders, funders, partners and friends about the approach and ethos of GBTSA, the scope of our activities during the reporting period and the primary challenges we encountered and responded to.

We have applied the guidelines in the King IV™ (King IV) supplement for non-profit organisations and have presented the value created by GBTSA in terms of standard capitals used in integrated reporting.

King IV urges organisations to adopt a transparent approach to reporting material issues – the matters that substantially impact GBTSA's ability to fulfil its mandate of caring for vulnerable children and youth. These issues were identified through engaging with our stakeholders, examining GBTSA's external and internal operational environment and relevant discussions at Board and committee meetings.

Management has prepared and verified the information to ensure an accurate, balanced and comprehensive overview of the organisation. Our independent auditor, BDO South Africa, has audited all financial information. The Board's statement of responsibility for the quality of information in this report appears in the governance section.

Key material matters

The **effectiveness of our residential care, therapeutic and educational programmes** in terms of protecting children and young people and helping them to heal and thrive.

The **sustainability of our funding model** in a constrained economic climate and in the context of possible changes to government funding of social services.

Our ability to **maintain our reputation and act with integrity** at all times, both as the custodian of vulnerable youth and as the recipient of substantial donations from members of the public.

Our ability to remain **relevant and responsive in a fluid social environment** characterised by high rates of poverty, crime and violence, harmful alcohol and substance use and youth unemployment, as well as overburdened public health and education systems and vast overcrowded, underdeveloped residential areas.

About Girls & Boys Town South Africa

Introducing Girls & Boys Town South Africa

About Girls & Boys Town South Africa

GBTSA is a non-profit organisation with a proud 66-year track record in the areas of child protection and youth development.

GBTSA provides safe care to vulnerable youth and, through its therapeutic and educational programmes, heals, restores and empowers them to cope with the demands of life once they return to the community.

In delivering our vision and mission, we follow the entrenched **S.H.I.N.E.** model to heal heartbroken children placed into our care by the Children's Courts and strengthen the youth's family and immediate community to encourage positive recovery and eventually disengagement from care.

Our services comprise therapeutic residential care, learning support centres to help young people overcome problems they experience in mainstream education and a hotline to assist the general public through short-term counselling and referrals.

Our therapeutic programmes are based on evidence of what works in assisting vulnerable children and youth. This evidence is drawn from long experience, dedicated research and participation in local and international child- and youth-care best-practice forums.

GBTSA works with other NGOs, childcare structures, families, communities and many donors to ensure that youth placed in our care have a safe and healthy environment to grow in.

We continue to monitor, evaluate and support youth after they leave care. A significant number of our care-leavers participate in the longitudinal *Growth Beyond the Town* study. GBTSA collaborates on this 12-years-old and growing body of research with University of Johannesburg.

GBTSA is funded through a broad and loyal support base. Most of our donors are private individuals who make monthly donations over an extended period. We receive some corporate donations and a modest subsidy from the Department of Social Development (DSD).

Our value to our investors and donors

- Programmes that serve children, youth, families and communities.
- Knowledge, skills and experience in the field of childcare.
- Staff who care and go the extra mile.
- Youth who succeed, grow wings and **S.H.I.N.E.**
- Transparency and accountability.

Vision and mission

We contribute to the community and society through:

- Socially responsible and therapeutic residential facilities, programmes, services and initiatives.
- A dedicated focus on providing opportunities for our children and youth to **S.H.I.N.E.** where others have given up hope.
- Innovative, effective programmes and services that build strength and meet the needs of children, youth, families and communities.

Healing Heartbroken Children

At GBTSA, our mission to heal heartbroken children drives everything we do. We understand the profound impact of trauma and neglect on young lives, and we are committed to mending these emotional wounds through compassionate care and support. Our approach integrates the transformative power of a hug, symbolising the comfort and reassurance that our children receive.

In our nurturing environment, children find not just safety but also the emotional warmth necessary for recovery. We focus on empowering them with the tools to rebuild their self-worth and resilience. By fostering caring relationships and providing developmental opportunities, we help children thrive and reach their full potential. Through this holistic support, we aim to offer more than safety — we strive to make a meaningful difference in their lives, guiding them toward a brighter, more hopeful future.

S.H.I.N.E. means:

- Helping young people develop a sense of self-worth and **significance**.
- Giving young people the safety of a home and an experience of family that heals their broken hearts and enables them to contribute to the life of a **home**.
- Helping young people develop the confidence, skills and **independence** necessary to progress.
- Developing young people's sensitivity to their own needs and those of others and their ability to **nurture** each other.
- Ensuring access to **education** that will impart knowledge and practical skills on them to make their way after leaving our care.

Highlights

for the period April 2022 – March 2024

12 526
Number of beneficiaries of GBTSA

1 074
Average number of youth

10
Number of residential facilities

R124 000
Average annual cost of a youth/child

R106 666 150
Total expenses

8
Volunteers

Between
120 – 130
employees in the past two years

7 150
Donors per month

R107 481 428
Total income

3 487
Individual therapy sessions

24
Our fleet

The value of Girls & Boys Town South Africa

GBTSA delivers a social service of direct value to vulnerable children and young people in our care and their families, and of indirect value to our society at large. The very reason for our existence is to protect, nurture, heal and grow young people who have been damaged by their circumstances. The value of our effort is measured in the number of young people who leave our care able to deal with the ups and downs of daily living, make their way in the world and contribute to the community.

Mobilising capitals to create social value for children, youth, families and communities

Social capital
Programmes to:
Protect, heal and develop youth
Restore families
Assist individuals in communities

Human capital
Experienced Board
Dedicated, skilled staff and volunteers

Financial capital
Loyal donors
Government grant
Creative fundraising
Strategic partnerships

Manufactured capital
Residential centres
Learning centres
Offices IT infrastructure

Natural capital
Food production for residential centres

Intellectual capital
Specialised primary research
Best practice models

Delivering this multifaceted service to scale – GBTSA has about 200 youngsters in care at any time and had an average of 1 375 beneficiaries a year in the reporting period – demands the mobilisation of diverse resources. We place the highest value on teamwork, knowing that the failure to marshall any of the essential inputs outlined below would undermine our entire social mission.

Financial capital	It costs us over R50 million a year to provide our services to children, young people and other beneficiaries. We raise donations to the value of over R35 million each year to accommodate, feed, clothe, provide care and offer therapeutic and developmental services to children and youth in care, and to assist families in crisis in the community. We ensure we meet the conditions for government grants in order to supplement our financial resources, although these grants are insufficient to bridge the funding gap. We partner where it makes sense and maintain strategic partnerships for sustainability.
Manufactured capital	We own, maintain and equip residential homes of varying sizes and learning support centres that meet the special educational needs of our young people. Preserving and securing our properties, and renovating and renewing them in accordance with unfolding needs and safety standards are critical to our mission. Without safe shelter, care is not possible.
Human capital	Our financial resources allow us to employ some 130 staff members who are both qualified for their work and invested in our organisational values. We attract Board members and other volunteers who are moved by our mission. Many staff and Board members remain with GBTSA for extended periods, enriching the organisation increasingly as their experience deepens.
Intellectual capital	We are challenged and humbled by the complexity of psychosocial renewal, the uncertainty of results and always keen to know more. We conduct research, reflect critically on our practice and share our insights with a wider community of child and youth care workers through symposia, workshops and professional publications. Our research also feeds into the practice models we use and the training of our staff.
Natural capital	Increasingly, GBTSA is becoming aware that wiser use of natural resources can contribute to the sustainability of our caring, therapeutic campuses. We have begun to invest in food production for our consumption and will in future pay closer attention to the energy efficiency of our buildings.

Residential programme report

Introduction

This report tracks our operations and performance in the post-COVID-19 period that began in South Africa in mid 2022.

To state the obvious, the COVID-19 experience was harrowing for the national and global psyche. Most, if not all, ways of being part of our world changed during the pandemic. The already heartbroken children placed in residential care had to muster a new level of resilience to cope with and adapt to limited, or no contact with their families and other primary carers. The GBTSA residential communities became self-contained cocoons, sealed in from the outside world and allowing only the critical supplies necessary for health and survival purposes to enter campuses.

As many people's economic circumstances changed because of lay-offs and business closures, the care of and for children in residential care became more intense. The need for innovative and safe ways to provide therapeutic care was continuously explored.

The collective sadness for the many lives lost and worry for the ill among those close to our children and staff were ever-present in that time. Heartbreak and broken-heartedness shaded all aspects of life. Despite that, digging deep into their souls and forging partnerships and bonds, our staff and the children they care for began to move beyond the anxiety, pain and loss of the pandemic, and the devastation it brought.

A review of therapeutic services

The journey out of the pandemic illuminated new and different opportunities to care for others and created space and time for reflection, professing, evaluation and development.

The care of and for heartbroken children, encompassing all aspects of their lives, was examined, allowing us to identify areas that needed intensive interventions. Production of training materials, staff training, and support were prioritised.

Training included all members of the multi-disciplinary team, made up of 66 Social Workers, Child and Youth Care Workers, Learning Support Educators and Learning Support Aides.

The need for staff to understand Adverse Childhood Experiences (ACEs) – such as the enforced protracted lockdown and the neurological impact of ACEs – required attention. Many children and youth sought instant relief from their broken hearts in substance use.

The GBTSA developed a continuum of services to address substance use at different levels and trained Social Workers, Social Auxiliary Workers and Child and Youth Care Workers on how to assist youth with preventive and tailor-made individual interventions. The Chemical Dependency and 12-Step Facilitation Therapy programmes are the cornerstones of this continuum of services.

We workshopped how to strengthen the Peer Group System to ensure that it nurtures a positive peer culture on our campuses that promotes mutual care. As the song goes, "He ain't heavy, he's my brother" motto applies to the girls in care as well.

Traumatic life experiences of many youths who have had to fight for survival in their homes and in the world that they inhabit are a key obstacle to achieving the altruistic principle. Such conditions programme negative and unhealthy responses among youth, with the default being to fight or hurt others before they experience hurt.

Staff have applied their efforts on enabling bullying-free environments following their extensive training to understand the characteristics of bullying and how to address it. Where bullying happens, youth are guided on how to take responsibility for their behaviour, and through a process of restorative justice, acknowledge the impact of their behaviour and make reparation for any physical or emotional harm they may have caused.

Therapeutic services were extended beyond the youth to their assist and strengthen their families too. Social Workers and Social Auxiliary Workers were trained in Permanency Planning to ensure that each child not only experienced a sense of belonging but also had a clear exit and after-care plan upon leaving GBTSA. This aspect of the service helps youth build a network of support to assist them with the transition from in-care residential living to independence.

Youth's holistic development also rests on quality education and growth opportunities, to which we responded by intensifying every youth's educational plan, their work with the Learning Support team and regular consultations and support that drove robust application of education models and interventions.

5 Youth wrote matric in 2023

4 Successful matriculants

1 Bachelor's pass

8 Youth in matric in 2024

12 Gauteng youth leaders attend National Association of Child and Youth Care Workers Youth Forums

4 Youth in the Western Cape participated in the South African Youth Education for Sustainability (SAYes) mentoring programme

5 Youth in wilderness leadership camps

Residential programme report continued

The map below indicates location of services offered to youth.

GIRLS & BOYS TOWN
Healing Heartbroken Children

WESTERN CAPE

1. Girls and Boys Town SA Youth Development Centre for boys Macassar
2. Family Home for Boys Macassar
3. Girls and Boys Town SA Family Home Dingle for Girls Kenilworth

GAUTENG PROVINCE

4. Girls and Boys Town SA Youth Development Centre for Girls Kagiso
5. Family Home for Boys Kagiso
6. Family Home for Girls Kagiso
7. Girls and Boys Town SA Youth Development Centre for boys Magaliesburg

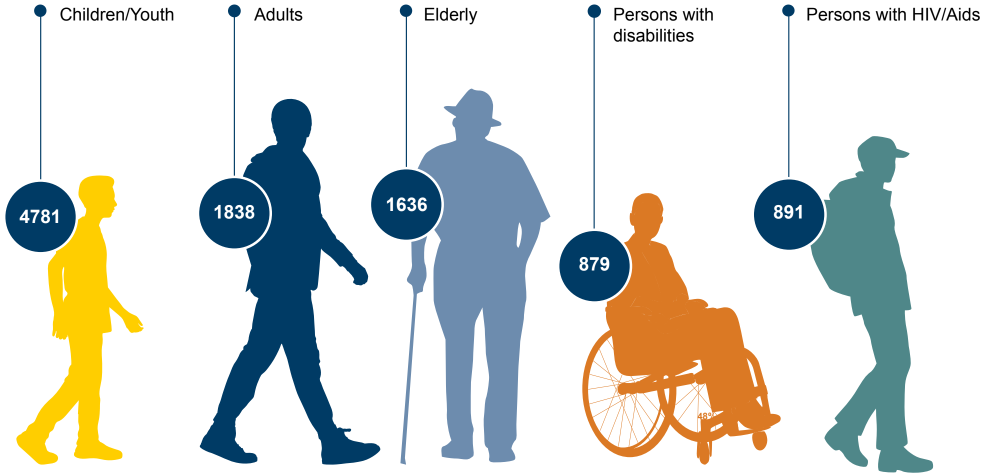
KWAZULU NATAL

8. Girls and Boys Town SA Youth Development Centre for boys Tongaat
9. Family Home for Boys Tongaat
10. Family Home for Girls Verulam

11. Hotline 0861 58 58 58

Residential programme report continued

Selected beneficiaries of GBTSA 2022 – 2024



On behalf of the entire GBTSA collective, I wish to extend sincere gratitude to all our staff, as well as external partners and service providers, and commend the incredible achievements to which you contributed during this trying period.

