

THE SALVATION ARMY ANNUAL REPORT 2021



LETTER FROM THE TERRITORIAL COMMANDER

Dear Friends,

During these uncertain, trying times, The Salvation Army in Southern Africa has been even more intentional in its interventions and efforts to alleviate suffering, and give hope and comfort to communities affected by Covid-19 as we can all play a role in combating the pandemic.



Colonel Daniel Kasuso

The pandemic has brought stress, fear and anxiety to many in our beautiful country. Many have lost their jobs and freedom of movement has been restricted. In this report you will see that The Salvation Army did not sit back but brought hope to many in our society.

The year under review was earmarked as a Year of Action, with the tagline, “Pray, Arise and Act”. Our founder William Booth’s philosophy of “Heart to God, hand to man” remains as relevant in our society today as it was all those years ago and continues to guide the work of our organisation. Our special concern for the poor, neglected and marginalised, and our determination to uphold social justice, is motivated by our love of God.

Thank you for partnering with us. You enable us to continue with our services to the needy, especially during these difficult times.
God bless you.

Colonel Daniel Kasuso
Territorial Commander

REPORT OF THE CHIEF FINANCIAL OFFICER

For the year ending 31 March 2021, The Salvation Army recorded a surplus of R0.180 million. In order to achieve this, internal reserves of R3 million were released. It is important to note that there was a decline in public support from R53.246m (2020) to R48.134m (2021). This is attributed to donor fatigue.

Similar to many other organisations in the country, Covid-19 had a severe impact on our financial wellbeing. Church gatherings reduced dramatically which resulted in less income. This was exacerbated by reduced rental income and lower earnings on investments. This situation will repeat itself during 2022.

Investment income amounted to R5.572 million (2020: R9.860 million). This was mainly derived from the investment on the proceeds of the sale of properties no longer required.

Administrative costs were reduced to R12.567 million from R13.887 million the previous year. We did not grant salary increases and some vacant posts were not filled. This constitutes 9.3% of total costs, which was in line with our target. We strive to keep this below 10% of total costs.

The Salvation Army will continue to explore means to increase income and improve sustainability. Investments are managed under the terms of an investment committee mandate by a credible external investment bank. An investment committee monitors the performance against set benchmarks.

FINANCIALS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 31 MARCH (R '000)

	2021	2020
INCOME		
Government Funding	66 960	63 195
Public Support	48 134	53 246
Investment Income	5 572	9 860
Internal funding	13 937	10 630
Rent of properties	667	621
Donations in kind	595	1 541
	<u>135 865</u>	<u>139 093</u>
EXPENSES		
Program work	123 118	124 922
Administrative costs	12 567	13 887
	<u>135 685</u>	<u>138 809</u>
SURPLUS	180	284

STATEMENT OF FINANCIAL POSITION 31 MARCH (R '000)

	2021	2020
ASSETS		
Properties	87 989	88 224
Investments	102 227	100 273
Debtors	31 182	27 744
Other Assets	3 119	2 832
Total Assets	<u>224 517</u>	<u>219 073</u>
LIABILITIES AND NET ASSETS		
Reserves	105 972	82 602
Liabilities	19 899	35 882
Equity or Net Assets	98 646	100 589
Total Liabilities and Net Assets	<u>224 517</u>	<u>219 073</u>

HOMELESS PEOPLE FED DURING COVID-19

Up to 900 people living in various shelters in Tshwane were provided with meals by The Salvation Army over a seven-month period during the Covid-19 lockdown.

This followed an approach by the Department of Social Development. A task team was created to put together a proposal.

In total, 56 volunteers and ten officers worked on this programme since March. Not all volunteers worked for the whole programme, as they would return to work or family commitments as the lock-down was eased. The volunteers were split into two teams who worked four day shifts preparing and distributing food.



Meals were initially provided to Marabastad, Joubert Street and Princess Park. In May, Jerusalem Street and Irene Station and in June, Steve Bilko and Elim were added. The initial period for the feeding was three months but this was extended until the end of September 2020.

While this was a long programme, it was well run and maintained. It has been a privilege to work on this programme, for we believe that this is why The Salvation Army is here: “With heart to God and hand to man”.



HELPING TRAVELLERS AFFECTED BY COVID-19

Travellers affected by long queues at South Africa's border posts were given assistance by The Salvation Army this year. The delays, which caused people to wait for up to six days in extreme heat, were caused by measures to minimise the spread of Covid-19.

Teams of 11 people each, kitted out with personal protective equipment, worked at the border posts with Zimbabwe (Beitbridge), Mozambique (Lebombo), eSwatini (Oshoek) and Lesotho (Maseru Bridge), helping people suffering from dehydration, heat exhaustion, malnutrition and stress.

The Salvation Army's leaders for Southern Africa, Colonels Daniel and Tracey Kasuso, joined the team at Beitbridge, while Chief Secretary and Territorial Secretary for Women's Ministries Lt. Colonels Jabulani and Fikile Khoza were part of Lebombo team.

