

MES

Changing the heart of the city!

MES ANNUAL REPORT

1 MARCH 2023 - 29 FEBRUARY 2024

[CHANGING THE  OF THE CITY]





VISION

To change the heart of the city!

MISSION

To drive essential social change aimed at solving systemic poverty and homelessness.

VALUES

The core values of MES are based on Christian principles and reflect how we engage with all stakeholders.

- Christ-centred
- Influence potential
- Servant leadership
- Innovation
- Collaboration

OUR ORGANISATIONAL GOALS

- Build thriving inner-city communities with access to effective and efficient pathways out of poverty and homelessness.
- To uphold corporate governance within a structure that promotes ownership, accountability and responsibility.
- To ensure that our organisation is professionally and sufficiently resourced.
- To have a content, purpose-driven and efficient workforce anchored in Christ.

IMAGINE

A space where the disempowered are empowered
A space where positive values and norms are nurtured
A space where human potential is developed
A space where dignity is restored
A space where hope is possible!



This annual report would not be possible without our partners **Stone**.

- **Stone**, our communication and strategy partner, provided the editorial oversight and counsel.

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REVEREND HANNES WINDELL
Chairman of the Board

REPORT FROM THE CHAIRMAN OF THE BOARD

FOR THE YEAR ENDED 29 FEBRUARY 2024

The Board of Directors is grateful to present its Annual Report for the year ended 29 February 2024. This report reflects the year's highlights and will include the highlights of the annual financial statements.

MES was started many years ago as a ministry of a local congregation of the Dutch Reformed Church in Johannesburg. It was their way of answering the call by our Lord Jesus Christ to serve and care for their community. MES has grown over the years. Now, it does not only render services in Johannesburg but also in Cape Town, Qeberha and Kempton Park. The call to serve and care for the community motivates the MES Board, management and colleagues.

The Board annually revisits the MES Strategy. Over the years, we have done this using different perspectives. Recently, we evaluated the strategy and the programmes for the five targeted groups, given the 17 goals identified by the United Nations in 2015 as part of the 2030 Agenda for Sustainable Development. Also included in the evaluation were the 13 National Development Plan 2030 goals.

A recurring theme in discussions of the Board is homelessness. We are grateful that the branches are addressing this issue through new developments and branch programmes. We cannot ignore nor underestimate the role of MES in rendering services to children of all ages and at-risk families.

In pursuing our purpose, the Directors, management and staff can only be successful when supported by the donors. We are grateful to work with partners in the NGO Sector to achieve our mission.

INCORPORATION

MES was founded and incorporated on 6 June 1989.

IDENTITY

MES is a community-based Christian organisation focusing on community development and its clients' spiritual and emotional well-being.

FOCUS

Socio-economic and developmental challenges of a pervasive nature confront inner cities like Cape Town, Qeberha, Johannesburg and Kempton Park and require innovative interventions.

These cosmopolitan cities face growing challenges regarding homelessness and poverty. Child protection and creating safe spaces for children and youth is another growing concern in the metros. The challenges mentioned above inform the focus of MES concerning the provision of:

- Social relief services (food relief, safe space and shelter solutions, access to hygiene and ablutions)
- Education services (early childhood development and after-school support to learners)
- Training & development services (youth leadership and internships, work readiness, skills development and job placement)
- Professional health and social work services (child protection and family preservation, psycho-social support, mental health- and trauma support and addiction support)

MES collaborates closely with organisations in the private sector, public sector, churches and a growing number of caring individuals. Strategic partnerships are imperative in driving essential social change to solve systemic poverty and homelessness.

MES similarly focuses on a broad spectrum of services to develop pathways out of homelessness and poverty. We direct various programmes to assist vulnerable people in leading meaningful lives and empowering them to live sustainably. The specific services are detailed in this annual report below.

REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The financial statements have been prepared following International Financial Reporting Standards for Small and Medium-sized Entities and the Companies Act of South Africa requirements. The accounting policies have been applied consistently compared to the prior year.

MES reported a surplus of R 6 114 249 in the financial year. It is significantly higher than the prior year as the organisation's revenue, donations, and goods- and services-in-kind increased overall. This increase is also due to capital expenditure funding received in the year under review.

The organisation's total operating expense was R 58 666 848 (2023: R 52 156 890). It was funded mainly by donor contributions, with the remainder split between donations-in-kind and revenue generated from its various social entrepreneurship initiatives.

Full details of the financial position, results of operations, and company cash flows are set out in these financial statements.

RESPONSIBILITY

The Board of Directors is responsible for efficient and effective corporate governance and carrying out its fiduciary responsibilities with great care and accountability. In essence, the Board of Directors is the accounting authority for MES.

The externally appointed auditors are responsible for the independent auditing and fair presentation of the financial statements following the IFRS rules for SMEs (International Financial Reporting Standard for Small and Medium-sized Entities) and the Companies Act 71 of 2008 requirements.

The Directors are also responsible for ensuring an effective internal control system regarding financial statements, safety controls and the preservation of assets. The Board of Directors declares that Financial Statements have been prepared following sound accounting practices. The Directors are assured that the company has the necessary resources to remain an effective service provider.

The Board of Directors kept the impact of the global and local economic situation on the organisation's financial position on its agenda. To ensure that MES stays financially sustainable, we considered all aspects of the operations and programmes and made the required changes as and where necessary. In light of this, the Board agreed to appoint Mr Vukile Hlongwa as our CFO from 1 January 2024 to strengthen the leadership capacity of management.

Given the indications that the current economic climate will remain, another challenging year awaits MES. Both the Board and Executive Management are tackling these challenges by addressing the budget, setting targets for fund-raising and availing funds where needed. The Board is committed to finding creative and cost-effective solutions to all challenges.

The Board, through its committees, such as Audit and Risk, Human Resources, and Fundraising and Marketing, attends to all the areas necessary for efficient and proper decision-making.

As MES does its core business in the cities, the Board and Executive Management must apply their minds not only to the poverty and inequalities in the communities but also to the fact that situations are continuously changing within these cities.

NON-CURRENT ASSETS

There was no material change in the nature of the company's property, plant, and equipment or the policy regarding their use.

POST BALANCE SHEET EVENTS

The Directors are unaware of any material matter or circumstance that has arisen since the end of the financial year.

GOING CONCERN

The MES financial statements have been prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. As is evident from the Statements of Comprehensive Income, MES mostly depends on donor and government support. The directors believe that the company has adequate financial resources to continue operating in the foreseeable future based on the continued commitment of existing and potential donors. Accordingly, the financial statements have been prepared on a going-concern basis. The Directors are satisfied that the company is in a sound financial position and are unaware of any new material changes that may adversely impact the company. The Directors are also unaware of any material non-compliance with statutory or regulatory requirements or any pending changes to legislation which may affect the company.

MES BOARD OF DIRECTORS



Rev. Hannes Windell
Chairman



Leona Pienaar
Executive Director



Charlotte Botha James
Vice Chairperson



Willem Eksteen
Director



Vukile Hlongwa
CFO/Prescribed Officer



Malcolm MacLean
Director



Craig Myburgh
Director



Funeka Ndungane
Director



Thabiso Ramasike
Treasurer



Erika Rossouw
Director



Alta Visser
Director

DIRECTORS' ATTENDANCE OF MEETINGS

The following people served as Directors of the Company during this period:

SURNAME	APPOINTED	POSITION	RESIGNED	MEETINGS	ATTENDED	%
Windell JH	15/02/2000	Chairperson		6	6	100%
Botha CE	30/08/2022	Vice Chairperson		6	6	100%
Eksteen WS	26/07/2019	Director		6	5	83.3%
Hlongwa VH	18/02/2024	CFO/Prescribed Officer		1	1	100%
MacLean MA	08/02/2022	Director		6	6	100%
Myburgh CD	30/08/2022	Director		6	5	83.3%
Ndungane YF	18/02/2016	Director		6	6	100%
Pienaar L	19/11/2019	Executive Director		6	6	100%
Ramasike TG	21/02/2017	Treasurer		6	6	100%
Rossouw E	30/08/2022	Director	31/10/2023	5	5	100%
Visser A	13/11/2018	Director		6	6	100%

THE EXECUTIVE COMMITTEE

The Executive Committee met on six (6) occasions during the previous financial year and consisted of the following members:

SURNAME	APPOINTED	POSITION	RESIGNED	MEETINGS	ATTENDED	%
Windell JH	15/02/2000	Chairperson		5	5	100%
Botha CE	30/08/2022	Vice Chairperson		5	5	100%
Chatikobo N	13/02/2023	M&E Advisor		3	3	100%
Eksteen WS	26/07/2019	Director		5	5	100%
MacLean MA	30/08/2022	Director		1	1	100%
Pienaar L	19/11/2019	CEO/Executive Director		5	5	100%
Ramasike TG	19/10/2021	Treasurer		5	5	100%
Rossouw E	30/08/2022	Director	31/10/2023	1	1	100%

AUDIT AND RISK COMMITTEE

The Board's Audit and Risk Committee meets independently of the Executive Committee and oversees the organisation's budget, financial policies and risk management. The committee met on eight (8) occasions during the previous financial year and consisted of the following members:

SURNAME	APPOINTED	POSITION	RESIGNED	MEETINGS	ATTENDED	%
Ramasike TG	21/02/2017	Director & Chairperson		8	8	100%
Botha SE	25/08/2020	Ad hoc		8	8	100%
Hlongwa VH	05/02/2024	CFO/Prescribed Officer		2	2	100%
Myburgh CD	30/08/2022	Director		8	8	100%
Philander K	25/02/2019	Finance Manager	01/01/2024	6	6	100%
Pienaar L	19/11/2019	CEO/Executive Director		8	8	100%
Rossouw E	11/11/2019	Director	31/10/2023	5	5	100%

FUNDRAISING AND MARKETING COMMITTEE

The Board's Fundraising and Marketing Committee meets independently of the Executive Committee and oversees the organisation's fundraising and marketing strategy and brand management. The committee met on four (4) occasions during the previous financial year and consisted of the following members:

SURNAME	APPOINTED	POSITION	RESIGNED	MEETINGS	ATTENDED	%
Eksteen WS	29/07/2014	Director & Chairperson		4	4	100%
Botha SE	19/11/2015	Ad hoc	21/09/2023	2	2	100%
Hlongwa VH	05/02/2024	CFO/Prescribed Officer		1	1	100%
Hudson K	01/10/2022	National F&M Manager		4	4	100%
Kuun K	11/05/2021	Ad hoc		4	3	75%
MacLean MA	30/08/2022	Director		4	4	100%
Myburgh CD	30/08/2022	Director		4	4	100%
Pienaar L	19/11/2019	CEO/Executive Director		4	4	100%

HUMAN RESOURCES COMMITTEE

The Board's Human Resources Committee meets independently of the Executive Committee and advises MES' management on human resources and remuneration matters. The committee met on six (6) occasions during the previous financial year and consisted of the following members:

SURNAME	APPOINTED	POSITION	RESIGNED	MEETINGS	ATTENDED	%
MacLean MA	30/08/2022	Director & Chairperson		6	4	66.6%
Botha CE	30/08/2022	Vice Chairperson		6	5	83.3%
Eksteen L	17/7/2016	Ad hoc		6	6	100%
Hlongwa VH	08/02/2024	CFO/Prescribed Officer		1	1	100%
Ndungane F	18/02/2016	Director		6	4	66.6%
Nyoka P	18/07/2016	HR Manager		3	3	100%
Pienaar L	19/11/2019	CEO/Executive Director		6	6	100%
Visser A	19/10/2021	Director		6	4	66.6%

CEO'S REPORT

FOR THE YEAR ENDED 29 FEBRUARY 2024

MES continues to make significant strides in empowering vulnerable urban communities. Focusing on sustainable development and social justice, we have expanded our outreach programmes by adding mobile showers and therapeutic services at our Kempton Park and Johannesburg branches, providing critical resources and support to our beneficiaries.

Our initiatives that lead to pathways out of homelessness and poverty aim to foster resilience and growth, ensuring a brighter future for the vulnerable communities we serve. As we reflect on our achievements and challenges, we remain committed to creating lasting change through collaboration and innovation.

The United Nations established the Sustainable Development Goals (SDGs) in 2015 to guide the 2030 Agenda for Sustainable Development, aimed at ending poverty, protecting the planet and ensuring all people enjoy peace and prosperity. As a member of the UN and a signatory to the SDGs, South Africa has committed to achieving these goals. SDGs help categorise local implementation, and as MES, we use them to measure our contribution to global goals.

MES contributes to the following eight SDGs through our five targeted programmes:



More specific to South Africa, MES closely aligns with five of thirteen National Development plans:



Our alignment with the UN Sustainable Development Goals and South Africa's National Development Plan:

MES target group	UN Sustainable Development Goals (SDGs)	South Africa National Development Plan (NDP)
Preschoolers	1, 2, 3 and 4	1, 7, 8 and 9
Learners	1, 2, 3 and 4	1, 7, 8 and 9
School-leaving youth	1, 2, 3, 4, 6, 8, 10 and 11	1, 7, 8 and 9
Youth and adults at risk	1, 2, 3, 4, 6, 8, 10 and 11	1, 3, 7, 8 and 9
Families at risk	1, 2, 3, 4, 6, 8, 10 and 11	8 and 9

In the Impact Report section, we share more details on our Theory of Change (TOC) highlights and impacts.

MANAGERIAL FOCUS

The national management team comprises four branch managers and a national manager for each support function. We welcome Vukile Hlongwa to the team as our new CFO, who oversees the critical support functions. At the end of the financial year, the branch manager position for MES Kempton was still vacant, but subsequently, MES appointed Lorna Wridgway as the Kempton Branch Manager.

In the past year, our organisation has embarked on a transformative journey, moving from a decentralised to a **centralised model** to streamline processes and enhance production efficiency. This strategic shift aims to align our operations, improve communication, and optimise resource allocation. Looking ahead, we anticipate that a centralised model will position us to better respond to the dynamic needs of our stakeholders and the communities we serve.

The need for greater coherence and consistency across our different branches and operations led to the decision to have far stronger centralisation across the organisation. By centralising, we aim to:

- **Enhance coordination:** A centralised model allows for improved coordination between departments, ensuring that all teams work towards common goals with aligned strategies.
- **Improve efficiency:** By consolidating functions, we can reduce redundancies and streamline workflows, resulting in faster decision-making and execution.
- **Resource optimisation:** Centralisation enables better resource management, ensuring we allocate our assets effectively to maximise impact and reduce costs.
- **Quality control:** With centralised oversight, we can maintain higher quality standards and consistency in our deliverables.

We are also standardising the **service delivery model** across all target audiences. Please refer to the Impact Report section of this report for more details.

I attended the International Journal on Homelessness (IJOH) Conference in Chicago in April 2023 with the Cape Town Branch Manager, Ilse Maartens. More than 20 countries across the globe gathered to present and analyse best practice models to address homelessness. Our partner organisations in Cape Town, U-turn and Streetscapes, also attended. Since our return, we have collectively been making input into the strategic plan of the City of Cape Town to develop a 10-year strategy to address homelessness in Cape Town.

In Johannesburg, MES is a crucial role player in the Jozi-My-Jozi movement, and it has a leadership role in developing a strategy to address homelessness in Johannesburg. In Gqeberha, MES is working with the Business Chamber and the local Special Rates Areas (SRAs) to find innovative solutions to address the growing increase in homelessness. Through the MES GROW Work Readiness teams, MES is making a meaningful contribution to infrastructure upgrades in partnership with local businesses, SRAs and City Improvement Districts (CIDs). Playing a thought leadership role in the cities we serve is vital to drive essential social change to solve systemic poverty and homelessness.

KEY PRIORITIES

I would like to invite any donors, consultants and potential partners to assist us with the following priorities:

A) Infrastructure and internal processes

- IT hardware replacement strategy: MES must upgrade its computers to ensure a productive work environment.
- Maintenance investment for property and vehicles: MES needs to invest in critical maintenance and upgrade some vehicles to ensure the safety of staff and beneficiaries.
- MES requires broader access to alternative energy and sustainable water sources.

“A child taken care of today, is a child taking care of tomorrow!”

STATISTIC

In SA, about 250,000 children & adolescents are reported to be living on the street.



LEONA PIENAAR
CEO & Director
leona@mes.org.za

[CHANGING THE HEART OF THE CITY]

- Access to new innovative income and revenue streams to increase sustainability.
- Streamline processes and increase access to integrated technology to improve effectiveness and efficiency.
- The MI-change universal voucher system initiatives in partnership with U-turn have been rolled out effectively in Cape Town. In 2024, the aim is to register MI-change as a separate NPC and scale it to other regions to provide an alternative solution for cash donations that cause harm to the homeless beneficiaries.