They truly reflect the GBTSA leadership and our organisation's resilience and adaptability to the changing operational environment.

The infographic above contains highlights of the main beneficiary categories that we were able to assist, heal and strengthen.

The majority are vulnerable children and youth, as determined by the GBTSA mandate and mission. Other categories include siblings and families of youth at risk and 275 parents and primary care takers who participated in our Common Sense Parenting skills building. These interventions not only improve access to valuable help but also promote longer term protection of the current and upcoming generations of young people.

Building stakeholder relationships for compliance and sustainability

Retaining positive relationships with key role players and stakeholders is an ongoing feature of our work. In particular, with the Department of Social Development (DSD) as the oversight entity, the provincial departments play a critical role in our work and impact.

In the period under review, GBTSA residential facilities in KZN and Gauteng had full registration while the Western Cape centres were granted conditional registration due to incorrect zoning of the Macassar and Dingle properties. Both properties have to be rezoned.

To keep up with the dynamic regulatory environment, we worked closely with the DSD to strengthen compliance with the norms and standards of the Children's Act and other relevant prescripts. The engagements enabled us to keep DSD Monitoring Officials informed of all relevant on-campus developments.

Risk mitigation

The general climate within the National DSD, and the priorities of government funding more broadly, are a constant threat to the NGO sector collectively, but specifically to residential child and youth care entities like GBTSA.

During the 2022 – 2024 period, the narrative among these key influencers and funders was that residential child and youth care is an expensive form of care, prompting the DSD to search for cheaper alternatives. This places child and youth care centres (CYCCs) under stress and negatively impacts on annual and five-year planning.

There has always been acknowledgement by the Department of Social Development (DSD) of the work that GBTSA does, and a recognition that CYCCs, while complex and costly to maintain, are necessary. The GBTSA Residential Teams have forged positive relationships with all the relevant DSD units by ensuring that reports are submitted with regard to finance, childcare norms and standards and statutory and statistical information. Quarterly and half-yearly financial reports are submitted as required by the Department and the monitoring officials are welcomed to monthly campus visits. DSD is kept informed of all campus activities and events and are invited to youth-related activities on campus like the inauguration of the Peer Group Council bodies. YDMs and delegates participate in all DSD CYCC Forum Meetings.

Creating value through governance

Message from the Chairperson

David Daniels
Board Chairperson

Crime, the weak economy and power cuts have had a profound influence on the services that we deliver to the youth in our care as well as on the vulnerable communities' increased demand for assistance and services.

There is no doubt that the work of non-profit and public benefit organisations (NPOs, NGOs and PBOs) has been extremely difficult and demanding during the period under review.

Among the factors that have impacted on the work of GBTSA and most of our peer entities are:

- The weak economy unable to achieve even a 1% annual growth.
- The failure of Eskom to provide the country with a regular electricity supply.
- Corruption and poor governance.
- One of the highest crime rates in the world.

All of this has a profound influence on the services that we deliver to the youth in our care as well as on the vulnerable communities' increased demand for assistance and services. Our response has been to focus with more determination on responding to our mandate by:

- Providing carefully structured therapeutic residential facilities and programmes and services to our youth and to the community.
- Providing opportunities for our youth to S.H.I.N.E. where others may have given up hope.
- Continuing to search for creative and innovative programmes and services to meet the needs of challenged youth, families and communities.

With this in mind and after consultation with stakeholders, the Board in July 2023 adopted a new messaging statement, which is: On 4 April 2022 at the start of this reporting period, President Cyril Ramaphosa announced the termination of the 750 days of the National State of Emergency. This marked the end of various stages of lockdown brought about by the COVID-19 pandemic, which profoundly affected our society as a whole as well as every aspect of the functioning of GBTSA. We are grateful that all our campuses quickly adapted to the new post-pandemic normal. Importantly, the economy while still under pressure is slowly recovering from the blows brought on by the pandemic.

Services and programmes

We have reported previously that the admission of youth to our four Youth Development Centres and six Family Homes has seen our staff across the country working with more challenging and vulnerable young people. The youth at Magaliesburg continue to make steady progress and at the end of 2023, the campus was full. The campus has unfortunately been challenged by ill-discipline among some staff members and in December 2023 the Youth Development Manager was dismissed following a disciplinary process.

We had a brief concern about the intrusions by illegal mine workers, the so-called "Zama Zamas", onto the Kagiso Campus. The threat has subsided, but we continue to be vigilant.

Similarly, our Youth Development Centre at Macassar in the Western Cape also had to cope with break-ins and extreme vandalism by criminal gangs operating in the neighbouring communities. Under the able leadership of Ms Maureen Benn, the new Youth Development Manager, there has been a significant decline in acts of vandalism. The fences around the campus have been repaired and security cameras installed, helping to make the campus more secure.

We reported previously that after a long delay, approval was granted for the demolition of unsafe buildings on the Tongaat campus. It remains our aspiration to redevelop the Tongaat campus. The concept plans drafted *pro bono* by a firm of Durban-based architects and town planners (Boogertman & Partners) are worthy of implementation. Raising the considerable funds needed to implement the redevelopment project remains an ambitious and huge challenge.

Message from the Chairperson continued

Food security is a matter of national concern, and the CEO is championing a youth-led initiative to establish food gardens in all four Youth Development Centres.

Education remains a key focus area, and the learning support centres are functioning well in all our Youth Development Centres. These supportive resources are equipped to address all subjects, but especially the deficits in numeracy and literacy.

Finance, marketing and fundraising

The fact that we have had to budget for a deficit for several years now is a major concern. The staff must be commended for the discipline shown in keeping expenditure within budget. Considering the social, political and economic contexts in which we find ourselves, it is understandable that closing the gap between income and expenditure (which our CFO, Mr Tommie Veldsman refers to as the “crocodile jaw”) is difficult to achieve. On a positive note, the clean audit reports that we have received every year are testimony to our organisation’s ethical fundraising practices, good governance and sound financial management.

With regard to revenue, our fundraising team under the leadership of Kganya Mothapo is doing excellent work. We appreciate the fact that our donors, from corporates to private households, also face financial challenges. It is truly appreciated that they continue to support Girls & Boys Town South Africa despite these challenges.

On 1 May 2023, Lebohang Gloria Motaung joined GBTSA as the Marketing and Communications Coordinator. Ms Motaung has proved to be an asset and has done well in keeping the GBTSA brand relevant, visible and widely exposed.

Measuring success: *Growth Beyond the Town* study

A large part of this biennial report has focused on the internal and external challenges facing GBTSA. We do however have significant successes. The longitudinal research project, which started in 2012, conducted by Professor Adrian van Breda and Dr Lisa Dickens of the University of Johannesburg, confirmed that the majority of our youth integrate successfully into society once they leave our care. The N.E.E.T. measure used to track care-leavers (Not in Employment Education or Training) shows a success rate of above 70%. This is higher than the success rate achieved by school leavers in the United Kingdom.

Management and governance

Brother Mario, a former Board member, passed away during this period. Brother Mario was a gifted and respected educationist who made an invaluable contribution to GBTSA. Mr John Mills, a long serving Board member also passed away. Mr Mills, with his corporate experience, played a major role in the introduction of a more business-like approach at the organisation. We also bade farewell to Professor Adele Thomas. Professor Thomas is a well-known academic and it was a privilege to have her serve as a Board member of GBTSA. We thank God for blessing GBTSA with these benefactors whose formidable talents have made an indelible difference in the lives of the entire GBTSA family.

Sister Janine retired after decades of service to GBTSA and was replaced by Sister Peninnah. Sister Velencia is furthering her studies in the USA and Sister Jerome has taken up her position as a Board member.

On behalf of the Board, I wish to express my thanks and appreciation to all of our staff for their commitment and dedication to GBTSA. Ms Lee Loynes, who joined GBTSA in 1993 as Head of Residential Services and was appointed CEO in 2007, retires in October 2024. Ms Loynes is an exceptional leader and manager, and her retirement will leave a huge vacuum in the organisation. The Board has mandated an internal recruitment and selection committee with filling the CEO position and an appointment will be made in due course.

I would like to thank every single Board member for voluntarily offering their time and expertise in the fields of religion, education, social work, business and finance, human resource management, communication and strategic thinking and leadership – all for the wellbeing of the youth in our care.

The healthy and respectful relationship between the Board and senior management is one of the tenets of the success and endurance of GBTSA.

The regional Boards of Management are also important governance structures. The chairpersons, Ms Jacqui Michael in Gauteng, Mr Bradley Glenn in KZN and Ms Eugenie Smith in the Western Cape deserve special mention for their oversight, advice and hands-on support to the staff in those regions.

Conclusion

I indicated at the beginning of this message that managing organisations such as GBTSA has become more challenging. The National and Regional Boards as well as management must be complimented on the rigorous manner in which they have tackled these challenges over this period. We are people of faith and so we pray that God may continue to guide us and fill us with his grace and mercy.

We express out thanks to:

- The Directors, trustees and members for giving of their time and talents.
- Each and every staff member for their tireless work under challenging circumstances.
- The CEO and her management team whose work and dedication sustain the organisation.
- The members of the National Board and its various subcommittees.
- The various government departments for their support.
- All our partners, sponsors and donors without whose generosity this work would not be possible.

David Daniels
Board Chairperson

Chief Executive Officer's report

Lee Loynes
Chief Executive Officer

It is my honour to present GBTSA's 2022 – 2024 biennial report.

The report outlines the financial, fundraising, marketing, childcare and research aspects of our work, highlighting our resilience in a tight economy, the unwavering support of our appreciated loyal donors, and our achievements within the ever-evolving legal, policy and social contexts.

Over the past two years, Girls & Boys Town South Africa (GBTSA) has faced a myriad of challenges and triumphs while fulfilling our mission to support children placed in therapeutic residential care.

These topics are aligned to GBTSA's key material issues, namely the sustainability of GBTSA's funding model; maintaining our reputation and acting with integrity; ability to remain relevant and responsive in a fluid social environment; and the effectiveness of our residential care, therapeutic and educational programmes.

Special mention goes to our regional and national board members for their dedication and much personal sacrifice to serve the organisation and our youth.

- Positive peer culture
- Prevent bullying
- Promote restorative justice
- Remedial education/culture of education

Best-practice counselling models

- 12-step facilitation therapy
- Cognitive behaviour therapy

- Continuum of services to address substance use
- Chemical dependency programme

- Staff training
- Accessing additional qualified professionals
- Development of new therapeutic interventions

Chief Executive Officer's report continued

Financial overview

The past two years have been marked by economic uncertainty and rising costs, significantly impacting GBTSA's financial stability. The economic downturn has led to increased operational expenses, particularly in staffing, utilities and supplies. Despite these challenges, we have diligently managed our resources to continue providing essential services to vulnerable youth and communities.

Deficit budgets: We have operated under deficit budgets, necessitating a careful review of our expenditures and prioritisation of our programmes, and we faced challenges with cost drivers that consistently exceed inflation rates to impact our entire budget. This includes rising costs in utilities, security due to increased risks and vehicle maintenance.

To manage these deficits, we implemented cost-saving measures, such as renegotiating service provider contracts and optimising the use of our campuses and facilities where possible. While these steps have helped mitigate some financial strain, the organisation continues to seek sustainable solutions to balance the budget.

Emphasis on controlling operational costs has remained a priority while honouring our commitment to maintain professional standards in how we manage donor, sponsor and government funding regardless of the non-profit status of the organisation – and ensure the best possible care and interventions for our beneficiaries.

Fundraising efforts

Loyal donor support: The organisation's reliance on loyal sponsors and donors has been crucial in this economic climate, and our donors have been instrumental in keeping GBTSA afloat. Despite the economic challenges, our donors have shown remarkable generosity, allowing us to continue our mission. Of vital significance are our strong relationships with donors, built and maintained through regular communication, transparency about our financial situation and sharing the impact and success stories of the children we jointly support and heal.

There is a steadfast commitment to ensuring that donor funds are efficiently used for the benefit of the youth. This includes optimising fundraising efforts and keeping high operational standards to enable GBTSA to serve as a governance leader in the non-profit sector.

New fundraising initiatives that help us to diversify our funding sources were pursued, such as increasing our online presence and building collaborations with local businesses. It is anticipated that such efforts will help to reach a broader audience and engage new supporters in the years to come. The intensity of grant applications from foundations and provincial/government entities was increased, which provided critical funding for specific programmes. Despite this, a strategic focus remains on optimising fundraising income to reduce dependence on state subsidies. This has been partly achieved in three of the four regions, though further efforts are needed to sustain operational costs through non-subsidy income.

Marketing and public relations

Branding and awareness: In response to the growing competition for funding and public attention, rebranding and enhancing our online presence were essential and valuable activities.

Our marketing team initiated plans to develop a new website, improve our social media strategy and revise informational materials to better communicate our mission and impact. These efforts have increased our visibility and are set to attract new donors, volunteers and partners.

