
SITHANDA UPLIFTMENT PROJECTS

2021

ANNUAL REPORT

WWW.SITHANDA.ORG





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A YEAR IN REVIEW

Letter from the Directors

By Nicholas Braby - JHB DIRECTOR

2021 was yet another challenging year as we continue to weather the Covid-19 pandemic and the ripple effect on people's health, widespread economic downturn and general difficulty in the Non-profit space on fundraising initiatives.

We have continued to focus our efforts on several activities that can happen in parallel to these waves of lockdown and spikes in infections, allowing Sithanda to foster good in hearts of those wanting to make a difference even during the times that are tough.

With that being said we secured a few strategic partnerships and continued to keep the school doors open with funds trickling in and keeping us afloat.

We joined forces with Thrive pay who focus on facilitating a platform for Non-profit entities to receive debit orders from donors monthly and issue an automated Section 18A tax certificate to corporates and individuals. We now have a few consistent donations from those who have so kindly pledged to school a child or uplift a teacher.

Sithanda hosted our first event with the JHB based F45 Bryanston training gym doing an outdoor Covid friendly class for members and the public.

Sithanda added two new trail run/hike events during 2021, one in KZN and one in Gauteng with the first one in June at the Cradle of humankind - Gund. They were both a huge success and great turnout of participants, sponsors and support.



The school Kitchen did the impossible yet again with Dorris, Bongani and a number of hands facilitating organised meals to those in need during the year. Big thanks to Spar have been instrumental in providing Sithanda with regular food drop offs. We continued with a few clothing sales during the year and kept the momentum of previously loved items being donated.

Ekuthuleni school has continued to operate, following The Unlimited Child curriculum and ensuring we were full compliant of all Covid protocols. Teachers and the school children remain the highest priority for Sithanda. Sithanda managed to pay the teachers full salaries and even a small bonus this year for committed work ethic.

Some special organisations continued to make a difference during the year with Sithanda being fortunate to receive the Edelman Grant and is committed to sustainable use of these funds.

Midmar Mile will be the first event of the calendar year 2022, with other events to be announced soon.

We are grateful for the continued support of our volunteers, participants, donors and those who go the extra mile to make Sithanda Upliftment Projects a sustainable non-profit focused on delivering education to those less fortunate. "Learning is a treasure that will follow its owner everywhere".

Much Love,
Nicholas Braby





SITHANDA OVERVIEW

Sithanda Upliftment Projects NPC ("Sithanda") is a registered Non-Profit Organisation set to champion Early Childhood Development (ECD) Projects in underprivileged communities. Driven by passion and purpose with the common interest of giving back to the community, and are dedicated to making a difference to the lives of those less fortunate.

To date, we have successfully built our first all inclusive ECD facility in the Kwamashu Valley - Kwazulu Natal. This facility currently provides an education and the correct nutrition to 40 young children who previously did not have access to this love and support.

Sithanda predominantly serves, but is not limited to, the less fortunate communities in South Africa. Sithanda strives to provide all-inclusive ECD centres, which are environmentally friendly and includes formal educational curricula, safe buildings and sanitation facilities as well as unique approved subsistence opportunities and feeding programs. Each facility must have the means to be sustainably operated and managed.

The aim is to remain relevant, energy efficient, sustainable and to continuously progress in various industries in providing the best environment possible to the young children learning in our schools. It is important that we meet the all-inclusive aspect of our model in order to effectively bridge the gap between traditional vs. modern methods of education.

SITHANDA OVERVIEW

Early Childhood Development

There are approximately 8 million children from birth to 6 years old according to the 2014 Mid-Year Population estimates. The largest number is in Kwa-Zulu Natal (23%), Gauteng (20%) and lowest in Northern Cape (2%) and Free State (5%).

Whilst poverty levels have fallen by 15% since 2004 using the lower bound poverty level of R604.00 per person per month, about 58% of children are still deemed poor. The burden of poverty is distributed unequally across provinces; the majority of poor children are black, living predominantly in rural provinces such as Limpopo (76%), Eastern Cape (75%) and Kwa-Zulu Natal (67%).