B) Service delivery

- There are some mission-critical positions that MES needs to fill to ensure effective and evidence-based results. We have one manager who manages the learners and school-leaving youth activities, and due to the increased scope, MES needs to appoint a dedicated manager for the school-leaving youth services.
- The aim is to open a Safe Space in Durbanville in 2024. Day service drop-in centres are needed in Gqeberha, Johannesburg and Kempton Park to ensure the effective rollout of the 4-phased model. MES is looking for suitable premises and operational funding to kick-start these services.
- The Work Readiness programme needs more experiential learning sites for the beneficiaries, and we invite the private sector to partner with us in this regard.
- We want to consolidate, stabilise, strengthen and improve our evidence-based solutions.
- Expand access to critical therapeutic services needed to shorten the developmental journey and minimise relapse.
- As an agent of change, MES must help society find creative solutions to overcome barriers such as unemployment and insufficient housing-ladder options.

KEY SERVICE DELIVERY PARTNERS AND DONORS

We could not do this work or change these lives without our crucial service delivery partners and donors, to whom we are immensely grateful. We are honouring donations of R10 000 and over on pages 43-44. Notwithstanding, we want to thank ALL our donors for your ongoing support, some of whom chose to remain anonymous.

IN CONCLUSION

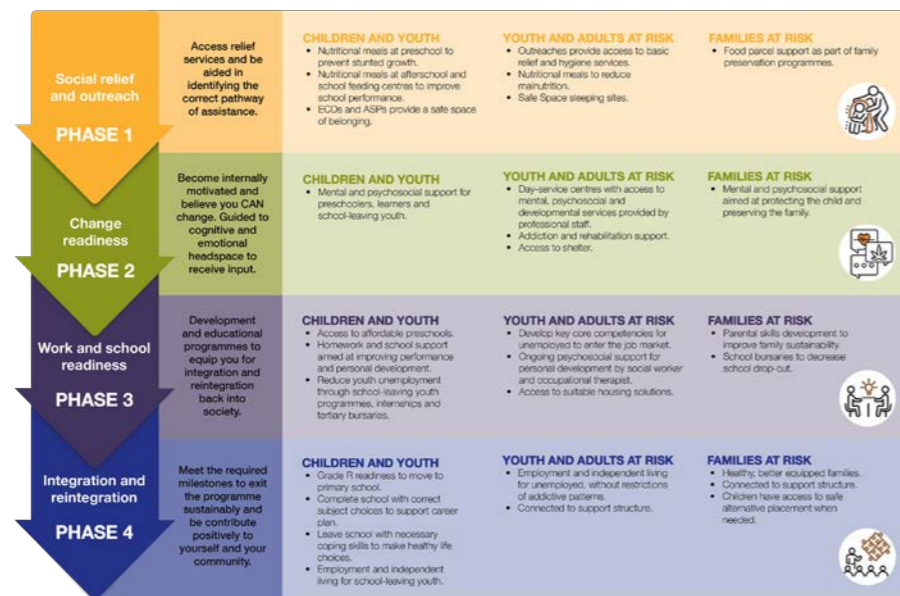
I extend a heartfelt thank you to our Board of Directors, volunteers, partners and donors for your time, service, resources and expertise. Without you, none of this is possible. To our brave beneficiaries who show resilience and work hard to overcome life challenges despite the odds, I salute you! To our staff who show up every day to invest in the lives of others, you are the real heroes!

THE MES SERVICE MODEL

The MES service model, which initially consisted of prevention, intervention and exit, has been reviewed and refined. This review was driven by our commitment to being an evidence-based organisation. The result is a more focused 4-phased service model, with entry and graduation criteria for each phase, strengthening our service offering. This commitment to evidence-based practices should instil confidence in our stakeholders.

The 4-phased service model, implemented successfully with the youth and adults at risk, is now being extended to other target groups in 2024. This expansion is a significant step forward and a cause for optimism. MES integrates the phases for the preschoolers, learners, and school-leaving youth and families at risk. Still, for the youth and adults at risk, there are more defined phases with intake and graduation criteria as they work towards their reintegration.

MES SERVICE MODEL - 4-PHASE APPROACH



PHASE 1: OUTREACH AND RELIEF

During this phase, we aim to ensure that individuals and families can access the support and assistance they need. We also work to determine the most suitable development plan for each specific person or family. This step is an essential part of our intake procedure for certain groups, while it is carried out directly during fieldwork for others.

MES offers safe and welcoming environments for preschoolers, students, youth leaving school, and families in need. We aim to create connections through our early childhood development centres (ECD centres), afterschool centres, and social work assessment centres.

FOR PRESCHOOLERS, LEARNERS, SCHOOL-LEAVING YOUTH AND FAMILIES AT RISK:

We provide nourishing meals and food parcels at these centres to prevent stunted growth, improve school performance, reduce malnutrition among vulnerable children, and support families. Upon intake, we assess whether broader family support is needed to protect the family. We then refer these families to our families at risk unit. MES also offers nutritional support to the residential youth servant leadership programme for school-leaving youth.

FOR YOUTH AND ADULTS AT RISK:

MES outreach workers regularly engage with individuals living on the streets through relief outreaches, our mobile shower units, and service centres. This process helps to identify new individuals on the streets, build relationships, and gain trust. During these outreaches, we invite new connections to our drop-in centres, safe spaces, and shelters, where they will have first contact with our integrated programmes. They will be referred to the change readiness phase if they attend the programme services regularly and meet the specified graduation criteria.

PHASE 2: CHANGE READINESS

Many people are hesitant to embrace change, including our target audiences. Addressing existing challenges such as poor physical or mental health, addiction, and trauma is crucial before individuals can make progress towards a sustainable lifestyle.

FOR PRESCHOOLERS, LEARNERS, SCHOOL-LEAVING YOUTH AND FAMILIES AT RISK:

During the change readiness phase, MES offers our beneficiaries professional services such as mental and psychosocial therapy, primary healthcare support, rehabilitation, and occupational therapy.

MES offers mental and psychosocial support for preschoolers, school-going children, school-leaving youth, and at-risk families. We develop individual care plans to protect children and preserve families.

FOR YOUTH AND ADULTS AT RISK:

This phase focuses on helping young people and adults at risk reach a mental and emotional state where they are open and willing to make positive changes. The diagram below shows how this three-month intervention period influences their motivation to change.

PEP Quarterly Report - Motivation for Change



During this phase, they need to achieve the following:

- Obtain an ID.
- Open a bank account.
- Apply for a tax number.
- Complete inpatient and outpatient rehabilitation programmes.
- Attend necessary doctor check-ups.
- Pass three consecutive random clean drug tests.
- Have regular meetings with their social worker.

To graduate from this phase, they need to demonstrate the following:

- Staying in stable and safe housing.
- Participating in development groups and activities to earn vouchers.
- Showing respect towards others in the programme.
- Maintaining a neat appearance.
- Completing six trial work shifts to earn work gear for the next phase.

MES offers access to a variety of accommodation options during this phase.

PHASE 3: SCHOOL AND WORK READINESS

MES prepares our beneficiaries for change. We assist them in getting ready for their next steps: school, further studies, employment, or reunification with their families.

FOR PRESCHOOLERS, LEARNERS, SCHOOL-LEAVING YOUTH AND FAMILIES AT RISK:

MES offers affordable preschools and afterschool centres with curricula designed to meet developmental milestones for preschoolers, learners, school-leaving youth, and families at risk. These include homework assistance, school support, and art and recreational programmes to improve performance and personal development. MES also provides subject choice and career guidance.

MES provides leadership, internships, and bursary opportunities for school leavers to help reduce youth unemployment. Additionally, MES offers a youth leadership programme for promising school leavers, including a servant-leadership gap year and support in securing their first jobs or accessing tertiary education. Through its service offering, MES also supports unemployed parents within the family context.

FOR YOUNG PEOPLE AND ADULTS AT RISK:

This phase focuses on development through experiential learning to bridge gaps in CVs and provides short-term entry-level work where stipends are earned. MES offers an experiential work training programme to develop key core competencies for the unemployed to enter the job market.

During this phase, individuals must participate in work or contract shifts, attend development classes, and complete appointments with the MES occupational therapist (OT), social worker, and administration. These meetings aim to identify, develop, and evaluate their strengths, progress, and personal goals to determine their most suitable pathway.