Community engagement: Increasing our engagement with the broader community is a priority. Initiatives to host webinars, participate in local events and collaborate with other organisations have been explored to raise awareness about the needs of children in therapeutic residential care.

These activities, although still in early stages of implementation, have begun to increase our public profile and, most importantly, also foster valuable and appreciated partnerships and collaborations

Childcare and programme challenges

Increasing complexity of youth needs: The youth we serve have presented progressively more complex challenges, requiring more specialised and intensive care over the period.

To address this, we stepped up our staff training, accessing of additional qualified professionals and development of new therapeutic interventions. Intensive interventions and comprehensive training for staff across various disciplines, including Social Workers and Child and Youth Care Workers, helped address the emotional and psychological needs of the children as well as to care for the carers who themselves feel and live through the strains of our direct beneficiaries.

GBTSA developed a prevention-treatment continuum of services to address substance use, implemented a chemical dependency programme and reinforced preventive measures and positive peer culture on campuses. We introduced innovative best practices for counselling, such as the 12-step facilitation therapy and cognitive behaviour therapy models.

Efforts were made to prevent bullying and promote restorative justice approaches. Remedial education and a culture of education were intensified, resulting in four youth completing matric, with one achieving a Bachelor's Pass. We currently have eight students in matric. Our youth took part in diverse leadership programmes and mentoring as part of our commitment to holistic development and healing.

Relationships with key stakeholders, such as the Department of Social Development, were maintained, despite the ongoing risk factors and funding challenges in the NPO sector. GBTSA continues to navigate these complexities, providing essential care and support to its beneficiaries.

As we get closer to our seventh decade of nurturing vulnerable children and young people, our commitment to providing the highest quality care and best practices remains resolute as we strive to match the evolving needs of our youth and their families.

Changes in legislation: Recent changes in childcare and welfare laws have had a significant impact on our operations. Programmes and policies were adapted to comply with new regulations, ensuring that our practices align with the latest legal standards. These adjustments have required additional resources and staff training but are vital for maintaining our accreditation and ensuring the safety and wellbeing of the children in our care.

***Growth Beyond the Town* and other research highlights:** GBTSA, in collaboration with the University of Johannesburg (UJ), has continued its longitudinal research study, *Growth Beyond the Town*. This study that was initiated in 2012 assesses the resilience and outcomes of GBTSA care-leavers. Despite funding constraints that paused data collection in 2021, the study resumed in 2022 with a scaled-down approach, thanks to the generous donation of research funds by Professor Adele Thomas. Key modifications included a focus on

Chief Executive Officer's report continued

participants already enrolled in the study and limiting interviews to the first eight years out of care, enhancing the validity and reliability of the findings.

The 2022/2023 and 2023/2024 data collection periods completed 75 and 65 interviews, respectively, across KwaZulu-Natal, Western Cape and Gauteng. The reduced number of interviews reflects the narrowing participant pool. Despite these necessary modifications, the study has continued to provide constructive insights into the lives of care-leavers.

The research findings, presented by GBTSA and UJ at international and South African education and child/youth care conferences and summits and published in respected journals, highlights the significant impact of supportive relationships and resilience-building on positive outcomes in care-leavers' accommodation, employment, education, and health. These outcomes validate GBTSA's therapeutic interventions and underscore the critical role of our ongoing support for young people transitioning out of care.

Achievements and strategic targets

Despite the challenges, we are proud to report that we met most of our strategic targets over the past two years.

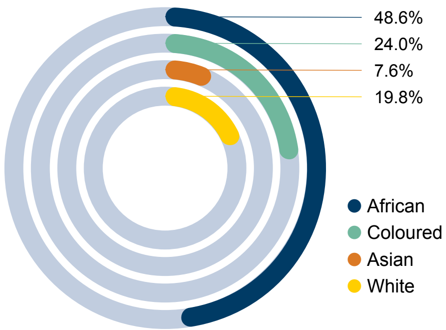
Key achievements included the expansion of our therapeutic programmes, improvements in our therapeutic residential home environments and the successful transition of 73 youth back into the community. These accomplishments reflect the dedication and hard work of our staff, volunteers and supporters.

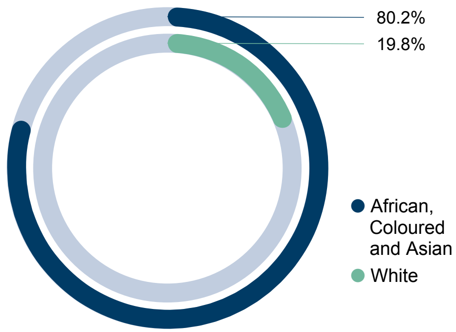
During this period, the GBTSA community assisted 12 526 individuals from different walks of life. As you can read in our report on residential care, about one half are children and youth, with nearly a thousand who are orphaned. Just under 900 are people living with HIV and a similar number are persons with disabilities.

It is worth highlighting that GBTSA contributed to strengthening the child/youth care field by supporting 1 085 social workers and educators, sharing with them best practices, providing counselling and debriefs and other valuable resources and knowledge.

2022/2023 BEE BENEFICIARY STATS

	African		Coloured		Asian		White		
Beneficiaries	**M**	**F**	**M**	**F**	**M**	**F**	**M**	**F**	**Total**
Children	51	92	46	21	6	5	22	15	**258**
Youth	53	57	50	12	8	8	29	15	**232**
Adults	40	81	18	30	8	6	31	39	**253**
Elderly	4	5	7	9	6	1	4	14	**50**
Persons with disabilities	3	5	6	5	4	2	8	5	**38**
Youth with HIV/Aids	8	11	9	9	6	3	2	2	**50**
Persons with HIV/Aids	12	13	2	10	2	3	5	3	**50**
Orphaned children	45	42	11	13	5	8	11	8	**143**
Total	**216**	**306**	**149**	**109**	**45**	**36**	**112**	**101**	**1 074**
Percentage	20.1%	28.5%	13.9%	10.1%	4.2%	3.4%	10.4%	9.4%	**100.0%**

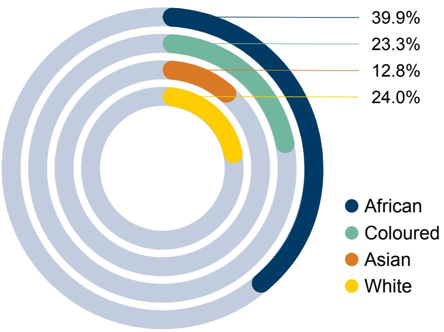


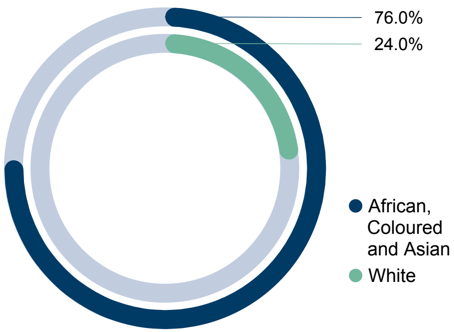


Chief Executive Officer's report continued

2023/2024 BENEFICIARY STATS

Beneficiaries	African M	African F	Coloured M	Coloured F	Asian M	Asian F	White M	White F	Total
Children	289	162	136	62	67	18	56	124	**914**
Youth	197	128	194	99	119	76	143	169	**1 125**
Adults	52	320	79	187	6	24	72	156	**896**
Elderly	100	79	26	52	45	11	86	70	**469**
Persons with disabilities	23	46	55	27	19	14	11	85	**280**
Youth with HIV/Aids	15	15	6	12	18	23	3	2	**94**
Persons with HIV/Aids	5	12	1	6	66	23	0	4	**117**
Orphaned children	47	105	10	59	2	109	59	12	**403**
Parents that attended CSP skills	20	84	0	16	0	0	24	35	**179**
Social workers	32	116	5	48	0	3	6	36	**246**
Educators	63	81	37	54	8	8	28	46	**325**
Parents/adults that received high risk FS	9	43	5	14	0	0	1	4	**76**
Children/siblings that received high risk FS	9	10	4	9	0	0	3	5	**40**
Total	**861**	**1 201**	**558**	**645**	**350**	**309**	**492**	**748**	**5 164**
Percentage	16.7	23.3	10.8	12.5	6.8	6.0	9.5	14.5	**100.0**





Looking ahead

As we move forward, our focus will be on securing sustainable funding, continuing to adapt to changing policy and legal requirements and enhancing our programmes to better serve the youth in our care.

We remain committed to transparency and accountability and will continue to engage with our stakeholders to ensure that GBTSA is a trusted and effective organisation.

In closing, we extend our heartfelt gratitude to our loyal and dedicated donors, Board members and volunteers, staff and community partners. Your unwavering support has been the cornerstone of our success, and you are all much valued and appreciated. Together, we will continue to provide hope and healing to the heartbroken children who need it most.

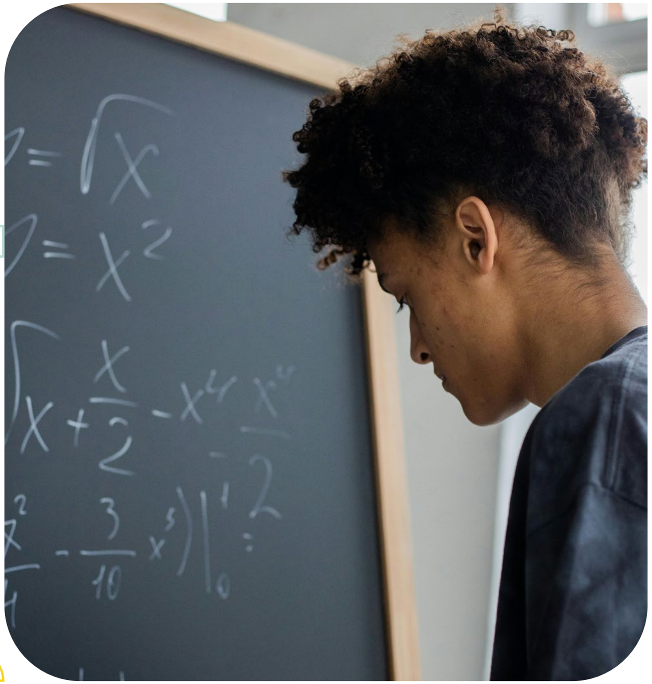
Lee Loynes
Chief Executive Officer

Human resources and labour relations report

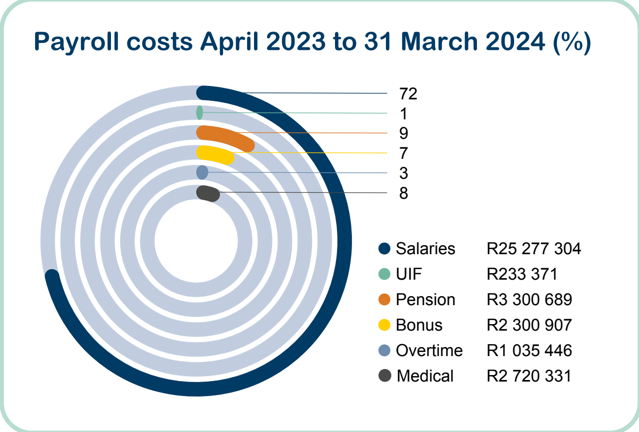
The biggest cost driver for GBTSA is the employee payroll and rightfully so because we are a service organisation. Interventions with the youth we serve first require appropriate and healing human interactions, and then goods and supplies.

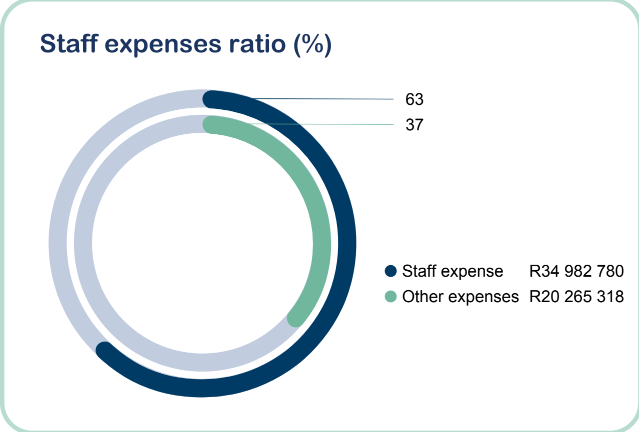
Due to financial constraints the organisation does not employ a human resource manager. Line managers are required to perform HR functions, including recruitment and selection, labour relations and performance management.

The labour relations function chairs disciplinary hearings, while the Commission for Conciliation, Mediation and Arbitration (CCMA) representations are done by external consultants as and when the need arise. Human resources administration is performed by the CFO in conjunction with the Payroll Administrator.