Service provision is poor and affected by a combination of factors i.e. legislation that is not harmonised, insufficient funding, poor governance, including institutional arrangements, leadership and coordination (National Treasury, 2017). Building institutional capacity of ECD centre management, particularly in the areas of governance, management, financial management, fundraising, human resource management, report-writing is well supported by the NDA and the provincial Departments of Social Development.

THE CHILDREN OF EKUTHULENI

2021 was a year to really re-build on the colossal effects of covid in 2020. Whilst we still experienced our fair share of lockdowns and regulations that inhibited our ability to fill classrooms we played by the rules and helped out where we could.

Due to the economic impacts of covid, we did notice a sharp decline in the ability for parents to be able to provide the school fees necessary to bring their kids to Ekuthuleni. Coupled with this, several of our sponsors were understandably no longer in a position to continue supporting the school. The priority at Ekuthuleni is always to give each child the best opportunity to grow and develop as this is critical in the first 1000 days of any individuals life. We pushed on, in full faith, that things would take a positive turn. Luckily we had cash reserves that enabled us to fund the children who could not afford to attend the school and continue to pay all wages through the tough times.

Their 'Place of Peace' that provided them with growth, food, security and a sense of family kept its doors open,

The children of Ekuthuleni are provided with 2 healthy meals per day. These wholesome meals are cooked at the school in accordance with an approved meal plan and this is made possible by our awesome partners who continue to choose to support our feeding program. The focus of the food program is to provide the children with the correct nourishment for their development and aims to adhere to the standards of the World Health Organisation Guidelines.





FOOD SUSTAINABILITY



Gateway SuperSpar

In June 2019 Gateway SuperSpar came forward and put up their hand to take on majority of the responsibility of the Ekuthuleni feeding program, which was specifically designed by a registered dietician. They graciously took on our list of monthly grocery requirements and not only did they meet those requirements but made sure that we had extras to accommodate for both staff and children at the school. A partnership which thrived in the 6 months of 2019 led to the extension of our partnership every year since.

2021, a year where a form of normality was regained, allowed for our partnership to continue to grow. Able to do fundraising events under strict COVID protocols, our partnership with Gateway SuperSpar branched out further as they were happy to assist with catering at our events.

With this partnership with Gateway SuperSpar we strive to get our children at Ekuthuleni to meet the WHO Standards and we believe this is possible.

We are happy to announce that Gateway SuperSpar are committed to continue supporting Sithanda Upliftment Projects leading in to the 2022 year.



FOOD SUSTAINABILITY



DO MORE FOUNDATION

In August 2021 began a collaboration with the DO MORE FOUNDATION.

The Foundation's approach to sustaining change and maximising project potential is by acting as a catalyst for the public, private and NGO sectors to come together under one vision and guide the combined activities to effect change for young children and the communities in which they live – acting as a “backbone” organisation. This approach is supported by the credibility, networks and relationships that we leverage in order to advocate, raise awareness, organise and inspire.

The DO MORE FOUNDATION committed to supplying Ekuthuleni with approximately 80kgs of porridge every month. This donation plays a formidable role in our food sustainability at ekuthuellni and ensure our children start their day with a nutritious meal.

We are happy to announce that we will continue our collaboration with the DO MORE FOUNDATION in the 2022 year.



FOOD SUSTAINABILITY



Rise Against Hunger

Rise Against Hunger is an international hunger relief organization that distributes food and life-changing aid to the world's most vulnerable, mobilizing the necessary resources to end hunger by 2030. Once Sithanda met the evaluation process, Rise Against Hunger provided additional food sources to aid in feeding our kids.

They have volunteers who package millions of nutritious meal packs and who help distribute to partners worldwide.



Just Flour Mills

As COVID restrictions eased in the 2021 year, Ekuthuleni opened its doors our partnership continued and developed into weekly bread deliveries used for the children's lunches. Excess loaves were still used to aid the immediate families of the school who were still financially affected by the effects of COVID-19 Lockdown, ensuring that these families and the community are supported with this basic food source.

We are grateful to have such a long standing partnership and look forwardx to what the 2022 year will bring.

SCHOOL & COMMUNITY UPLIFTMENT

1

Just Flour Community Feeding Scheme

It was an incredibly difficult year for all, communities likely felt the most uncertainty, with little to no help from the government and all left to fend for themselves.