The development focuses on:

- Punctuality and personal neatness.
- Maintaining high work standards.
- Responsible use of work tools
- Familiarity with work benefits (such as leave)
- Individuals are team players who are reliable and effective in communicating tasks and needs.

Individuals can access appropriate accommodation while being assessed by an occupational therapist or social worker to determine if they have acquired the necessary skills to function in a work environment.

PHASE 4: INTEGRATION AND REINTEGRATION

When our beneficiaries meet graduation criteria for the first three phases, MES assists them in integrating or reintegrating into the mainstream, productive community.

FOR PRESCHOOLERS, LEARNERS, SCHOOL-LEAVING YOUTH AND FAMILIES AT RISK:

MES assesses Grade R children's readiness to move to primary school during the integration phase. Older children are assisted with subject choices to support their career plans and are equipped with the necessary coping skills to make healthy life decisions. School leavers are supported in finding employment, accessing tertiary education, and transitioning to independent living. In the family context, this involves reunification and resolving barriers within the family.

FOR YOUTH AND ADULTS AT RISK:

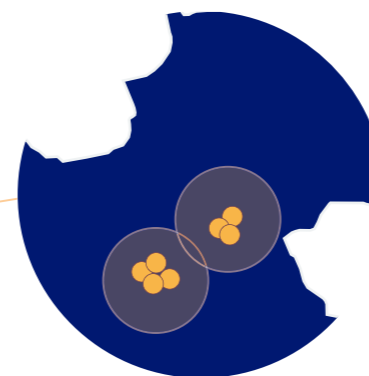
This phase concentrates on achieving the following reintegration goals for young people and adults at risk:

- Stable housing.
- Employment with good work habits.
- Sobriety and good health.
- A solid support system and
- Steady employment.

Upon achieving these goals, participants will graduate from the fourth phase.

The next section of this annual report, the MES Impact Report, will unpack the impact of services on each target audience with the relevant theory of change, impact statistics, service highlights and life-changing impact stories.

GEOGRAPHICAL FOOTPRINT



MES JOHANNESBURG



- Preschoolers:**
- Three early childhood development centres (ECDs) accommodating 336 children.
 - Locations: Dinaledi in Hillbrow, Kids Academy in Fleurhof and Roly Poly in Hillbrow.



- Learners:**
- Three primary school feeding and ASPs at BG Alexander Estate in Hillbrow, Centurion School in Joubert Park, and IH Harris School in Doornfontein.
 - Three high school ASPs are at BG Alexander Estate, MHA in Hillbrow, and Genesis House in Bertrams.
 - A youth and Bible study club at BG Alexander Estate in Hillbrow, and holiday programmes for the children during school holidays to ensure continuous feeding and care.
 - School outings and camps for the children in support of their holistic development and well-being.
 - Dance4aPurpose recreation programme is linked to the annual musical.



- School-leaving youth:**
- Three programmes in Hillbrow: Accredited life skills training for school-leaving youth, youth leadership programmes (Joshuas and All Stars) and employment stimulus intern placement.



- Youth and adults at risk:**
- Three outreach programmes in Hillbrow: a mobile service centre that includes ablutions, a canteen and evening soup outreaches.
 - A safe overnight space (Ekhaya, 100 beds) and two shelters for beneficiaries on the programme: Ekuthuleni (30 beds) and Impilo (70 beds in Hillbrow).
 - Work readiness programmes include street cleaning and sewing for an income.



- Families at risk:**
- Social work and child protection services.
 - Family preservation support.
 - Food parcel support for families at risk.
 - Personal development programmes.

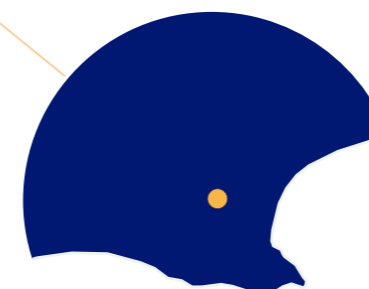
MES KEMPTON PARK



- Youth and adults at risk:**
- Two outreach programmes in Kempton Park include a mobile shower facility and a food outreach.
 - A shelter with accommodation for 58 beneficiaries on the programme.
 - Work readiness programmes include a recycling project and accredited training with outsourced partners.



- Families at risk:**
- Family preservation support.
 - Food parcel support for families at risk.
 - Skills development and training.
 - Experiential work training.



MES GQEBERHA



- Youth and adults at risk:**
- Access to a community outreach programme aimed at social relief and relationship building.
 - A safe overnight shelter in Korsten with accommodation for 125 beneficiaries.
 - A MES Safe Space for 40 beneficiaries in Korsten.
 - Work readiness programmes include street cleaning, street upgrades, woodwork and gardening.
 - Restoration programme aimed at addiction support.



MES CAPE TOWN



- Learners:**
- 3 Afterschool programmes (ASPs): At the MHA Housing Estates in Scottsdale, Belhar and Maitland Mews.
 - School outings and camps for the children in support of their holistic development and well-being.



- Youth and adults at risk:**
- Weekly outreach programmes in partnership with the VRCID in Bellville and Parow.
 - Weekly outreaches and a monthly profiling outreach with the SAPS and other law enforcement partners in Durbanville.
 - Three day-service centres in Bellville, Parow, and Durbanville provide a change readiness programme to help beneficiaries prepare for their journey out of homelessness.
 - Three MES Safe Space centres provide safe overnight accommodation for 143 Bellville, Parow and Durbanville beneficiaries.
 - Work readiness programmes provide psychosocial intervention and include simulated work opportunities via street cleaning, cooking, administration, gardening and recycling at the three centres.
 - The integration phase provides a first-phase female shelter in Parow for six women and a second-phase house in Bellville for 12 men. The beneficiaries receive support from a social worker and an occupational therapist to prepare them to reintegrate into society successfully.



- Families at risk:**
- Family preservation support.
 - Food parcel support for families at risk.
 - Personal development programmes.



SOCIAL IMPACT

REPORT

[CHANGING THE HEART OF THE CITY]



PRESCHOOLERS



Human life is often seen as a story, where its beginning plays a crucial role in shaping the narrative. This is particularly true for early childhood, which is filled with opportunities and risks that can profoundly impact a child's future.

Unfortunately, many of the world's most marginalised children are often overlooked during this critical phase. These children lack access to proper nutrition and healthcare and grow up in environments rife with violence, pollution, and extreme stress. As a result, they miss out on essential learning opportunities and lack the stimulation necessary for healthy brain development. This oversight perpetuates cycles of poverty and disadvantage, affecting not only the current generation but potentially impacting future generations and straining the fabric of our societies.

In response to these challenges, MES has established three early childhood development centres (ECDs) in Hillbrow and Fleurhof in Johannesburg. These centres are designed to provide young children with safe, nurturing, clean spaces with access to a curriculum tailored to promote long-term educational and developmental success. Qualified and caring teachers and staff members offer comprehensive support encompassing social, spiritual, emotional, intellectual, and physical development, ensuring that children are well-equipped to thrive in their educational journey.



JOHANNESBURG
3 ECDs: Dinaledi in Hillbrow, Kids Academy in Fleurhof and Roly Poly in Hillbrow

OUR GOAL

To develop preschool children in a safe space, to ensure they are well-educated and holistically healthy, and to provide them with a solid foundation for reaching their full potential. We aim to have 100% school readiness results for all grade R graduates.




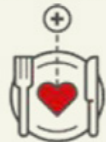








TARGET POPULATION

The MES preschool target group comprises children between six months and six years old in impoverished, overpopulated urban communities.



THEORY OF CHANGE

MES contributes to the solutions for complex social problems experienced in the communities we serve. The following interventions address the challenges below:

 PROBLEM	 SOLUTION
 Malnourishment and stunted growth.	 2 Meals per day with 2 snacks BMI Monitoring.
 Unaffordable pre-schools.	 3 Affordable pre-schools with bursary option.
 Psycho social challenges due to dysfunctional families.	 Internal referral to MES social work services for family preservation and child protection.
 Limited access to quality education in a safe, stimulating, and healthy environment.	 Tight security and CAPS curriculum followed to ensure school readiness for Grade R.
 Limited access to extra-curricular activities that prevent them from reaching their eventual full potential.	 Educational outings, gymnastics and computer classes offered.

PRESCHOOLERS

OUTCOMES



336

Children attended the three Early Childhood Centres



85

Children graduated from the Early Childhood Centres



98%

Of children had healthy MAUC scores



175

Children had computer training



233 832

Meals were served

HIGHLIGHTS

We have consistently met our target and supported 336 children in our 3 ECD centres.