Payroll costs



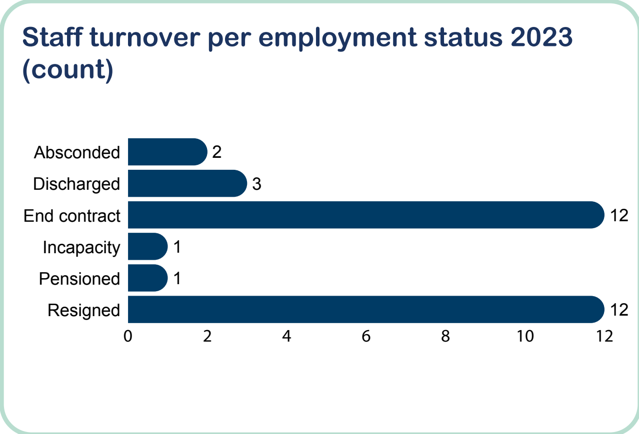


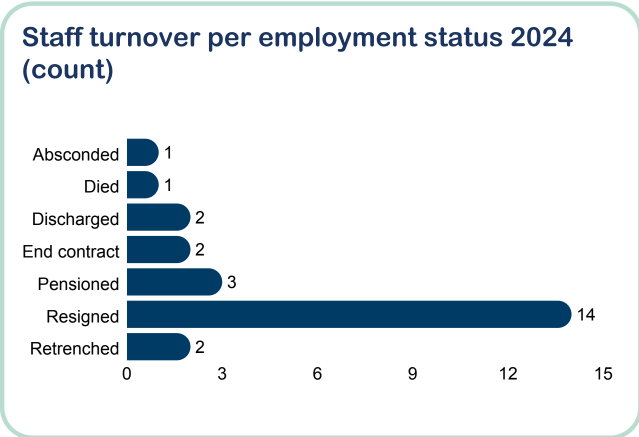
Staff Turnover

The total staff turnover (excluding end of contract) for 2022 – 2023 was 14.6% and 17.7% for 2023 – 2024.

While we are an NPO, we do compete for scarce skills and experience. A trend of significant salary increases makes it difficult for us to attract and retain necessary skills.

Employees receive 22 days' paid annual leave every five years as a means to promote staff retention. Our state-of-the-art training programme also makes it attractive for other organisations to poach our employees.

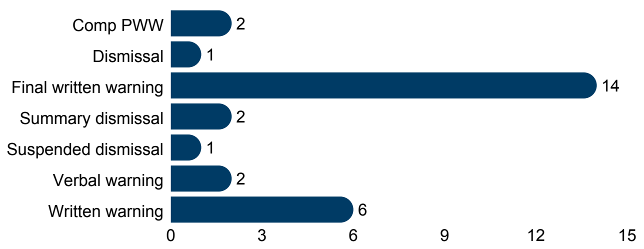




Human resources and labour relations report continued

We follow a principle of not considering counter-offers since the practice contributes to future similar behaviour to the detriment of our existing employees.

Disciplinary incident analysis per result (count)



Labour relations

Historically individuals joined and worked in the childcare and social services environments for the "love of it". This has changed with child and youth care work becoming a profession. As a responsible NPO, we comply with the Basic Conditions of Employment Acts and the Labour Relations Act including provisions on maximum working hours, overtime, night duty and public holiday work and remuneration, leave, sick leave and maternity leave.

The organisation has zero tolerance on child abuse and neglect by staff and likewise for a failure to report on it, should it be known or suspected.

Organisational compliance encompasses individual employees' behaviour and practices at work. During the period under review, GBTSA undertook 26 labour relations interventions as illustrated in the disciplinary incident analysis graph.

Employment equity

A formal Employment Equity Committee monitors the progress in meeting the Economically Active Population (EAP) targets as set by the Department of Labour. The committee meets four times a year. At the time of submitting this report, GBTSA was close to complying with the total national EAP although not yet on the management and senior management levels.

Year	White	African	Coloured	Indian
Male 42% – 53	1	45	6	1
Female 58% – 73	6	47	15	5
Total – 126	**7**	**92**	**21**	**6**
Total %	6	73	17	5

Black definition = African, Coloured and Indian

Employee wellness

Membership of a medical aid is a condition of employment, with the organisation sponsoring 75% of medical aid for employees earning less than R10 800 a month.

The organisation also contributes to Compensation for Occupational Injuries and Deases Act (COIDA) that covers employees for injury on duty and provides a disability benefit that pays 75% of the employee's salary in cases of disability.

The organisation used to have annual wellness days before COVID-19. This was cancelled during COVID-19 but is scheduled to be relaunched in 2025. The wellness days are held in conjunction with our medical aid service provider.

Training

The organisation promotes a culture of learning. A study loan system allows for GBTSA to pay the educational institution on behalf of the employee, who then pays the fees back to GBTSA. Upon successful completion of the studies the organisation refunds the employee.

Internal training was provided by a specialist trainer. The Internal Trainer was appointed on 1 January 2023 to conduct or facilitate training activities with employees.

The trainer's work involves the facilitation of training, presentations and consultation to employees, families of youth and other GBTSA support teams. This crucial function encompasses workshop modules such as Long-Term Residential Programme, working-with and Strengthening High-Risk Family, Common Sense Parenting, Training Institute, Evaluation Training, Advanced Training and Education Models with a focus on teaching participant skills across the healing, consulting and academic curriculums.

The internal trainer also assists with internal evaluative processes and completes the youth satisfaction and youth safety interviews nationally. The trainer's responsibility extends to the training and implementation of the Specialised Classroom Management programme and related weekly consultations with the learning support staff and the consultant.

The trainer has developed advanced training for GBTSA childcare consultants, trained all new childcare staff and the Social Workers working with GBTSA in 12-Step Facilitation Therapy and Cognitive Behaviour Therapy.

HR objectives for the period ahead

- Reduction in payroll costs achieved through improved productivity and elimination of duplicate functions without compromising the care of our youth
- Improved performance-management system
- Appointment of HR Manager
- Improve staff retention
- Improve recruitment and selection process to ensure appointment of appropriate/right candidates
- Succession-planning by upskilling current employees
- Meeting Employment Equity (EE) targets

Championing strong corporate governance

The robust governance mechanism that is supervised and partially implemented by the Board ensures that GBTSA identifies and responds to various governance risks as part of the organisation's alignment with the Environment Society and Governance (ESG) framework.

The Board watched over to ensure ethical and legal decision-making, accurate and transparent financial reporting, organisational compliance with regulatory requirements and involvement in other ESG initiatives important to stakeholders and donors. The hands-on approach from the finance subcommittee ensured its members remained aware and involved in addressing communications regarding fraudulent or inappropriate practices.

The Board and particularly the finance subcommittee regularly reviewed and updated policies, procedures and control systems, especially where any new risks or findings were identified. The finance subcommittee fulfilled an internal audit function and reported directly to the Board.

Governance structure and responsibilities

The Board of Trustees was responsible for governance, and during the reporting period delegated specific responsibilities to the finance subcommittee to oversee financial reporting, risk management and internal control processes.

Risk assessment and identification

The finance subcommittee proactively considered potential risks (eg financial reporting, donor grant management, procurement, cash handling) with GBTSA management. The management reported to the Board and finance subcommittee each quarter on how it addressed fraud risk assessments including identified risks, potential impacts and likelihood of such incidents.

Oversight of management responses to risks

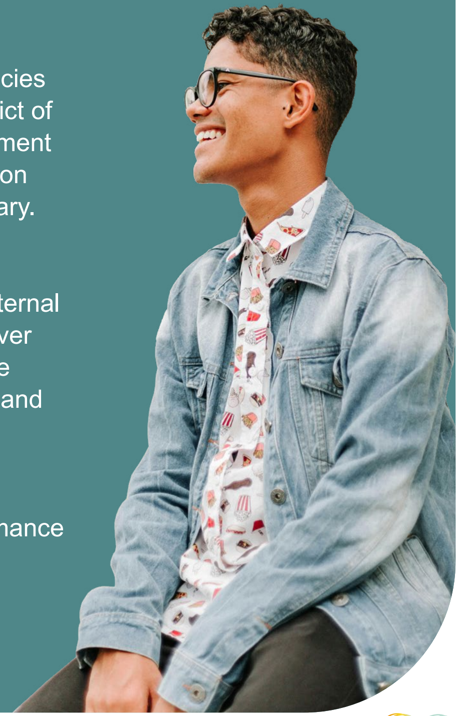
The finance subcommittee oversaw the implementation of policies and risk-mitigation procedures. The key policies address conflict of interest, whistleblowing, expense reimbursement and procurement and the protocol for responding to suspected fraud, investigation procedures and protocols for reporting to authorities if necessary.

Internal controls and monitoring

The finance subcommittee monitored and ensured a strong internal control environment by management, with focus on controls over financial reporting, cash handling and donor management. The subcommittee reviewed reports from management (quarterly) and auditors (annually).

External audit and external reporting

The finance subcommittee approved the selection and performance of external auditors.



Organisational structure

At Girls & Boys Town South Africa, our leadership team embodies the dedication, expertise, and compassion that drive our mission forward. Each member of our team brings a wealth of experience and a shared commitment to transforming the lives of vulnerable children and families.

Lee Loynes
CEO

Leads our mission with visionary strategies and a deep commitment to compassionate care.

Tommie Veldman
CFO

Manages our financial stability and strategy, ensuring effective resource allocation.

Karen Farred
Head of Residential Services

Oversees the daily operations of our residential programmes, ensuring a safe and nurturing environment.

Kganya Mothapo
National Fundraising and Resource Mobilisation Manager

Directs our fundraising efforts and resource development to sustain and expand our mission.

Board of Trustees

David Peter Daniels

Position: Board Chairperson

Profession: Town Planner
Chairperson: Municipal Planning Tribunal, City of Cape Town

Tenure: 1984

Lee Loynes

Position: Board Member and CEO of GBT

Profession: Social Worker

Tenure: November 2007

Bradley Mark Glenn

Position: Board Member and KZN Regional Management Board Chairperson

Profession: Managing Director: Destination Management Company

Tenure: June 2021

Br Michael Joseph de Klerk

Position: Board Member and Honorary Treasurer

Profession: Educationist/ Administrator
Province Leader of Africa: Christian Brothers Provincialate

Tenure: March 2001

David Jule Bergman

Position: Board Member

Profession: Chartered Accountant

Tenure: August 2013

Shimi Donald Kau

Position: Board Vice-Chairperson

Profession: Head: PR and Communications, V&A Waterfront

Tenure: March 2009

GBTSA Board of Trustees by gender

Board of Trustees continued

Shongani Anna-Victoria Khuzwayo

Position: Board Member

Profession: Educationist

Tenure: November 2023

Br Marko Sikoti Mhara

Position: Board Member and Honorary Secretary

Profession: Educator and Salesians of Don Bosco

Tenure: September 2019

Jacqueline Cecelia Michael

Position: Board Member and Gauteng Regional Management Board Chairperson

Profession: Social Worker

Tenure: April 2019

Jabulile Prudence Sibanyoni

Position: Board Member

Profession: Hatch, Human Resources

Director: Africa, Europe and Middle East

Tenure: September 2019

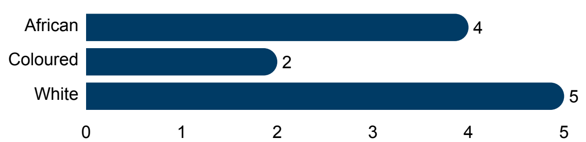
Eugénie Smith

Position: Board Member and Western Cape Regional Management Board Chairperson

Profession: Human Resources Consultant

Tenure: September 2017

GBTSA Board of Trustees by gender



Marketing and communications

Marketing and communication report

The 2022 – 2024 period marked a pivotal chapter for GBTSA's marketing, communications and stakeholder engagement endeavours. Leveraging our past achievements, we evolved our strategies to embrace new media platforms, foster stronger alliances and amplify our mission to support vulnerable children and youth throughout South Africa. Despite the challenges, our committed team and invaluable partners ensured that our messages resonated widely, resulting in heightened awareness, engagement and support.

Our marketing goals and strategy

In the period under review, we worked towards these strategic objectives:

- Increase online donations and overall fundraising to expand programmatic support.
- Enhance brand visibility and engagement in the social media.
- Broaden our impact through strategic partnerships and innovative campaigns.
- Optimise website performance to drive traffic and conversions.

To achieve these goals, GBTSA implemented a comprehensive strategy:

- **Social media engagement** delivered targeted content and interactive campaigns to boost engagement and drive traffic to our website.
- **Advertising campaigns** deployed targeted messaging to increase online donations and raise awareness of our mission and impact.
- **Partnerships** and collaborations with reputable experts and leading institutions like University of Johannesburg strengthened our marketing efforts, provided expertise and expanded our reach.
- **Content marketing** leveraged meaningful storytelling to showcase success and impact and foster emotional connections with our audiences.

Social media growth and engagement report

FACEBOOK

Followers: **3 066** (2023) | Followers: **3 116** (2024)

Growth: **+50** followers | Engagement rate: **1 600%** increase | Reach: **3 000%** increase

X

Followers: **62** (2023) | Followers: **75** (2024)

Growth: **+13** followers | Impressions: **1 898**

INSTAGRAM

Followers: **1 156** (2023) | Followers: **1 289** (2024)

Growth: **+133** followers (11.5% increase) | Engagement rate: **100%** growth | Reach: **90%** growth

YOUTUBE

Followers: **68** (2023) | Followers: **70** (2024)

Growth: **+2** followers | Engagement rate: **100%** | Views: **1 502**

LINKEDIN

Followers: **75** (2023) | Followers: **582** (2024)

Growth: **507** followers | Impressions rate: **34%** | Engagements: **4.65%**

Marketing and communication report continued

WEBSITE TRAFFIC

Home page: **19 000**

Contact us: **5 100**

About us: **4 000**

Fund us: **2 000**

SESSION MANUAL

Google: **15 000**

Bing: **903**

Facebook: **548**

Email: **28**

Brand awareness and fundraising

This period marked a significant chapter for GBTSA in enhancing brand visibility and expanding fundraising efforts. Through strategic initiatives and partnerships, we aimed to increase awareness of our mission to support vulnerable children and youth across South Africa.