We were forced to close school and be patient while level 3, 4 and 5 lockdowns ensued for months.

We were unable to continue the drive of annuity revenue through our successful sporting and cultural events, this meant we had to get creative and find new means to support the school.

We provided a feeding the community weekly program with the help of Spar and Just Flour – who made this incredible effort possible. This was provided to whomever needed food and was able to collect, we did parcels and drove this feeding scheme from Ekuthuleni school in Kwa-Mashu.

Dorris and Bongani were active in engaging the community and ensuring we did what we could and where we could to give back and support those in desperate situations.

JUST
FLOUR
MILLS
EST. 2000

SUPERSPAR
GATEWAY

SCHOOL & COMMUNITY UPLIFTMENT



2 *School a Child Campaign*

We ran a campaign to “school a child” which provided much needed funds post the strict lockdowns and helped alleviate parents from having to worry about school fees when their children were allowed to return Ekuthuleni for the first few months of reopening. This was an incredible gesture from friends, family, supporters and strangers trying to do their bit and give the opportunity to learn back to others whom were potentially unable to cover the costs of returning to school.

3 *Edelman Grant*

We were fortunate to receive a grant from Edelman which covered our school repairs during COVID, repairs to the roof of rondavel, new insulation, repairs of leaks and electrical wiring to be compliant and ensure health and safety criteria were of the correct standard.

4 *Mentos Partnership*

We were lucky enough for Mentos South Africa and Perfetti van Melle to make a generous donation of 150 goodie bags that had 3ply reusable masks and a special treat for each of our children during Lockdown.

SCHOOL & COMMUNITY UPLIFTMENT

5

Social Media & Covid regulations

We managed to keep paying full salaries to our teaching and management staff and never reduced this salary contribution during the tenure of COVID to date – this was also achieved through virtual social media online auctions that we ran monthly with the help of OCGP “Off Course Golf Promotions”, who are normally supporters and suppliers of our annual golf day auctioneering.

Selling “getaway holidays” and gave those interested in travel an opportunity to support the school indirectly through buying a package and having something to look forward to post lockdown.

During this time we learnt a lot - We crafted new policies and questionnaires about COVID and followed a new set of strictly adhered to protocols for the staff and management onsite.

This was a trying time for the kids at Ekuthuleni as they weren’t able to attend school for a long period of time and then also subjected to following social distancing upon return which is against all natural instincts for children and deeply affects the core learning which happens through hands on teaching and not through terrifying 2meter social distancing.





● ECD CURRICULUM ●



THE UNLIMITED CHILD

Our partnership with The Unlimited Child (TUC) continues to be invaluable in ensuring that we educate each child in line with a government approved learning program. This provides a powerful learning opportunity for every child at Ekuthuleni and ensures that we uphold a high standard of learning at the facility.

The Unlimited Child has 4 programmes designed to enrich children of various age groups. The programmes for babies, toddlers and pre-Grade R children are aligned to National Early Learning Development Standards (NELDS) and the Grade R programme is aligned to Curriculum and Assessment Policy Statement (CAPS).

Teachers at Ekuthuleni have received training directly from TUC and make use of an easy to follow TUC Practitioners Guide which covers sections such as life skills, mathematics, life science and language and others. The TUC team ensures that teachers are maintaining and adhering to the required program standards and offer ongoing training support at regular intervals through the year to ensure the success of The Unlimited Child, their programmes and the partnership we share continues to positively impact the live of the young children.



FINANCIAL STATEMENTS



Chartered Accountants (South Africa)

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Richards Bay

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REPORT OF THE ACCOUNTING OFFICER TO THE DIRECTORS OF SITHANDA UPLIFTMENT PROJECTS NPC FOR THE YEAR ENDED 28 FEBRUARY 2021

We have performed the duties of Accounting Officer to Sithanda Upliftment Projects NPC as required by regulation 29 (4)(b)(ii) of the Companies Act, 2008 for the year ended 28 February 2021.

No audit is required by to be carried out and no audit was conducted. Accordingly, we do not imply or express an opinion or any other form of assurance on the financial statements.

The annual financial statements set out on pages 4 to 10 are the responsibility of the directors.