Each centre had a special educational outing for the children, and the zoo has always been a favourite for this outing. Balanced meals were provided so the children were healthy and ready to learn. Immunisation against chicken pox, measles, and mumps is done annually by the Hillbrow Clinic. Children started Playball class in May, and the dance classes continued. These activities are important to develop the mobility of the children. Two children with speech challenges were referred to the local clinic. We fully upgraded our computer centres and installed another jungle gym to stimulate children. The year was celebrated, with each ECD centre hosting a year-end graduation concert.

The teachers attended a course on Morals for Minors. This is an excellent programme to teach toddlers moral behaviour from a young age.

The teachers also attended the 6-Blocks Lego Programme, where they gained more skills on how to use Lego to teach critical skills, such as:

- Thinking skills.
- Creative thinking skills.
- Fine motor skills.
- Differentiate between colours and shapes.
- Develop eye-hand coordination.
- Problem-solving skills.
- Socialising skills as they build blocks together.



STORY OF GRACE

Early childhood nutrition is critical to supporting growth and holistic development in young children. Our MES ECD centres develop balanced meal plans to ensure the young children attending our programme receive the daily nutrition they need to grow strong and healthy.

Tshegofatso*, a two-year-old boy, joined Dinaledi three months ago. Upon arrival, his mother said he would only eat porridge at home. Despite our efforts to encourage him to eat various foods, his mother brought a bowl of homemade porridge to the centre. Unfortunately, our policies prohibited outside food from being brought in. Gradually, we introduced Tshegofatso to solid foods, which initially posed challenges, including difficulty swallowing and prolonged oral retention. However, with our guidance and meal planning, Tshegofatso made significant progress and can now finish every meal served. His progress with eating habits and behaviour and his transformation into a cheerful and lively young boy in his class is a testament to our professional teachers who demonstrate patience and understanding with each child's unique needs at the centre.

**Not their real name.*



LEARNERS

South Africa faces significant educational inequality, with students from better-resourced backgrounds having higher proficiency in reading and math, higher graduation rates, and better access to higher education and well-paying jobs. While there have been some improvements in educational outcomes, progress has been slow and started at a low level despite substantial investment.

Children in marginalised urban communities often face disruptions due to dysfunctional families, absent fathers, parental unemployment, and developmental limitations caused by poverty. This can lead to increased violence, gang conflicts, disrespect towards the opposite gender, substance abuse, and self-control issues, hindering their development and education.

Afterschool programmes (ASPs) are well-placed to reach students outside of traditional academic settings, providing smaller group sizes and focusing on holistic programming, including sports and enrichment activities. Students may struggle to keep up in the information age without such targeted interventions, impacting their reading and math abilities.

MES offers a comprehensive afterschool programme for learners between grades 1 and 12 and children who graduated from the MES Early Childhood Development programme. By providing afterschool supervision, homework assistance, nutritious meals, and extracurricular recreational activities, MES supports inner-city children's academic, spiritual, physical, and social development, helping them become well-rounded and healthy young people.

Many of our learners have excelled in further studies, secured rewarding careers, and become active members of their communities. This speaks to the effectiveness of our afterschool programme in preparing them for the challenges of adulthood and active civic engagement.



JOHANNESBURG

- Three primary school feeding and ASPs at BG Alexander Estate in Hillbrow, Centurion School in Joubert Park, and IH Harris School in Doornfontein.
- Three high school ASPs are at BG Alexander Estate, MHA is in Hillbrow, and Genesis House is in Bertrams.
- A youth and Bible study club at BG Alexander Estate in Hillbrow, and holiday programmes for the children during school holidays to ensure continuous feeding and care.
- School outings and camps for the children in support of their holistic development and well-being.
- Dance4aPurpose recreation programme is linked to the annual musical.



CAPE TOWN

- 3 ASPs: At the MHA Housing Estates in Scottsdene, Belhar and Maitland Mews.
- School outings and camps for the children in support of their holistic development and well-being.

OUR GOAL













- To develop the psychosocial health of school-aged children in lower-income urban areas.
- To inspire school-aged children to be more resilient and overcome adversity.
- To empower school-aged children to lead happy, connected lives and advance their educational development.

TARGET GROUP

The MES learner target group comprises school-going children in overpopulated urban communities between the ages of 7 and 18.

THEORY OF CHANGE

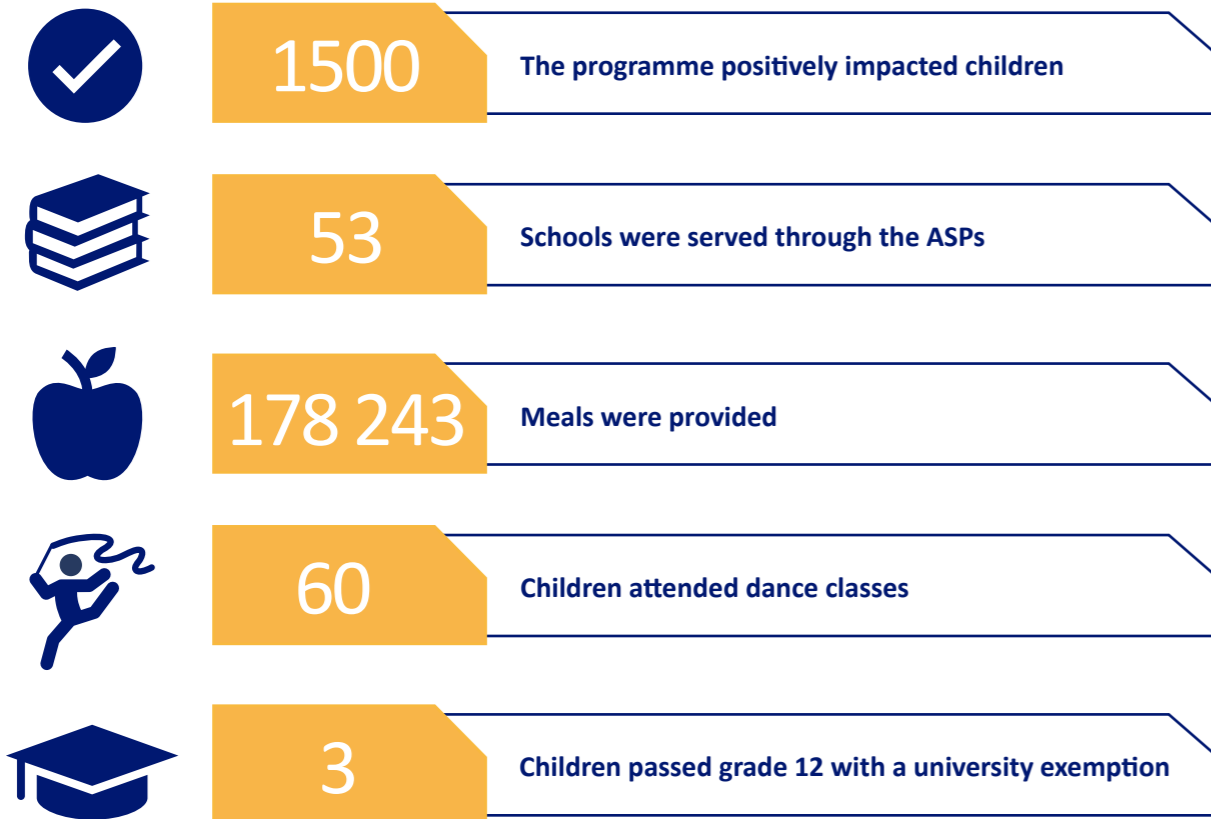
MES contributes to high-quality, out-of-school programmes that support the success of school-going children in the communities. We serve this target group through the following responses to the problems identified:

 PROBLEM	 SOLUTION
 Malnourishment and healthy living challenges.	 Cooked meal after school five times per week and at holiday programs.
 Limited access to safe place of belonging and finding identity and papers.	 After school centre and access to social work services to assist with legal docs.
 Limited access to educational support and information to excel academically.	 Access to tutors and homework support with subject choice guidance.
 Psycho social challenges due to dysfunctional families.	 Internal referral to MES social work services for family preservation and child protection.
 Limited access to extra-curricular activities that prevent them from reaching their eventual full potential.	 Educational outings, camps, gymnastics, Dance4aPurpose and outreaches.