We leveraged digital platforms such as social media and our website to regularly update our community on impactful stories and initiatives. Looking forward, we are committed to further strengthening our outreach and engagement strategies to ensure sustained growth in both awareness and fundraising, enabling us to continue making a meaningful difference in the lives of those we serve.

- **Website and social media platforms:** Regular updates and active engagement across Facebook, Instagram, Twitter and LinkedIn.
- **Newsletters:** Electronic and postal newsletters distributed to over 5 000 subscribers.
- **Awareness campaigns and appeals:** We continued the Google Ads campaign aimed at expanding our social media following and driving website traffic throughout 2022. This supported targeted campaigns aligned to GBTSA's areas of expertise such as the National Child Protection Week, Youth Day celebrations and literacy initiatives.

Public relations and media presence

GBTSA sustained a robust media presence with coverage in publications and interviews, highlighting initiatives like our Longitudinal Study in collaboration with UJ on platforms such as Cover Blog, Tandfonline.com, Briefly.co.za and Bizcommunity.com. We engaged audiences through radio interviews on Youth Day with community media such as Radio Eersteriver, Ballito Life and Style Radio, and secured print media coverage including stories like a high-jacking our vehicle sustained in Tongaat in IOL. Additionally, a panel discussion on eNCA – We The Nation – further extended our reach.

Marketing and communication report continued

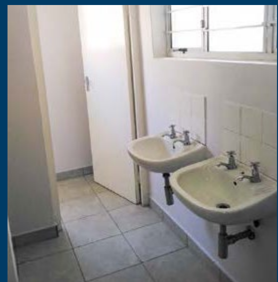
Celebrations, site visits and impactful outreach initiatives

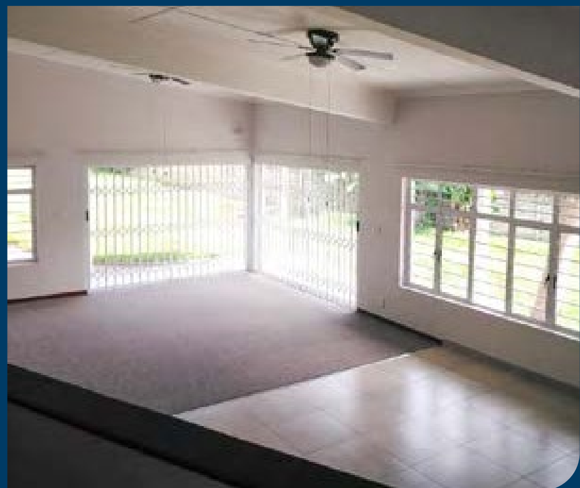
Celebrating Madiba and honouring his legacy

Held at our Kagiso Campus, GBTSA's Mandela Day in 2023 was supported by key partners and sponsors including the SABC and the Department of Social Development. We value their engagement with our young residents and staff and their contributions to the event's success and resonance.

Build-back-brighter: A newly refurbished home for girls in Verulam

Thankfully without causing physical harm, a fire destroyed our girls' Verulam Family Home in 2021. With the understanding, support and assistance from our donors and the community, and laudable efforts from the GBTSA staff, we were able to build-back-brighter. In February 2023, we were thrilled to welcome our first new girls into a beautifully restored home.





Tea and tour in the Cape

On 14 November 2023, GBTSA hosted a "Tea and Tour" event at our Western Cape campus in Macassar. The event highlighted our governance structures and performance and provided guests, community leaders, and supporters with authentic impressions of a typical day in the life of a child at GBTSA.

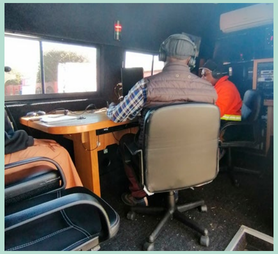
Marketing and communication report continued

Kagiso Youth Development Centre Garden Project

Our garden project at the Kagiso Youth Development Centre has seen great success, thanks to the support of Shoprite-Checkers CSI, Food & Trees for Africa, and the Nelson Mandela Foundation. This initiative reduces our reliance on store-bought vegetables, gifts our campuses with the freshest-possible produce for optimal child nutrition and it contributes to sustainability. Special thanks to Shoprite-Checkers CSI and the Nelson Mandela Foundation for their generous support.

Appreciation for the media hugs

We extend our gratitude to our media partners, including the SABC, which donated radio airtime for our public service announcement across prominent stations such as GoodHope FM, Lotus FM, Radio 2000, and SA FM. We also appreciate iPoint and Primedia, whose support allowed our “How We Heal” campaign to be displayed on digital billboards and in-mall screens nationwide, further increasing our visibility and impact.



Looking ahead

Looking forward to the next two years, we will be focused on:

- Enhancing our online presence and engagement through compelling content and targeted campaigns.
- Strengthening partnerships with educational institutions and media outlets.
- Expanding our reach through innovative marketing strategies.
- Continuously enhancing our website for a seamless user experience and increased donations.

Fundraising report

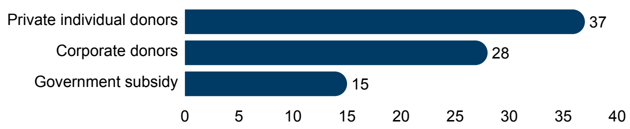
As we reflect on the past two years, GBTSA has, once again, navigated and in important aspects thrived as we strove to recover from the blows inflicted by the COVID-19 pandemic on South Africa's existing domestic difficulties, including high youth unemployment and a stagnating economy. As fundraising, we embraced financial agility and efficiency to strategically use available resources and maintain and build relationships.

We are grateful to our partners and donors who continued to support us during the difficult period reviewed in this publication. We are united in our efforts to ensure that GBTSA continues to heal more children and convert stories of neglect and vulnerability into stories of hope, resilience and success.

In alignment with GBTSA's five-year sustainability strategy, fundraising had to formulate and implement a strategy that would deliver the required results and maintain the sustainability of our organisation. The overarching goal in the past two years was to develop a stable and growing revenue base that will cover programme and other operational costs.

The significance of private donors, both individuals and corporates, to GBTSA's ability to deliver its programmes cannot be overemphasised: for every rand we receive from government subsidies, we receive R3 from our donors.

Sources of income 2022 – 2024 (%)



Fundraising objectives

The organisational five-year strategy directs our team towards these objectives:

- Acquire a good number of new supporters and donors using direct mail to secure their initial donations.
  - We plan to on-board 45 new donors monthly
  - Sign off 15 new debit orders.
- Retain the support of existing donors by encouraging them to renew their contributions and keeping them informed about the life-changing impact their support makes on children and young people.
- Present special appeals for specific projects that will meet an urgent need or enhance our services.

Outcomes of fundraising

The environment remains constrained and we are very grateful to all our donors and partners who have supported us during this period. The small team of fundraisers, managers and the marketing team work collectively and tirelessly to raise funds in order to continue healing heartbroken children and youth.

We are happy to report that in the two financial years covered by this review, our fundraising income amounted to R67 million. Donations and contributions played a pivotal role in maintaining our financial sustainability during the years of operating on a deficit.

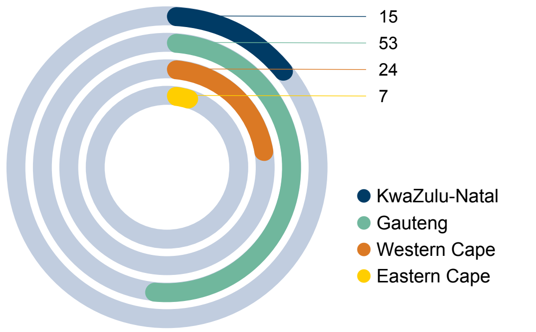
Year	Target	Actual	Target achieved
2022/2023	**R30 778 765**	R33 645 071	109%
2023/2024	**R34 243 397**	R34 713 738	101%

- The top sources of income were the website, followed by new income and debit order increases.
- Cash contributions constitute the largest category of our donations, given of donation, given that the vast majority of our donors are private individuals. A diverse community of donors – regular and once-off, established and new, corporate and individual – hears and responds to our appeals.
- Donors who utilise debit orders are generally our regular, committed contributors and it is gratifying to note that more than 40% of donor income falls into this category.
- In-kind donations are valued and assigned an equivalent monetary value.
- Some of our donors include us in their Will, thus participating in our Legacy and Bequest Programme.

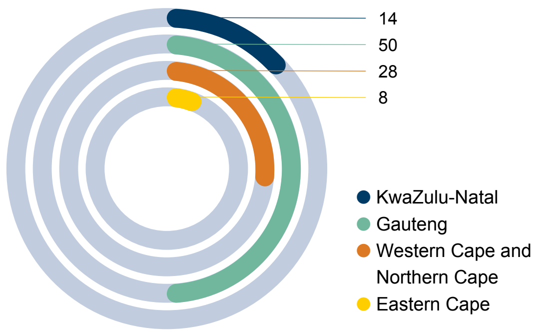
Fundraising report continued

Percentage share of total donations by province

Income contribution as a % per branch:
2023/2024



Income performance to budget per branch (%)
2023/2024



Looking ahead

We realise that innovation is necessary when it comes to fundraising and a number of new initiatives are in the pipeline. These include:

- Partnerships with public and private schools and colleges. We aim to increase awareness of the GBTSA brand through our outreach programme to schools and access a new group of potential donors associated with these schools.
- Securing the support from the sporting fraternity to promote our work.
- Increasing mass marketing initiatives and streamlining campaign-based fundraising.
- Cultivating new stakeholder and corporate partnerships.

GBTSA recognises that donors value good custodianship and prudent use of the funding they have provided. Therefore, we will continue to focus on cost-containment and robust and accountable management as the pillars of our balance sheet.

Fundraising report continued

Monthly and annual cost of a youth in care

Medical and dental
R380 pm
R4 560 pa
- Hospital and emergency care
- Medicines and prescription drugs
- Medical consultations
- Dental and eye care
- Substance testing

Education and tutoring
R2 570 pm
R30 840 pa
- School fees and books
- Tutoring and extra classes
- Stationery and computer training
- Software and hardware
- Online learning and learning support centres

Accommodation
R1 940 pm
R23 280 pa
- Municipal fees
- Cleaning and maintenance
- Security
- Electricity
- Beddings

Recreation and cultural
R360 pm
R4 320 pa
- Sports equipment
- Pocket money and hobby
- Outings and holiday camps

Clothing and uniform
R870 pm
R10 440 pa
- Clothing and shoes
- Laundry, hygiene and cleaning supplies
- School uniforms

Programmes and counselling
R4 150 pm
R49 800 pa
- Youth care workers
- Social workers and psychologists
- Development managers
- Family teachers
- Evaluations

Transport
R910 pm
R10 920 pa
- Youth travel and school transport
- Transport for outings

Food
R1 048 pm
R12 576 pa
- Meals and refreshments
- Kitchen staff
- Kitchen utensils and supplies

Total per child in care:
R12 228 pm
R146 736 pa

Research and evaluation

GBTSA, in collaboration with the Department of Social Work and Community Development at the University of Johannesburg, continued its longitudinal research study, *Growth Beyond the Town*, to measure the resilience and outcomes of care-leavers.

The study had been running from 2012 until the end of 2020, using the same broad research protocol, recruitment process and consent forms, and with the same ethical protections and psychosocial support in place.

Changes to the methodology

Due to funding constraints, no data was collected in 2021. However, in 2022, the study resumed with modifications to ensure its continuation. Professor Adele Thomas from the UJ Department of Industrial Psychology and People Management generously donated research funds, enabling the study to proceed in a scaled-down version.

The key changes entailed:

- No new participants were recruited into the study and we did not conduct any interviews with those preparing to leave care. We interviewed only those who had already enrolled in the longitudinal study and who had left care.
- The aim of continuing with the study is to achieve a more even spread of participants across the first several years out of care. This will make the study findings more valid and reliable, making the investment of effort by participants and funders more worthwhile.
- We capped interviews at eight years. This means that participants who were more than eight years out of care were not interviewed. We informed them that the study was closed as an eight-year longitudinal study. They will continue to have access to the Hotline as needed.
- The interviews were conducted online (using WhatsApp calls), unless participants wanted a face-to-face interview. This cut down on time and cost for participants and field workers.
- The qualitative part of the interview was not conducted, only the quantitative part, with brief clarifying comments.

Therefore, we collected only data that would strengthen the existing data by filling in a larger cohort across the first eight years out of care-leavers. This will enable us to generate more robust and persuasive findings that impact preparation for leaving care and aftercare services for future care-leavers.

Due to the revisions made above, we requested and received a new ethical clearance from the UJ Research Ethics Committee on 28 October 2022.

To prepare for data collection, we retrained three fieldworkers in Gauteng, Western Cape and KwaZulu-Natal.