We have determined that the annual financial statements are in agreement with the accounting records and have done so by adopting such procedures and conducting such enquiries in relation to the accounting records as is considered necessary in the circumstances. We have also reviewed the accounting policies which have been represented to us as having been applied in the preparation of the financial statements, and we consider that they are appropriate to the business.

N M Waller

Date: 17/05/2022.

SITHANDA UPLIFTMENT PROJECTS NPC

DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2021

The directors have pleasure in submitting their report on the annual financial statements for the year ended 28 February 2021.

Business and Operations

The organisation's business and operations and the results thereof are clearly reflected in the attached financial statements. The Republic of South Africa initiated a COVID-19 national lock down. This has not affected the company's ability to conduct daily operations. It has however hindered fundraising activities.

The directors are not aware of any specific reason arising from the COVID-19 pandemic or the consequent lock down that might materially affect the collection of donations.

The objective of this NPC is:

To shape the future of South Africa by uniting like-minded, committed individuals to undertake compassionate, practical, life changing interventions which alleviate the suffering of the poor and needy - engaging directly with local disadvantaged communities to provide support, hope and upliftment.

Directors

The directors in office at the date of this report are as follows:

G Ruttell
M J Wickham
N M Braby
R Tyack

Accounting officer

Natalie Mackay Waller will continue in office for the forthcoming year.

FINANCIAL STATEMENTS

SITHANDA UPLIFTMENT PROJECTS NPC

STATEMENT OF FINANCIAL POSITION AT 28 FEBRUARY 2021

	Notes	2021 R	2020 R
Assets			
Non-current assets		360 109	391 034
Property, plant and equipment	2	360 109	391 034
Current assets		94 326	174 047
Bank, cash and cash equivalents	3	94 326	174 047
Total assets		<u>454 435</u>	<u>565 081</u>
Equity and liabilities			
Equity		441 445	553 260
Undrawn profits		441 445	553 260
Current liabilities		12 989	11 821
Trade and other payables	5	12 989	11 821
Total equity and liabilities		<u>454 435</u>	<u>565 081</u>

SITHANDA UPLIFTMENT PROJECTS NPC

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2021

	2021 R	2020 R
Revenue	356 262	687 266
Donations received	255 965	337 369
94.7 Cycle race - fundraiser	18 618	-
Golf day - fundraiser	73 000	207 677
Midmar swim - fundraiser	3 050	103 971
MySchool organisation funds	5 629	3 377
Warrior race - fundraiser	-	34 872
Other income	2 323	3 580
Interest received	2 323	3 580
Total Income	<u>358 585</u>	<u>690 846</u>
Operating expenses	(470 400)	(652 779)
Accounting fees	10 948	6 695
Advertising	6 300	65 266
Bank charges	2 769	3 067
Computer expenses	706	747
Courier and postage	629	270
Depreciation	55 925	51 323
Electricity and water	5 550	4 130
Fuel	2 824	8 907
Fundraiser costs - Golf day	23 000	158 729
Fundraiser costs - Midmar swim	-	60 901
Fundraiser costs - Warrior race	-	16 682
Gifts	390	-
Insurance	8 522	2 781
Legal fees	-	335
Medical expenses	1 100	-
Printing and stationery	566	912
Subscriptions	-	1 992
Supplies for the Ekuthuleni school	146 046	77 016
Telephone and fax	325	325
Training	-	500
Travel - local	23 200	24 021
Wages	181 600	168 180
Finance expenses	-	(3 896)
Interest paid - directors	-	3 896
Net (deficit) / surplus for the period	<u>(111 815)</u>	<u>34 171</u>

FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2021

	Note	Revaluation reserve R	Accumulated surplus R	Total R
Balance at 28 February 2019		-	519 089	519 089
Net surplus for the year		-	34 171	34 171
Balance at 29 February 2020		-	553 260	553 260
Net deficit for the year		-	(111 815)	(111 815)
Balance at 28 February 2021		-	441 445	441 445