LEARNERS

OUTCOMES



HIGHLIGHTS

Johannesburg

A major highlight this year was opening a new afterschool programme (ASP) at IH Harris School, bringing the total number of ASP venues to four. Our Grade 7 camp was a great success, with some children giving their lives to Jesus and joining the high school ASP and Youth Club in 2024.

We organised educational outings for Grades 1-4 to broaden their general knowledge and a successful hiking trip for Grades 5 and 6 that taught the kids about nature and God. Our Kids Week (holiday programmes) saw up to 480 children participating, which was one of the highlights of the year. During the 10 Days of Hope outreach, we engaged 90 people in community activities, including soup outreach, open-air events, Kids Week, service at IH Harris School, YOLO, and prayer walks.

The annual musical, "A Long Walk Home", was another big success. Besides local performances in Hillbrow, the cast also performed at Dominus Dei Church in Randburg and NG Church in Pretoria. The year-end Sea Camp was a memorable highlight, with most of the Grade 8 students experiencing the sea for the first time. This camp provided us with valuable one-on-one time to better understand the learners' needs.

The Kids Club in the MHA (Madulammoho) building has grown in numbers, and some children participated in the Grade 7 and Sea Camps. MES is deeply grateful to all the sponsors who enabled us to serve our city's children and to Ikusasa for providing school bursaries to vulnerable families.

Cape Town

Our afterschool venues are thriving with more structure, and the children are more engaged than ever. Thanks to the generous support from our foreign donor, Friends of Butterfly, we've introduced a range of educational and fun activities that have truly energised the program. A highlight of the October holidays was our very first sports competition between the two venues, featuring exciting soccer and netball leagues. We even introduced an annual floating trophy to add to the competitive spirit!

The year ended on a high note with a beach visit in collaboration with the non-profit Save a Fishy, where 100 children participated in a beach clean-up and enjoyed a memorable day by the sea. The adventure continued with a visit to the Cape Town Aquarium, sparking wonder and curiosity among the kids.

Looking ahead, we're thrilled that Santam has awarded our afterschool programme with funding to run art activities in 2024. We kicked off the first art classes in February, and the children are already preparing to enter a national art competition later this year. Who knows? We might just have the next Picasso in our midst!



STORY OF GRACE

Puseletso is a resilient young individual who found hope and redemption through MES. He discovered MES in primary school and cherished the experience, making new friends and participating in exciting activities like MES Dance4aPurpose. However, he faced challenges during his teenage years when a group of friends influenced him away from MES. This led him into dangerous situations, reminding him of the fate of his older brother, who fell victim to the harsh realities of Hillbrow.

Thankfully, with the help of a supportive friend, Puseletso made the life-changing decision to rejoin MES and embrace the community again. This decision not only saved him from the pitfalls of drugs and adversity that his previous circle succumbed to but also set him on a new, positive path.

Today, Puseletso is a vibrant and social individual, contributing as a solo dancer in the MES Dance4aPurpose crew while pursuing Grade 12. He is deeply grateful to MES and everyone who welcomed him warmly. He wishes for a radiant and prosperous future for all, a future that he now believes is within reach. His journey is a powerful reminder that constructive support and determination can overcome even the toughest challenges.



SCHOOL-LEAVING YOUTH

At the end of the second quarter of 2022, the Statistics South Africa Quarterly Labour Force survey found 33.9% of South Africans jobless. Many more have given up looking for employment opportunities. 45% of young people between 15 and 34 years were unemployed, in education or training.

MES focuses on young people who are either about to finish high school or have recently graduated and are preparing for further studies or entering the job market. MES also supports current school-going youth to ensure they do not drop out of high school.

Through various interventions – such as career guidance, internship opportunities, leadership development, and bursary applications – learners are given the tools they need to transition successfully into adulthood and secure employment. This support is at the heart of the Joshua Youth Servant Leadership programme (Joshua programme) and the MES All Stars (Joshua alumni).



JOHANNESBURG

- Three programmes in Hillbrow: Accredited life skills training for school-leaving youth, youth leadership programmes (Joshuas and All Stars) and employment stimulus intern placement.

OUR GOAL

To maximise the potential of school-leaving youth, empower them with enrichment opportunities that improve their readiness for tertiary education and employment, and develop a servanthood attitude in their approach to life.

TARGET GROUP

The programme provides a platform for 18 to 24-year-old youth to ensure they receive emotional, spiritual and physical support during their transitioning years. The programme also guides grade 11 and 12 learners to make informed decisions regarding their career and life plans after high school by exposing them to available study and leadership opportunities.



THEORY OF CHANGE

MES provides access to high-quality, out-of-school programmes to counter the growing number of unemployed youths. The programme aims to address fundamental problems with practical solutions.

PROBLEM	SOLUTION
<p>Nutrition & healthy living challenges.</p>	<p>Three meals per day for Joshua participants and lunch volunteers.</p>
<p>Limited access to career guidance and opportunities available to further studies.</p>	<p>Career guidance, career week placements, bursaries and learnership.</p>
<p>Limited opportunities for servant leadership development.</p>	<p>Joshua servant leadership, New Direction, All Stars and Gold Youth internship.</p>
<p>Lack of positive role models, work experience and mentorship to enable personal growth.</p>	<p>Leadership development and individual development plans with mentorship programme.</p>
<p>Psycho social challenges linked to support structure and limited employment possibilities.</p>	<p>Life coaching and access to therapeutic services.</p>

SCHOOL-LEAVING YOUTH

OUTCOMES



80%

of the Joshuas (youth in the leadership programme) have enrolled in tertiary education



180

school-leaving youth have been placed in internships

HIGHLIGHTS

We had eleven Joshuas who successfully exited the programme. Additionally, nine SEF/YES interns bolstered our capacity, allowing us to deepen our impact and start a new afterschool centre at IH Harris School.

We were blessed with a house donation in BezValley from Mr & Mrs Bierman, which we named Thuto Tiro House. The new second-phase house now accommodates first-year Joshua graduates enrolled in tertiary education. In 2023, five students lived there; in 2024, there were eight. The home also features two flatlets that we rent out to generate income for operations.

The Joshuas Leadership Programme is crucial for MES, enabling us to operate our afterschool centres. The Joshuas play a leading role in learners' annual musical outings and camps. Every Thursday evening, the youth on the leadership programme participate in a practical servant soup outreach, helping the destitute living under city bridges. During these weekly outreaches, they offer encouragement and invite the homeless to join the MES services to find pathways out of homelessness.

A volunteer life coach regularly met with the Joshua team to help them better understand their career choices. Our partnership with Kindness Corporation also strengthened the leadership programme. The Joshuas and All Stars (alumni) participated in the 94.7 Cycle Challenge and raised R35,000.00 for the programme.



STORY OF GRACE

Raised by a single parent and living in Hillbrow, Neo Megan Maile's journey has been marked by resilience and determination. After completing high school, she faced numerous financial obstacles, as her mother's income was insufficient to support further education. However, her unwavering determination did not let these challenges deter her from her aspirations.

She discovered MES through a high school friend who talked about an event named Kids Week during their 11th grade. Intrigued, Maile attended and became interested more interested in MES. In her final year of high school, the same friend introduced her to the Joshua Youth Leadership programme, prompting her to apply.

Her involvement with MES, particularly the Joshua programme, has been transformative. Living with 13 strangers during the programme marked a significant phase in her life, facilitating her adjustment to a new environment and fostering spiritual growth.

MES extended its support by awarding Maile a bursary, which enabled her to commence her studies at the University of Johannesburg. This support enabled her education and her continued connection with MES, as she continues to volunteer while she seeks permanent employment.





YOUTH AND ADULTS AT RISK

Homelessness continues to be a concern across South Africa. In small towns, rural areas and major cities, people struggle with the experience of homelessness. There is consequently a need to work towards both short-term immediate solutions to alleviate the impact of homelessness on their lives and long-term solutions to end homelessness.

The plight of people experiencing homelessness was the reason for establishing MES 38 years ago, and it remains our core reactive intervention in the communities we serve.

MES offers social relief, development and professional services to vulnerable and homeless youth and adults, enabling them to move off the streets and reintegrate into society as contributing members.

MES has day-service centres in the major urban areas of: Cape Town, Gqeberha, Johannesburg and Kempton Park. Day-service centres provide access to a permanent social worker and occupational therapist, as well as other social services support and links to safe night-time space. These day-service centres serve as our first point of contact with the homeless community.