Fieldwork and data collection

In the 2022-2023 data collection period, we were able to complete 75 interviews. The reduction in annual interviews is expected as fewer and fewer participants fall within the first eight years after leaving care. The interviews were distributed across KwaZulu-Natal (28), Western Cape (7) and Gauteng (30). Participants have consistently reported finding these annual check-ins beneficial. Despite a drastically reduced budget, we continued to provide this beneficial service at a scaled-down level. Over 60+ interviews are planned for the next reporting period.

The next step involves capturing all the questionnaires for further analysis.

Conference presentations and papers

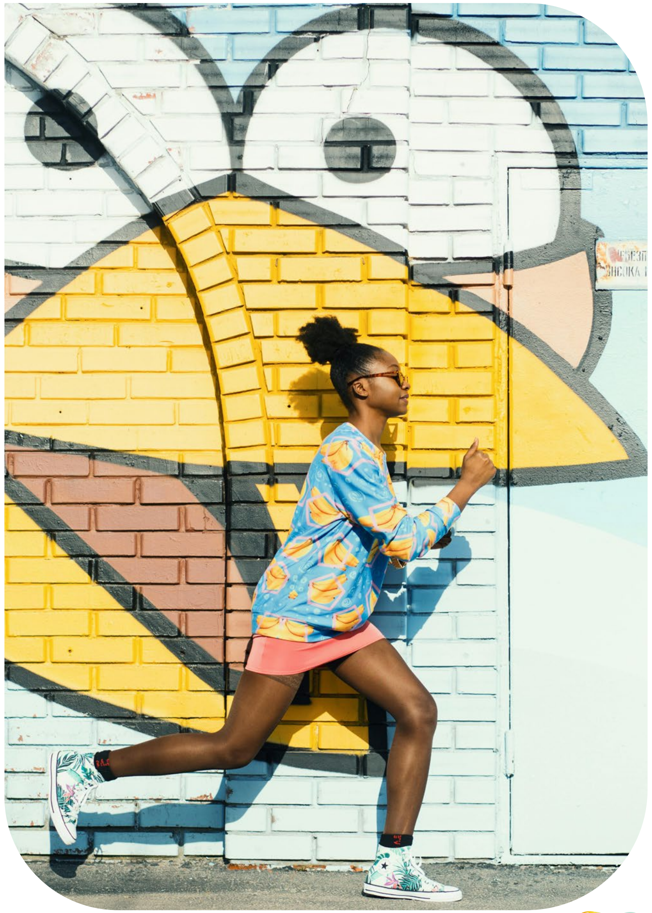
In 2023, GBTSA researchers presented two papers at the European Scientific Association on Residential & Family Care for Children and Adolescents (EuSARF) Conference in Brighton, England:

- Prof Adrian van Breda and research associate from UJ, Dr Gertrude Gwenzi, discussed "Employment Pathways: Outcomes and Enablers Among Care-Leavers in South Africa."
- Dr Lisa Dickens, also a research associate at UJ, presented on "Thriving Against the Odds: Examining the Resilience of South African Care-Leavers."

In 2022, Prof van Breda's paper was accepted by the international journal *Childcare in Practice* and will be published in 2024.

Conclusion

The *Growth Beyond the Town* study underscores the importance of supportive relationships and holistic resilience-building for care-leavers. The positive trends in accommodation, employment, education, and health outcomes highlight the effectiveness of GBTSA's therapeutic interventions and the resilience of its care-leavers. As we continue this important research, the insights gained will further enhance the support provided to young people transitioning out of care.



Youth Today

Testimonials

Ndawo: jailed Dad, unemployed Mom, violence

His story…
In his upbringing, 15-year old Ndawo has certainly faced challenges. His father was in and out of jail, while his mother was unemployed. Violence was pervasive in his household, with multiple physical fights witnessed from an early age, mostly between his mother and grandmother. Ndawo often hid during these incidents or sought help from neighbours. His mother later moved to her own place but continued to abuse Ndawo physically and neglect him for long periods. To cope, Ndawo turned to substances and aggressive behaviour, possibly influenced by his own history of abuse. Has academic performance has suffered.

Progress…
With Ndawo's longing for his absent father and resentment towards his mother evident, social workers have provided individualised support to the family, focusing on improving parenting skills and addressing underlying issues contributing to Ndawo's behaviour. Other interventions are aimed at providing Ndawo with the support and skills he needs to overcome his traumatic upbringing and build a healthier future, and have included anger management and substance abuse programmes.

Adam: burning house, sees Mom attacked

His story…
Born to a single, teenaged mom in a rural South African town, Adam's early years unfolded uncomfortably under the glare of social criticism and early hardships. A series of traumatic experiences included the lingering recollection of flames from a burnt-out house, and witnessing his mother's scarring at the hands of her boyfriend. Adam's struggles intensified, compounded by learning disabilities and aggressive behaviour, leading to his eventual expulsion from school. Desperate, his mother ultimately looked to a local child protection agency for help. Referred to GBTSA, Adam found solace and guidance and started on a journey of healing. Through therapy and support, he learns to channel his anger into understanding and compassion.

Progress…
Adam has embraced the daunting challenge of returning to school this year armed with newfound confidence and assured of specialised support. Surrounded by mentors and professionals who recognise his potential, Adam has recovered his inner resilience – a testament to the transformative power of love and community offered by GBTSA, and enabled by each of our much valued donors.

Prisha: abused by family, then hijacked

Her story…
Growing up within a complex family and social structure, Prisha experienced repeated and significant emotional and psychological trauma. Ultimately, she was also physically abused by a sibling, leading to her admittance to GBTSA last year. Prisha settled in well with us, and a visit home in December was scheduled. The trip home, sadly, led to a harrowing hijacking incident – leaving Prisha traumatised all over again. We provided an immediate debriefing and ongoing trauma counselling, aiding her recovery from nightmares and flashbacks.

Progress…
While Prisha is slowly overcoming the hijacking trauma, the incident adds layers to her existing emotional wounds, necessitating comprehensive therapeutic intervention. Long-term support includes addressing the impact of past abuse through Cognitive Behavioural Therapy.

Tailulah: orphaned early, suicide attempts

Her story…
Now an 18-year-old schoolgirl in Grade 12, Tailulah has nursed feelings of hurt and disconnection for as long as she can remember. Removed from the care of her mentally ill mother at just four months, Tailulah has had to live with the knowledge that her own mom had threatened to harm her. Years in foster care also seemed only to intensify Tailulah's sense of emotional neglect, made worse by the fact that people caring for her described her as an 'abandoned child'. It was only much later, when old enough to understand, that she discovered she also had a brother and a younger sister. But this too was an unhappy discovery since she realised that she was the only one of the three children that had not been raised in the care of real family. Along the way, due the circumstances of her life and where she was living, Tailulah has made several suicide attempts using overdoses of pills, and displayed periods of bad behaviour, weight loss, anxiety and isolation. Even her brother and sister reaching out to her was declined, for fear that they too would ultimately reject her. Tailulah ultimately sought placement at GBTSA.

Progress…
Through Cognitive Behavioural Therapy (CBT), Tailulah has learned to cope with trauma, express emotions, and challenge negative thoughts. Progress at GBTSA has included developing a sense of belonging, reconnecting with family during holidays, and assuming a leadership role, which boosted her confidence and communication skills.

Youth Today continued

GIRLS & BOYS TOWN • YOUTH TODAY • JUNE 2024

HARVEST AT KAGISO!

Great savings for us – and a powerful message.

Rising proudly from the ground at our Kagiso Youth Development Centre west of Johannesburg is a fruitful partnership, one that started as a visionary project and has become a symbol of growth, opportunity and sustainable food sourcing.

The past weeks marked the culmination of months of hard work as harvesting season descended upon Kagiso. With bountiful yields of peppers and cabbages, the project has not only enriched the landscape but also promises significant savings for us by reducing reliance on store-bought vegetables for our kitchen needs.

Since its inception, our garden project has infused Girls and Boys Town SA's Kagiso Youth Development Centre with a tangible sense of positivity. Both staff and youth alike have embraced the initiative with unwavering enthusiasm.

Central to this success is the support from the Shoprite-Checkers CSI division in partnership with Food & Trees for Africa (FTFA) which recently bolstered the project by donating garden resources, training and installing three Jojo tanks – one 5000-litre tank generously donated by the Nelson Mandela Foundation alongside two additional 5000-litre tanks. These tanks serve as vital reservoirs, harnessing rainwater to irrigate the vegetable garden through a meticulously crafted irrigation system, also courtesy of FTFA.

What's flourishing here now at Girls and Boys Town SA's Youth Development Centre is the result of a partnership between Shoprite-Checkers CSI, their implementing partner FTFA and the Goodbye Malaria Trust South Africa. Our special acknowledgement goes to Shoprite-Checkers Group CSI for their generous back up in making this project a success.

Sharing with folk less fortunate than themselves

Getting dirty during flower-planting day

All set for the start of a big beach clean-up

Recent events, heartily celebrated.

Skills on display at boys' outdoor cooking contest

In the pink for Women's Day celebration

Happy result on our therapeutic art day

4

BY ANY NAME, OUR Girls & Boys ARE REAL! But, as a measure of protecting their privacy, names are changed as a policy. We trust you'll understand. Thank you.

Finance

Chief Financial Officer's report

There is a saying "When the going gets tough, the tough gets going". In the case of GBTSA, the saying can be rephrased to say, "when the going gets tough, our sponsors and donors get going". As a non-profit organisation that relies on fundraising among private individuals and companies, GBTSA remains sensitive to the socioeconomic tides and currents that affect how much these invaluable donors can contribute to the organisation.

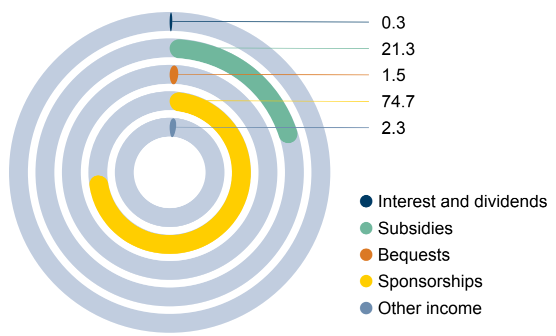
Our summarised results for the last three years are as follows:

	March 2024 R	Variance year on year	March 2023 R	Variance year on year	March 2022 R
Income	**55 485 032**	3.5%	52 652 841	10.0%	47 866 487
Expenses	**55 248 098**	5.2%	52 539 547	6.8%	49 174 354
Surplus (deficit)	**(763 066)**		113 294		(1 307 867)
Depreciation	**1 623 579**		1 719 228		1 764 000
Cash surplus (deficit)	**860 513**		1 832 522		456 133

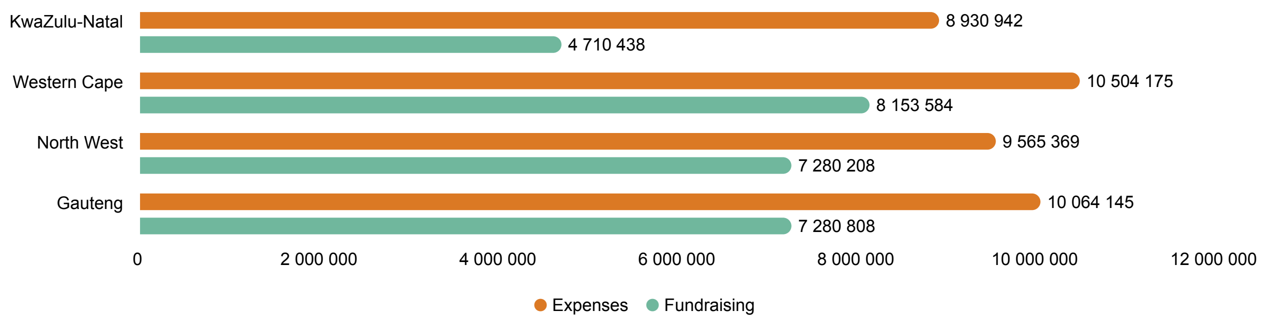
These results support our strategic objective to optimise fundraising income in order to become less reliant on state subsidies and increase operational efficiency contain expenditure and ensure that the funding and services reach our intended beneficiaries, being the youth in our care.

As demonstrated by frequent media reports about reduced government support for social services, we need to prioritise our objective to rely less on government subsidies. Good progress has been made in three of the four regions but as noted on the graph below it is still a major objective to ensure that fundraising income without subsidies sustain the direct operational cost of the youth facilities in that region.