Up to 800 travellers at each post were given 1.5 litres of bottled water, long-life milk, bread, energy bars, fruit and sweet treats, a bar of soap and wash cloth, hand sanitiser and health information.

The help was extended to three safe centers in Musina where boys, girls and women from neighboring countries are cared for. The Salvation Army also provided leaflets on the risks of human trafficking to travellers.

Assistance was coordinated with government agencies and NGOs.

EMERGENCY SUPPLIES FOR FIRE VICTIMS

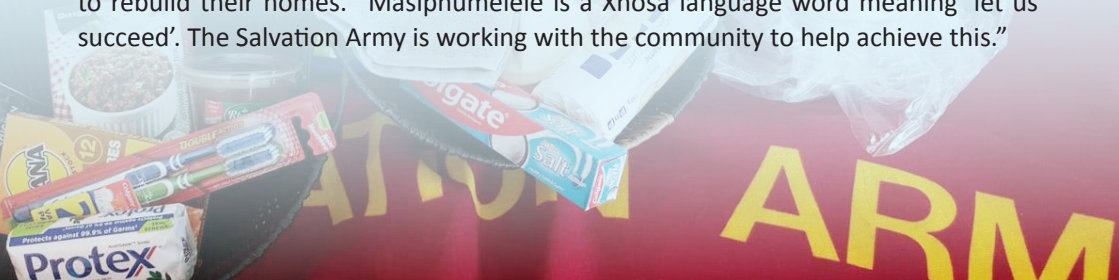
The Salvation Army brought relief to families affected by a major fire which destroyed hundreds of homes in the Masiphumelele settlement, Cape Town, just before Christmas 2020 and forced more than 5 000 people to leave their homes. The housing is largely informal, densely packed and poorly resourced with amenities.

Working with the City of Cape Town and local NGOs, The Salvation Army identified 1 400 individuals with the the most pressing needs.

Lieut-Colonel Mercy Mahlangu, Divisional Director of Women's Ministries for the Western Cape, says: "Homes were burnt to the ground, with some families losing everything. Essential items have been donated, but there's still a dire need."

On 29 January, The Salvation Army's Territorial and Western Cape Divisional teams handed out food hampers, cooking pots and two-plate stoves to 350 families. A similar number received hygiene packs including soap, face cloths and dental care items.

Captain Velani Buthelezi, Public Relations Secretary, notes that continued support will be required when families are placed in temporary shelters as plans are made to rebuild their homes. "Masiphumelele is a Xhosa language word meaning 'let us succeed'. The Salvation Army is working with the community to help achieve this."



SAVING A BABY, HELPING YOUTH ‘STEP UP’

Lisa (not her real name) was left at the Salvation Army in Durban – an unwanted baby. “A kind woman at the Salvation Army (my fairy godmother) took me under her wing. She loved and treated me like her own. Then a couple from Port Elizabeth adopted me. Only when I asked my friends from which Salvation Army home they came did I realise that my childhood was special. No one else had a fairy godmother who visited them on their birthday. My life is good. I have a super husband, a wonderful son and two grandchildren, and own a humble business. The Salvation Army was my saviour and I daily thank them for rescuing me.”

Each year, children from our homes or foster care “graduate” to adulthood. However, many struggle with this abrupt change. The Salvation Army’s Joseph Baynes Children’s Home established a “step up” facility for some of these young adults. By living in a flat set up for them, they bridge the gap between the children’s home and adult living. The programme started in 2021 with Richard, who is studying graphic design, as the first recipient. We are grateful to our donors for financial and in kind support.



SOCIAL IMPACT



Emergency Disaster Relief

3 000
FAMILIES

Covid general response

500
FAMILIES

Masiphumelele fire

500
FAMILIES

Booyens fire

3 000
FAMILIES

Borders

Residential Social Programs



Hostel for students
(Capacity 240)



Addiction/Dependency
Rehabilitation Centre
(Capacity 90)



Children's homes
(Capacity 305)



Homes for the elderly
(Capacity 235)

MEDICAL



Hospitals	2 (194)
Clinic	1 (Capacity 100)
Mobile Clinics	36 (Annual attendance 9 600)

EDUCATION

Daycare nurseries - 20 (Capacity 1 080)

FEEDING



Covid homeless feeding
programmes **270 840**
meals over 6 months

Regular Feeding programmes
2 700 people per week

Food parcels **2 500**

Community Projects

11 Boreholes in **11** communities

5 Boreholes in schools

10 Ablution facilities for rural schools

THE SALVATION ARMY

NPO NO 012-787

PBO NO 930009713

www.salvationarmy.org.za

CALL TO ACTION

Your generous contribution enables us to put the love of Jesus into action. Please consider a regular donation to the work and ministry of The Salvation Army. Website: www.salvationarmy.org.za

Bank: First National Bank; Branch code: 251905; Account name: Salvation Army Red Shield Appeal; Account number: 50540087604; Reference: Your name