The shelters provide short- to medium-term accommodation to the beneficiaries of our programmes. They are assessed and supported through the programme in overcoming mental health or addiction issues. Work programmes and training evaluate beneficiaries' work readiness for a sustainable exit.



CAPE TOWN

- Weekly outreach programmes in partnership with the VRCID in Bellville and Parow.
- Weekly outreaches and a monthly profiling outreach with the SAPS and other law enforcement partners in Durbanville.
- Three day-service centres in Bellville, Parow, and Durbanville provide a change readiness programme to help clients prepare for their journey out of homelessness.
- Three MES Safe Space centres in Cape Town's northern suburbs provide safe overnight accommodation for 143 clients in Bellville, Parow and Durbanville.
- Work readiness programmes provide psychosocial intervention and include simulated work opportunities via street cleaning, cooking, administration, gardening and recycling at the three centres.
- The integration phase provides a first-phase female shelter in Parow for six women and a second-phase house in Bellville for twelve men. The clients receive support from a social worker and an occupational therapist to prepare them to reintegrate into society successfully.



GQEBERHA

- Access to a community outreach programme aimed at social relief and relationship building.
- A safe overnight shelter in Korsten with accommodation for 125 beneficiaries.
- A MES Safe Space for forty beneficiaries in Korsten.
- Work readiness programmes include street cleaning, street upgrades, woodwork and gardening.
- Restoration programme aimed at addiction support.



JOHANNESBURG

- Three outreach programmes in Hillbrow: a mobile service centre that includes ablutions, a canteen and evening soup outreaches.
- A safe overnight space (Ekhaya, hundred beds) and two shelters for beneficiaries on the programme: Ekuthuleni (thirty beds) and Impilo (seventy beds in Hillbrow).
- Work readiness programmes include street cleaning and sewing for an income.

KEMPTON PARK

- Two outreach programmes in Kempton Park include a mobile shower facility and a food outreach.
- A shelter with accommodation for 58 beneficiaries on the programme.
- Work readiness programmes include a recycling project and accredited training with outsourced partners.

OUR GOAL











Our goal is to help youth and adults overcome challenges towards living independent and rewarding lives with hope and dignity.

TARGET GROUP

The MES youth and adults at risk (YAR) programme targets youth and adults in lower-income urban communities who are typically poor, disempowered, unemployed and often homeless. There is a particular focus on the NEET group (Not in Education, Employment or Training).

THEORY OF CHANGE

The MES theory of change for at-risk youth and adults reflects on the services needed to support those living on the street or in temporary shelters.

PROBLEM	SOLUTION
 <p>Malnourishment and healthy living challenges.</p>	 <p>Meals at all shelters and at drop-in centre canteens.</p>
 <p>Insufficient housing solutions.</p>	 <p>Safe space, overnight shelter and second phase housing.</p>
 <p>Increased mental illness and addiction linked to psycho social challenges.</p>	 <p>Access to health care and rehabilitation services.</p>
 <p>Lack of positive role models, work experience, identity documents and mentorship to improve work readiness.</p>	 <p>Grow job rehabilitation programme with support regarding legal documents & blank accounts.</p>
 <p>Limited access to skills development or start up funding to increase employment success.</p>	 <p>Skills Development, bursaries, job placement and career guidance. Social Enterprise support.</p>



YOUTH AND ADULTS AT RISK

OUTCOMES



83 252

Meals served during outreaches



470

Beds on average occupied every night



174

People placed in jobs



845

People received life skills and other training



1907

Work readiness opportunities provided

HIGHLIGHTS

The following highlights follow our four-phase service model structure. Please refer to the relevant section on page nine for more information on how this approach has helped us be more targeted in our approach to serving our clients.

PHASE 1: SOCIAL RELIEF AND OUTREACH

Two mobile service centres were launched in Johannesburg and Kempton Park in partnership with the Gauteng Department of Social Development. Each mobile unit has three showers, three toilets, and an office for the social worker and health educator to operate during the outreaches to hot spot areas. Accessing basic hygiene and initial professional services is the first step to joining the broader MES development services offering.

On 31 of August 2023, the MES Social Services and Health team attended the aftermath of the Marshalltown fire disaster that claimed the lives of over seventy-eight victims. The MES Impilo shelter was selected to accommodate twenty surviving female victims of the disaster. This intake increased the number of shelter admissions to ninety clients. Since then, in partnership with the City of Johannesburg, all twenty beneficiaries were relocated to the Denver informal settlement.

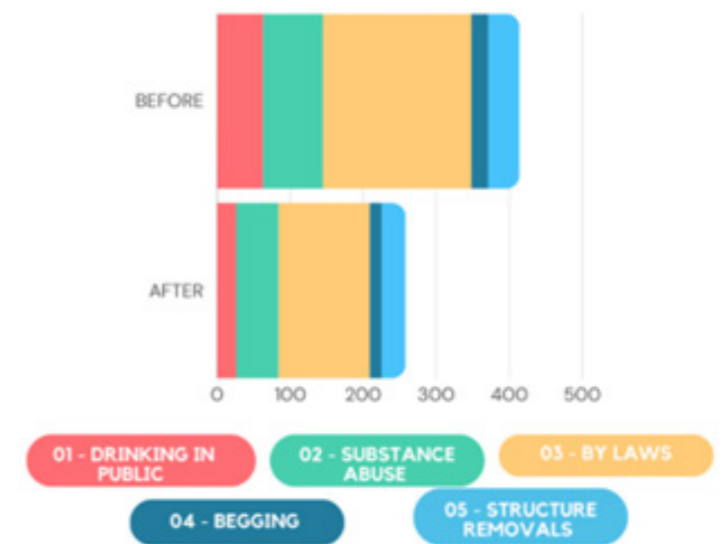
The canteen was reopened at the Johannesburg Ekuthuleni premises to soon develop into a fully operational day-service centre. The Ekhaya overnight shelter numbers have increased over the past year from sixty to an average of eighty-four beneficiaries per night.

The soup kitchen outreach programme in Gqeberha was expanded to three locations, namely Patmos Church, Rink Street and St Georges Park.

The intake and gradation criteria for this phase of the four-phase model have been further defined and developed.

CENTRE IMPACT ON PAROW

These reflect the impact of the Centre on the homelessness problem in Parow.
Incidents Before: 425
Incidents After: 258



The Parow Centre of Hope has introduced night services, providing a Safe Space for twenty women and thirty men. The shelter has led to a decrease in public incidents related to homelessness, such as drinking and street substance use. The statistics show that providing both day- and night-time services to homeless individuals helps to decrease homelessness incidents, contradicting the belief that such services attract more homeless individuals and create more problems in the neighbourhood. A total of 425 incidents were recorded before the centre's opening, and after operations started, only 258 incidents were reported. The Durbanville Safe Space is set to open in 2024.

PHASE 2: CHANGE READINESS

This phase is key to kick-start the change process. Through creativity and fun exercises, MES assisted beneficiaries to stabilise their nerve system to enable a more receptive environment for change. The beneficiaries embrace these fun activities.

MES Johannesburg, Standard Bank, and the Kudzo Foundation have launched Blitz, a social services initiative to help the informal settlement of George Goch. The initiative offers a platform for marginalised communities to open bank accounts and save money with Standard Bank. The Kudzo Foundation and MES Impilo also hosted the Department of Home Affairs on a site visit to assist clients and community members in identity document re-applications. A mobile truck was deployed at the Impilo premises. The project has assisted more than 140 beneficiaries and the surrounding community.

The change readiness programme in Cape Town added professional volunteers and a substance use disorder specialist.

Kempton Park branch partnered with Elim Clinic for rehabilitation services, Narcotics Anonymous for addiction support group sessions, and African Choice Foundation for general life challenges through discussion and support groups.

The restoration programme offered in Gqeberha is a six-month restorative programme to assist beneficiaries with addiction challenges. MES incorporated REACH Restoration in the MES model and looks forward to expanding this to other regions in the coming years.

The intake and gradation criteria for this phase of the four-phase model have been further defined and developed as described in the service model section of the report.

PHASE 3: WORK READINESS

The Johannesburg sewing project resumed and has so far enrolled seven beneficiaries all of whom are female. The classes run three times per week, Monday, Wednesday and Friday mornings. The facilitator is a former MES Impilo client who was trained in sewing, crocheting and knitting skills in 2020.

The GROW work readiness in Johannesburg expanded to forty-five participants thanks to the partnership with SEF facilitated through JICP/IDC.