Revenue sources to 31 March 2024 (%)



Fundraising coverage (Rm)

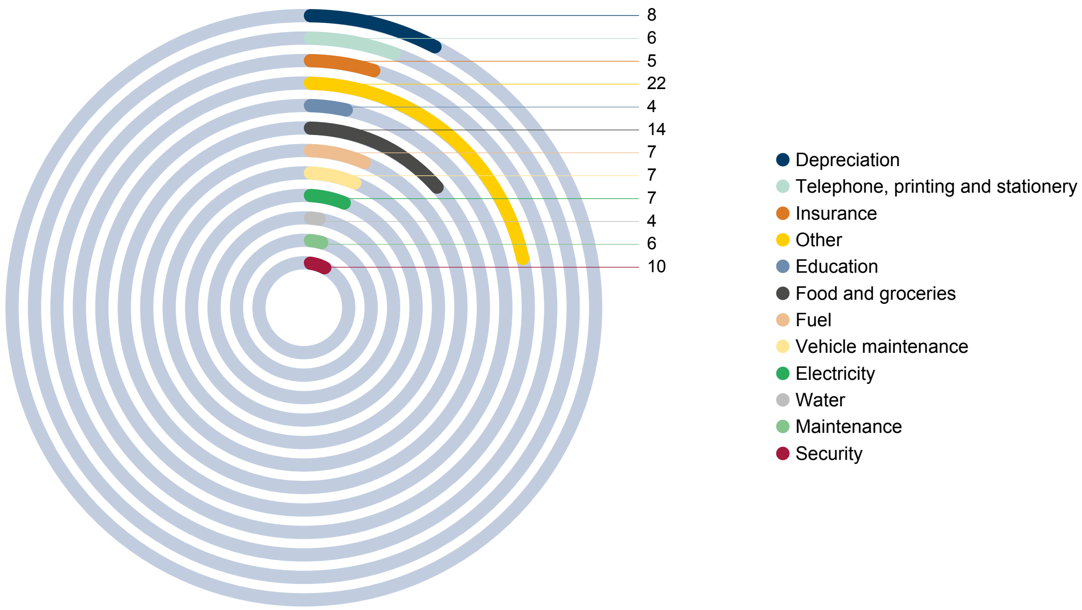


Chief Financial Officer's report continued

Organisational cost drivers

While income is a key component so is expenditure. The other strategic objective is to optimise operational cost in order to ensure that 100% of the donor rand is applied to the beneficiaries. Key to this is the cost drivers in the organisation.

Organisational cost drivers excluding employee costs (%)



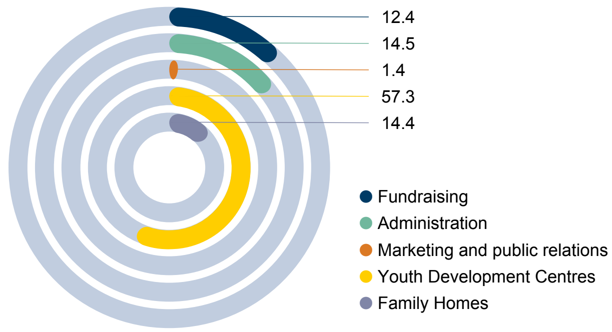
It is clear that a number of our cost drivers are subjected to items with annual increases exceeding inflation – namely fuel, water and electricity. Concomitant rising risks of campus break-ins, vandalism and other similar incidents has also resulted in higher security costs. Vehicle maintenance due to our ageing fleet has been extreme.

In summary our commitment to donors and stakeholder remain:

- Ensuring that we maximise the use of every donor rand to benefit the youth in care.
- Diversifying fundraising income to become less reliant on government subsidies in order to ensure the sustainability of the organisation.
- Cost-containment by improving operational efficiencies without limiting the service offering to our beneficiaries.

While we operate as a non-profit organisation, we still ensure utmost professionalism in our financial management and in how we administer donor, sponsor and government funding.

Cost distribution to 31 March 2024 (%)



Tommy Veldman
Chief Financial Officer

Independent auditor's report

To the trustees of Girls & Boys Town South Africa

Opinion

We have audited the financial statements of Girls & Boys Town South Africa (the Association) set out on pages 38 to 41, which comprise the statement of financial position as at 31 March 2024, and the statement of surplus or deficit and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Girls & Boys Town South Africa as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Constitution.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Association 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 opinion.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "Girls & Boys Town South Africa Financial Statements for the year ended 31 March 2024", which includes the trustees' report as required by the Constitution. 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, 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 trustees for the Financial Statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Constitution, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Association'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 trustees either intend to liquidate the Association 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 ISAs 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 ISAs, 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 Association'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 Association 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 the trustees 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.

BDO South Africa Incorporated
Registered Auditors

Financial overview

Statement of financial position as at 31 March 2024

	Notes	2024 R	2023 R
Assets			
Non-current assets			
Property, plant and equipment	3	**16 363 871**	16 940 923
Current assets			
Trade and other receivables	4	**1 734 583**	2 099 493
Cash and cash equivalents	5	**4 363 208**	4 436 731
		6 097 791	6 536 224
Total assets		**22 461 662**	23 477 147
Equity and liabilities			
Equity			
Special trust fund	6	**431 025**	385 500
Retained reserves		**18 509 657**	19 272 666
		18 940 682	19 658 166
Liabilities			
Current liabilities			
Trade and other payables	7	**2 703 367**	3 068 981
Deferred funds	8	**817 159**	750 000
Bank overdraft	5	**454**	–
		3 520 980	3 818 981
Total equity and liabilities		**22 461 662**	23 477 147

Financial overview continued

Statement of surplus or deficit and other comprehensive income for the year ended 31 March 2024

	Notes	2024 R	2023 R
Revenue	10	**54 151 689**	52 514 461
Other operating gains	11	**189 322**	11 023
Other operating expenses		**(55 069 203)**	(52 412 225)
Operating (deficit) surplus	12	**(728 192)**	113 259
Investment income	13	**144 024**	127 374
Finance costs	14	**(178 843)**	(127 340)
(Deficit) surplus for the year		**(763 011)**	113 293
Other comprehensive income		**–**	–
Total comprehensive (deficit) surplus for the year		**(763 011)**	113 293

Financial overview continued

Statement of changes in equity for the year ended 31 March 2024

	Special Trust Fund R	Retained reserve R	Total equity R
Balance at 1 April 2022	352 324	19 159 373	19 511 697
Surplus for the year	–	113 293	113 293
Other comprehensive (deficit)/surplus	–	–	–
Total comprehensive deficit for the year	–	113 293	113 293
Increase in Vera Kennedy Trust Reserve	33 176	–	33 176
Total contributions by and distributions to beneficiaries of the association recognised directly in equity	33 176	–	33 176
Balance at 1 April 2023	385 500	19 272 668	19 658 168
Deficit for the year	**–**	**(763 011)**	**(763 011)**
Other comprehensive (deficit)/surplus	**–**	**–**	**–**
Total comprehensive deficit for the year	**–**	**(763 011)**	**(763 011)**
Increase in Vera Kennedy Trust Reserve	**45 525**	**–**	**45 525**
Total contributions by and distributions to beneficiaries of the association recognised directly in equity	**45 525**	**–**	**45 525**
Balance at 31 March 2024	**431 025**	**18 509 657**	**18 940 682**

Financial overview continued

Statement of cash flows for the year ended 31 March 2024

	Notes	2024 R	2023 R
Cash flows from operating activities			
Cash generated from operations	15	**818 046**	2 011 452
Interest income	13	**144 024**	127 374
Finance costs	14	**(178 843)**	(127 340)
Net cash from operating activities		**783 227**	2 011 486
Cash flows from investing activities			
Purchase of property, plant and equipment	3	**(1 396 749)**	(1 513 177)
Proceeds from sale of property, plant and equipment	3	**539 545**	64 029
Total cash movement for the year		**(73 977)**	562 338
Cash and cash equivalents at the beginning of the year		**4 436 731**	3 874 393
Cash and cash equivalents at the end of the year	5	**4 362 754**	4 436 731

Accounting policies

1. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

1.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards as issued by the International Accounting Standards Board and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these financial statements and the Constitution of Girls & Boys Town as amended.

These financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Rands, which is the association's functional currency.

These accounting policies are consistent with the previous period.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the association holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the association, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	10 years
Motor vehicles	Straight line	8 years
Office equipment	Straight line	4 years
Leasehold improvements	Straight line	20 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in surplus or deficit.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

Accounting policies continued

1.3 Financial instruments

Financial instruments held by the association are classified in accordance with the provisions of IFRS 9 Financial Instruments. Broadly, the classification possibilities, which are adopted by the association ,as applicable, are as follows:

Financial assets which are debt instruments:
- Amortised cost (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through surplus or deficit. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through surplus or deficit. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Financial liabilities:
- Amortised cost; or
- Mandatorily at fair value through surplus or deficit. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through surplus or deficit. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through surplus or deficit).

Note 17 Financial instruments and risk management presents the financial instruments held by the association based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the association are presented below:

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 4).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the association's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the association becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Accounting policies continued

Impairment
The association recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The association measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses
An impairment gain or loss is recognised in surplus or deficit with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in surplus or deficit as a movement in credit loss allowance (note 12).

Write off policy
The association writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the association's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in surplus or deficit.

Credit risk
Details of credit risk are included in the trade and other receivables note (note 4) and the financial instruments and risk management note (note 17).

Derecognition
Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Any gains or losses arising on the derecognition of trade and other receivables is included in surplus or deficit in the derecognition gains (losses) on financial assets at amortised cost line item.

Trade and other payables Classification
Trade and other payables (note 7), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement
They are recognised when the association becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in surplus or deficit in finance costs.

Trade and other payables expose the association to liquidity risk and possibly to interest rate risk. Refer to note 17 for details of risk exposure and management thereof.

Derecognition
Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

Cash and cash equivalents
Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Accounting policies continued

Derecognition

Financial assets

The association derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the association neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the association recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the association retains substantially all the risks and rewards of ownership of a transferred financial asset, the association continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The association derecognises financial liabilities when, and only when, the association obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit.

Reclassification

Financial assets

The association only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities

Financial liabilities are not reclassified.

1.4 Tax

Tax expenses

The association has been approved as a public benefit organisation in terms of Section 30 of the Income Tax Act and the receipts and accruals of income are exempt from Income Tax of Section 10(1)(cN) and Section 18A of the Act.

The public benefit organisation has been approved for the purposes of s18A(1)(a) of the Act and donations to the organisation will be tax deductible in the hands of the donors in terms of and subject to the limitations prescribed in section 18A of the Act.

Donations by or to the public benefit organisation are exempt from donation tax in terms of Section 56(1)(h) of the Act.

1.5 Impairment of assets

The association assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the association estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

Accounting policies continued

1.6 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined benefit plans

Certain employees of the organisation are members of a defined benefit pension plan. Actuarial valuation of the pension fund are conducted every 3 years by independent actuaries. Consideration is given to any events that could impact the funds up to the balance sheet date where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight line basis over the average period until the amended benefits become vested.

To the extent that, at the beginning of the financial year, any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the projected benefit obligation and the fair value of the plan assets (the corridor), that portion is recognised in profit or loss over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognised.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. Actuarial gains and losses are recognised in the year in which they arise, in other comprehensive income.

1.7 Revenue from contracts with customers

The association recognises revenue from the following major sources:
- Sponsorships, grants and donations
- Rental income
- National lottery commission

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The association recognises revenue when it transfers control of a product or service to a customer.

Sponsorships, grants and donations

For sponsorships, grants and donations, revenue is recognised when the funds have been received. Revenue is thus recognised at a point in time.

Rental income

For rental of units, rental income is recognised monthly on a straight line basis over the term of the underlying lease contract. A receivable is recognised by the association when the rental units are delivered to the customer per the lease contract on a monthly basis as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

Revenue is thus recognised over time over the period of the lease agreement.

National Lottery Commission

For National Lottery Commission, revenue is recognised to the extent that the criteria connected to the distribution has been met.

Revenue is thus recognised at a point in time.

Notes to the financial statements

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the association has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/Interpretation:	Effective date: Years beginning on or after	Impact:
Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2	1 January 2023	No impact
Definition of accounting estimates: Amendments to IAS 8	1 January 2023	No impact

2.2 Standards and interpretations not yet effective

The association has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the association's accounting periods beginning on or after 1 April 2024 or later periods:

Standard/Interpretation:	Effective date: Years beginning on or after	Expected impact:
Lack of exchangeability – amendments to IAS 21	1 January 2025	Unlikely there will be a material impact
Supplier finance arrangements – amendments to IAS 7 and IFRS 7	1 January 2024	Unlikely there will be a material impact
Non-current liabilities with covenants – amendments to IAS 1	1 January 2024	Unlikely there will be a material impact
Lease liability in a sale and leaseback	1 January 2024	Unlikely there will be a material impact
Classification of Liabilities as Current or Non-Current – Amendment to IAS 1	1 January 2024	Unlikely there will be a material impact

Notes to the financial statements continued

3. Property, plant and equipment

	2024 R Cost	2024 R Accumulated depreciation	2024 R Carrying value	2023 R Cost	2023 R Accumulated depreciation	2023 R Carrying value
Leasehold improvements	**17 865 017**	**(3 949 012)**	**13 916 005**	16 939 399	(3 082 802)	13 856 597
Furniture and fixtures	**2 114 046**	**(1 401 895)**	**712 151**	2 105 963	(1 322 644)	783 319
Motor vehicles	**6 411 012**	**(5 359 681)**	**1 051 331**	7 270 578	(5 456 996)	1 813 582
IT equipment	**2 323 924**	**(1 639 540)**	**684 384**	2 510 133	(2 022 708)	487 425
Total	**28 713 999**	**(12 350 128)**	**16 363 871**	28 826 073	(11 885 150)	16 940 923

Reconciliation of property, plant and equipment

	Opening balance	Additions	Disposals	Depreciation	Total
					2024 R
Leasehold improvements	**13 856 597**	**925 618**	**–**	**(866 210)**	**13 916 005**
Furniture and fixtures	**783 319**	**65 968**	**(9 956)**	**(127 180)**	**712 151**
Motor vehicles	**1 813 582**	**–**	**(339 726)**	**(422 525)**	**1 051 331**
IT equipment	**487 425**	**405 163**	**(540)**	**(207 664)**	**684 384**
					2023 R
Leasehold improvements	14 540 299	161 296	–	(844 998)	13 856 597
Furniture and fixtures	771 692	214 790	(53 006)	(150 157)	783 319
Motor vehicles	1 638 344	739 880	–	(564 642)	1 813 582
IT equipment	249 645	397 211	–	(159 431)	487 425
	17 199 980	1 513 177	(53 006)	(1 719 228)	16 940 923

Notes to the financial statements continued

4. Trade and other receivables

	2024 R	2023 R
Financial instruments:		
Trade receivables	**552 495**	470 740
Deposits	**300 549**	300 549
Non-financial instruments:		
VAT	**392 411**	761 165
Employee costs in advance	**10 025**	25 672
Prepayments	**479 103**	541 367
Total trade and other receivables	**1 734 583**	2 099 493

Financial instrument and non-financial instrument components of trade and other receivables

	2024 R	2023 R
At amortised cost	**853 044**	771 289
Non-financial instruments	**881 539**	1 328 204
	1 734 583	2 099 493

Exposure to credit risk

Trade receivables inherently expose the association to credit risk, being the risk that the association will incur financial loss if customers fail to make payments as they fall due.