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 28 FEBRUARY 2021

	Notes	2021 R	2020 R
Net cash withdrawn from / retained in operating activities		(54 722)	90 815
Cash receipts from customers		356 262	687 266
Cash paid to suppliers and employees		(413 307)	(596 135)
Cash generated from operating activities	7.1	(57 045)	91 131
Interest paid		2 323	(316)
Cash flows from investing activities		(25 000)	(28 308)
Purchase of property, plant and equipment		(25 000)	(28 308)
Cash flows from financing activities		-	(37 394)
Advances of / repayment of loans from members		-	(37 394)
Net decrease / increase in cash and cash equivalents		(79 721)	25 113
Cash and cash equivalents at beginning of year		174 047	148 934
Cash and cash equivalents at end of year	7.2	94 326	174 047

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

1. Basis of preparation and accounting policies

The basis of preparation and principal accounting policies of the non profit organisation, are consistent in all material respects with those applied in the previous year, except as otherwise indicated.

Basis of preparation

The financial statements have been prepared on the historical cost basis.

Property, plant and equipment

Property, plant and equipment are tangible assets that:

- (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- (b) are expected to be used during more than one period.

	Useful life / Rate
Leasehold improvements	10
Office equipment	3

Revenue

Revenue comprises of donations and fundraising income recognised as it is received.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Comparative figures

Where necessary, comparative figures have been reclassified to conform with changes in presentation for the current year.

2. Property, plant and equipment

	2021			2020		
	Cost R	Accumulated depreciation/ impairments R	Carrying value R	Cost R	Accumulated depreciation/ impairments R	Carrying value R
Leasehold improvements	518 977	(162 437)	356 540	493 977	(109 031)	384 946
Office equipment	7 558	(3 989)	3 569	7 558	(1 470)	6 088
	526 535	(166 426)	360 109	501 535	(110 501)	391 034

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021**

The carrying amounts for 2021 can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Other	Depreciation	Carrying value at end of year
	R	R	R	R	R	R
Leasehold improvements	384 946	25 000	-	-	(53 406)	356 540
Office equipment	6 088	-	-	-	(2 519)	3 569
	<u>391 034</u>	<u>25 000</u>	<u>-</u>	<u>-</u>	<u>(55 925)</u>	<u>360 109</u>

2021
R

2020
R

3. Bank, cash and cash equivalents

Bank and cash balances at year end comprise:

Current account : First National Bank	28 422	110 467
Funds on call : First National Bank	65 904	63 580
	<u>94 326</u>	<u>174 047</u>

4. Loans from directors

G Ruttel

Balance at beginning of year	-	21 371
Advances / repayments	-	(21 371)
Balance at end of year	<u>-</u>	<u>-</u>

N M Braby

Balance at beginning of year	-	16 023
Advances / repayments	-	(16 023)
Balance at end of year	<u>-</u>	<u>-</u>

The above loans are unsecured, bear interest linked to prime and have no fixed terms in repayment.

5. Trade and other payables

Accruals	<u>12 989</u>	<u>11 821</u>
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6. Taxation

In terms of section 10(1)(cN) of the Income Tax act, the public benefit organisation is exempt from all receipts and accruals. Any other receipts and accruals derived from certain business undertakings or trading activities are exempt up to R 200 000.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021**

2021
R

2020
R

7. Notes to the cash flow statement

7.1 Reconciliation of net profit before taxation to cashflows from operations

Net (deficit) / surplus before taxation	(111 815)	34 171
Adjustments for :		
Depreciation	55 925	51 323
Finance expenses - net	(2 323)	316
Operating surplus before working capital changes	<u>(58 213)</u>	<u>85 810</u>
Working capital changes		
Increase in trade and other payables	1 168	5 321
Cash generated from operations	<u>(57 045)</u>	<u>91 131</u>

7.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks and investments in money market instruments. Cash and cash equivalents included in the cash flow statement comprise the following amounts:

Bank, cash and cash equivalents	<u>94 326</u>	<u>174 047</u>
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● PARTNERS ●

We would like to give special mention to particular companies and organisations who we have successfully partnered with:

- DHL
- Kusini Water
- Mentos
- Rainmaker
- OCGP Auctioneers
- Myako
- The Unlimited Child
- Geochem
- Shaves Paint
- Simplicity Internet Solutions
- Just Flour
- Lego Foundation
- Livclean
- TTT (Tax Team)
- Edelman
- Lifeco
- Individual partners
- Superspar Gateway



The LEGO Foundation





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