In order to mitigate the risk of financial loss from defaults, the association only deals with reputable customers with consistent payment histories. Sufficient collateral or guarantees are also obtained when appropriate. Each customer is analysed individually for creditworthiness before terms and conditions are offered. Statistical credit scoring models are used to analyse customers. These models make use of information submitted by the customers as well as external bureau data (where available). Customer credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The association measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

Notes to the financial statements continued

The association's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles.

The association did not rise any loss allowances during the year.

Fair value of trade and other receivables
The fair value of trade and other receivables approximates their carrying amounts.

5. Cash and cash equivalents

Cash and cash equivalents consist of:

	2024 R	2023 R
Cash on hand	59 752	51 267
Bank balances	4 303 456	4 385 464
Bank overdraft	(454)	–
	4 362 754	4 436 731
Current assets	4 363 208	4 436 731
Current liabilities	(454)	–
	4 362 754	4 436 731

6. Special Trust Fund

The Oliver Schreuder Trust Fund

This fund was created for the benefit of Girls & Boys Town South Africa. The funds are invested in the name of Girls & Boys Town South Africa whose Board of Trustees acts as trustees of the trust fund.

Vera Kennedy Bursary Trust Fund
The trust fund was created for the purpose of assisting former pupils of Girls & Boys Town South Africa as well as any other underprivileged children who wish to obtain a qualification of any nature. The funds are invested in the name of Girls & Boys Town South Africa whose Board of Trustee acts as trustees of the trust fund.

	2024 R	2023 R
The Oliver Schreuder Trust Fund	33 862	33 862
Vera Kennedy Bursary Trust Fund	397 163	351 638
	431 025	385 500

Notes to the financial statements continued

7. Trade and other payables

	2024 R	2023 R
Financial instruments:		
Trade payables	**988 199**	810 335
Accrued leave pay	**1 020 028**	1 749 625
Other accrued expenses	**309 336**	244 270
Non-financial instruments:		
Amounts received in advance	**385 804**	264 751
	2 703 367	3 068 981

8. Deferred funds

John Doble Leadership Fund

The fund allocated R 750 000 to Girls & Boys Town in the 2015 financial year. Funds amounting to R 817 159 (2023: R 750 000) remain unspent. The funds are invested in a Standard Bank Money Market account and received interest at 5.95%.

	2024 R	2023 R
John Doble Leadership Fund	**817 159**	750 000

9. Retirement benefits

Defined benefit plan

	2024 R	2023 R
Carrying value		
Actuarial values of assets	**56 032 000**	53 770 000
Present value of the defined benefit obligation	**(53 424 000)**	(49 775 000)
Reserves	**(2 380 000)**	(3 428 000)
	228 000	567 000

Notes to the financial statements continued

Key assumptions used
Assumptions used on last valuation on 28 February 2024.

	2024 %	2023 %
Discount rates used	**10.60**	10.60
Expected rate of return on assets	**3.75**	3.75
Expected rate of return on reimbursement rights	**7.10**	7.10

10. Revenue

	2024 R	2023 R
Revenue from contracts with customers		
Sponsorships, grants and donations	**53 100 625**	51 596 091
Revenue other than from contracts with customers		
Rental income	**1 051 064**	918 370
	54 151 689	52 514 461

Disaggregation of revenue from contracts with customers
The association disaggregates revenue from customers as follows:

	2024 R	2023 R
Rendering of services		
Sponsorships, grants and donations	**53 100 625**	51 596 091
Timing of revenue recognition		
At a point in time		
Sponsorships, grants and donations	**53 100 625**	51 596 091

Notes to the financial statements continued

11. Other operating gains (losses)

Gains (losses) on disposals, scrappings and settlements

	Notes	2024 R	2023 R
Property, plant and equipment	3	**189 322**	11 023

12. Operating surplus (deficit)

Operating (deficit) surplus for the year is stated after charging (crediting) the following, amongst others:

Auditor's remuneration – external

	2024 R	2023 R
Audit fees	**377 307**	330 211

Remuneration, other than to employees

	2024 R	2023 R
Consulting and professional services	**565 852**	148 557
Secretarial services	**157 957**	99 915
	723 809	248 472

Employee costs

	2024 R	2023 R
Salaries, wages, bonuses and other benefits	**31 723 902**	29 720 865
Retirement benefit plans: defined contribution expense	**3 258 872**	3 151 333
Total employee costs	**34 982 774**	32 872 198

Depreciation and amortisation

	2024 R	2023 R
Depreciation of property, plant and equipment	**1 623 579**	1 719 228

Notes to the financial statements continued

13. Investment income

	2024 R	2023 R
Interest income		
Investments in financial assets:		
Bank and other cash	**144 024**	127 374

14. Finance costs

	2024 R	2023 R
Funds	**178 843**	127 340

15. Cash generated from operations

	2024 R	2023 R
(Deficit) surplus	**(763 011)**	113 293
Adjustments for non-cash items:		
Depreciation and amortisation	**1 623 579**	1 719 228
Gains on sale of assets and liabilities	**(189 322)**	(11 023)
Other non-cash items	**45 526**	(261 415)
Adjust for items which are presented separately:		
Interest income	**(144 024)**	(127 374)
Finance costs	**178 843**	127 340
Changes in working capital:		
Trade and other receivables	**364 910**	548 443
Trade and other payables	**(365 614)**	(97 040)
Deferred income	**67 159**	–
	818 046	2 011 452

Notes to the financial statements continued

16. Related parties

Relationships

	2024 R	2023 R
Under common management	**Girls & Boys Town Property**	
Girls & Boys Town Property Members of key management	**Refer to the Board of Trustees report**	
Related party transactions		
Donations received from related parties		
Girls & Boys Town Property	**5 750 205**	5 000 000

17. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

	Notes	2024 R Amortised cost	2024 R Total	2024 R Fair value	2023 R Amortised cost	2023 R Total	2023 R Fair value
Trade and other receivables	4	**853 046**	**853 046**	**853 046**	771 288	771 288	771 288
Cash and cash equivalents	5	**4 363 208**	**4 363 208**	**4 363 208**	4 436 731	4 436 731	4 436 731
		5 216 254	**5 216 254**	**5 216 254**	5 208 019	5 208 019	5 208 019

Notes to the financial statements continued

17. Financial instruments and risk management continued

Categories of financial liabilities

	Notes	2024 R Amortised cost	2024 R Total	2024 R Fair value	2023 R Amortised cost	2023 R Total	2023 R Fair value
Trade and other receivables	7	**2 317 563**	**2 317 563**	**2 378 159**	2 804 224	2 804 224	2 804 224

Pre-tax gains and losses on financial instruments

Gains and losses on financial assets

	Notes	2024 R Amortised cost	2024 R Total	2023 R Amortised cost	2023 R Total
Recognised in profit or loss:					
Interest income	13	**144 024**	**144 024**	127 374	127 374

Gains and losses on financial liabilities

	Notes	2024 R Amortised cost	2024 R Total	2023 R Amortised cost	2023 R Total
Recognised in profit or loss:					
Finance costs	14	**(178 843)**	**(178 843)**	(127 340)	(127 340)

Capital risk management

The association's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the association's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise returns sustainably.

The association's manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the association may issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

The association monitors capital utilising a number of measures, including the gearing ratio. The gearing ratio is calculated as net borrowings (total borrowings less cash) divided by reserves.

Notes to the financial statements continued

The capital structure and gearing ratio of the association at the reporting date was as follows:

	Notes	2024 R	2023 R
Trade and other payables	7	**2 703 367**	3 068 981
Cash and cash equivalents	5	**(4 362 754)**	(4 436 731)
Net borrowings		**(1 659 387)**	(1 367 750)
Equity		**18 940 683**	19 658 166
Gearing ratio		**(9)%**	(7)%

Financial risk management

Overview

The association is exposed to the following risks from its use of financial instruments:

- Credit risk; and
- Liquidity risk.

The Board has overall responsibility for the establishment and oversight of the association's risk management framework. The board has established the finance committee, which is responsible for developing and monitoring the association's risk management policies. The committee reports quarterly to the Board on its activities.

The association's risk management policies are established to identify and analyse the risks faced by the association, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the association's activities.

The association audit committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the association.

Credit risk

Credit risk is the risk of financial loss to the association if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The maximum exposure to credit risk is presented in the table below:

	Notes			2024 R			2023 R
		Gross carrying amount	**Credit loss allowance**	**Amortised cost/fair value**	Gross carrying amount	Credit loss allowance	Amortised cost/ air value
Trade and other receivables	4	**1 734 585**	**–**	**1 734 585**	771 288	–	771 288
Cash and cash equivalents	5	**4 363 208**	**–**	**4 363 208**	4 436 731	–	4 436 731
		6 097 793	**–**	**6 097 793**	5 208 019	–	5 208 019

Notes to the financial statements continued

17. Financial instruments and risk management continued

Liquidity risk

The association is exposed to liquidity risk, which is the risk that the association will encounter difficulties in meeting its obligations as they become due.

The association manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short-term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

	Notes			**2024 R**
		Less than 1 year	**Total**	**Carrying amount**
Current liabilities				
Trade and other payables	7	**2 378 159**	**2 378 159**	**2 317 563**
Bank overdraft	5	**454**	**454**	**454**

	Notes			2023 R
		Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	7	2 804 230	2 804 230	2 804 230

18. Going concern

The Board of Trustees believe that the association has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The Board of Trustees have satisfied is that the association is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Board of Trustees is not aware of any new material changes that may adversely impact the association. The Board of Trustees is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the association.

19. Events after the reporting period

The Board of Trustees are not aware of any material event which occurred after the reporting date and up to the date of this report, not otherwise dealt with in this report or the financial statements, which significantly affect the financial position of the association or the results of its operations to the date of this report.

Our supporters and donors

WHAT IS LEGACY GIVING?

Legacy giving, or planned giving, involves donors arranging gifts for non-profits as part of their estate plans. These gifts typically come into effect after the donor's passing, though some can be arranged to benefit the non-profit during the donor's lifetime. Legacy gifts include bequests, retirement asset donations, and beneficiary designations on life insurance policies. This form of giving requires strategic planning, including prospect identification, relationship building and effective promotion.

TYPES OF LEGACY GIFTS

- Bequests: The most common type, where donors allocate a specific amount, percentage, or the remainder of their estate.
- Unused retirement assets: Donations from retirement accounts.
- Life Insurance Beneficiary Designations: Naming GBTSA as a beneficiary.
- Annuities and trusts: Financial arrangements that benefit both the donor and GBTSA.

WHY GBTSA PURSUES LEGACY GIFTS

- Unrestricted funds: Legacy gifts are often unrestricted, providing predictable revenue and supporting long-term growth.
- Wide accessibility: Bequests are available to a broad range of donors, not just major contributors.
- High returns: Legacy giving is a cost-effective fundraising strategy with high returns on investment.
- Increased annual giving: Relationships with legacy donors can lead to higher annual contributions.
- Growing trend: Demographic shifts are leading to an increase in planned giving.

BENEFITS TO DONORS

- Meaningful legacy: Donors can create lasting impacts on causes they care about.
- Customisable gifts: Legacy gifts can be tailored to specific programmes or initiatives.
- Tax benefits: Gifts can reduce estate taxes and provide immediate deductions on property and capital gains.

Girls & Boys Town

Healing Heartbroken Children

LEGACY GIVING: BUILDING THRIVING PROGRAMMES AND CONNECTIONS

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GBTSA is registered as

- A non-profit organisation (NPO) in terms of the Non-Profit Organisations Act, No 71 of 1997.
- A welfare organisation in terms of the National Welfare Act, No 100 of 1978.
- A public benefit organisation (PBO) in terms of section 18A of the Income Tax Act, No 58 of 1962.

Scan here to donate

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