The training centre in Johannesburg obtained two new accreditations for full qualification for a twelve months Office Administrator and Contact Centre Manager (Call Centre). MES applied for accreditation for ten more skills programme courses that range between three months and six months.

The Kempton Park branch partnered with Inition Venture Solutions to offer ten beneficiaries end user computer skills courses. A vegetable garden project was initiated in Kempton Park to benefit the shelter.

The Cape Town work readiness programme expanded through a contract with one of the biggest markets in the Northern suburbs for set-up and break-down, cleaning, and parking management. Beneficiaries are also now proud participants of the Shelter Soccer league. The case management capacity in Cape Town increased with the appointment of an occupational therapist. The programme is structured between four practical working days and one developmental day. The inclusion of the development day has positively increased the impact results.

The work readiness programme in Gqeberha has expanded into seven different work projects for the programme beneficiaries. A Joint Operating Committee (JOC) was formed in the Central and Richmond Hill Special Rates Areas. New partnerships were formed where the GROW work readiness teams positively impacted infrastructure and park improvements.



STORY OF GRACE

Siphelo Phiri, MES Kempton Park

Having completed his outpatient rehab programme with SANCA, which he embarked on in March 2023, Siphelo Phiri sees this as a pivotal moment in his life. He is optimistic that this achievement is just beginning a series of remarkable milestones.

Before coming to MES in Kempton Park, Phiri was employed at a health institute and living in Alexandra. His employment contract ended in September 2021, and unfortunately, this opened a door for him down a road of destruction. Being unemployed put him under tremendous stress, and he went back to using drugs, and in no time, he was homeless. Not long after being homeless, he found himself living in Randburg.

While living at the shelter, he received the news that his mother had passed on. Originally from the Eastern Cape, he knew he had to make a way back to his hometown to bury her. Unfortunately, one of the rules of the shelter was that if you exited yourself, you could not come back, so he decided to go home with the knowledge that he would be homeless if he returned.

Apart from seeking accommodation, Phiri's priority when arriving at MES was finding a job to sustain himself, but this journey had other plans. He was fortunate enough to be chosen to be one of the MES beneficiaries to do a skills development course – not only one course but two. The first course was plant production, and the second was perishable product exportation. Phiri will complete the practical component for the second course at Tembisa Hospital while he waits for permanent employment.

He mentioned that the therapeutic sessions and support groups have been instrumental in changing his mindset and perspective. He said that they have not only helped him open up about his drug problem but also instilled in him a sense of patience and a willingness to seize opportunities, even if they weren't exactly what he wanted. Phiri looks forward to what the future has in store with hope and optimism. He is still very hopeful that he will find a job to exit the shelter, sustain himself and start his life on a clean slate.

In parting, he shared, "Even though I haven't found a job yet, being at MES has helped me upskill myself, increasing my chance of employment. More importantly, MES has helped me improve my character and gain a positive attitude and mindset. These things are worth far more than money can buy, and I will always be grateful." His hope for the future is a testament to his resilience and the transformative power of rehabilitation, personal development and the impact of the MES phased interventions.



PHASE 4: REINTEGRATION

A first-phase shelter for women was opened in Parow. The second phase, a house in Bellville, facilitates positive change in emotional wellbeing, physical health, family relations, ability to manage stress and a sense of belonging in the community, the earning ability of those in the second phase also improved as they secured better-paying employment.

GENERAL

The facilities in the Kempton Park branch were extended by adding containers for an additional office, more shelter space, and a kitchen.



Cobern Borchers, MES Cape Town

Cobern Borchers is an inspirational 52-year-old who participates in the MES Work Readiness program and works as a team administrator. He lives in a second-phase sheltered accommodation with other men, finding the environment positive and uplifting. Cobern's faith has profoundly impacted his life's journey. He credits knowing God for his care through tough times and recommends "The Ragamuffin Gospel" by Brennan Manning, a book highlighting Jesus's compassion for the imperfect.

Coming from a low-income background in Woodstock, where he lived on the same property with six other families and a single water source. Cobern admired his hard-working mother, whose dedication he respected. Despite a modest upbringing and having once secured a well-paying job in the tourism industry, his life took a turn when he became embroiled in drug addiction, spending exorbitantly on heroin and crystal meth. He lost his job and fell into a deep depression, coupled with periods of living on the streets.

His time on the streets in Bellville was marked by deep suffering and a struggle with addiction, often living in unhealthy conditions and engaging in destructive relationships. Cobern and his partner shared a co-dependent relationship marred by substance abuse. His partner fell pregnant, and as they were unable to care for their new son, foster care was the only option. Recognizing the toxicity of their relationship and its impact on their recovery, they made the difficult decision to separate and focus on their individual healing journeys amicably.

Cobern's story is one of resilience and transformation. Despite battling addiction, homelessness, and personal downturns, his faith and the support of social programs have been pivotal in his recovery. His experience underscores the importance of hope, individual determination, and the role of community support in overcoming life's challenges.

Cobern, having faced numerous turning points in his life, recalls the significant moment when he turned to prayer upon learning of his partner's pregnancy. His journey of calling upon God for support spans over 30 years, marked by a deep desire to be an active father to his child, signalling a turning point when he and the mother of his child chose to separate and seek recovery independently despite facing challenges.

Since 2021, Cobern has participated in the MES programme, starting at the Bellville Safe Space and Centre of Hope. He credits the programme and God for his transformation, highlighting how it has allowed him to rediscover his potential, reconnect with his roles within the community, and recover from relapse through continuous work on underlying issues. Cobern has embraced his work, enjoyed personal growth, and furthered his agricultural knowledge through a course in 2023, leading to significant life improvements, including mending his relationship with his eldest daughter and setting goals for financial stability and personal development.

Cobern's aspirations include writing a book to share his journey, mentoring others, developing a supportive network, and establishing a small holding to aid recovery in others through agriculture. His guiding principles focus on making good choices, acknowledging his faith, understanding his vulnerabilities, and managing emotions to maintain mental health. Living and working in Bellville, the same area where his struggles once predominated, Cobern now serves as an inspiration to others, including past acquaintances from his days of substance use. He remains committed to his recovery journey, aiming to demonstrate love and resilience while acknowledging ongoing struggles.

Looking ahead at what is next for Cobern, there's optimism for continuous growth and the impact of his journey on others. Cobern's journey is a testimony that highlights the transformative power of support, faith, and purpose in overcoming adversity.



FAMILIES AT RISK

Violence against children in South African society remains a significant issue despite extensive efforts to address it. The long-standing legacy of violence and severe inequality from South Africa's history is amplified by widespread poverty and high levels of unemployment today. This unfortunate combination leaves many children vulnerable to domestic violence, substance abuse, sexual abuse, and neglect.

MES supports at-risk families by providing food relief, access to essential goods, social support, guidance on parenthood, marriage workshops, and family reunifications. MES Johannesburg is a registered Child Protection Organisation (CPO) that offers social welfare intervention services to children in at-risk families. MES has successfully integrated developmental and intervention services, child protection, counselling, care, rehabilitation, and therapeutic services through these two programmes.

OUR GOAL




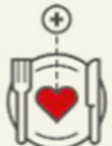








To protect and safeguard vulnerable children and families at risk. To promote their wellbeing and preserve and strengthen families.

TARGET GROUP

The FAR programme targets children and families in low-income urban communities where family support structures are often non-existent and where the safety and health of children are a concern.

THEORY OF CHANGE

In our response to the problems disenfranchised urban families face, MES provides families with suitable assistance to preserve family life and keep children safe:

 PROBLEM	 SOLUTION
 Increased number of people in need of food support	 Family food parcels for high risk families
 Increased child abuse and neglect	 Child Protection services
 Psycho social challenges due to dysfunctional families	 Family preservation programmes
 Insufficient placement options available to ensure child safety	 Expand foster care placement options through training and support
 No or lost identity documents limits access to services	 Guidance to secure legal documents

OUTCOMES: STATUTORY SERVICES



971

Children receiving therapy



463

Foster care placements

OUTCOMES: FAMILY SERVICES



256

Families' livelihoods improved through the monthly food parcel programme



875

Individual development plans



87

Family reunifications

HIGHLIGHTS

In Cape Town, our social work offices are a beacon of hope for 45 families every month, providing them with essential food parcels. Our support goes beyond just meeting their immediate needs. Our three-month food parcel programme requires parents to commit to a transformation journey that empowers them to become the best version of themselves.

Most participants are mothers who, through our programme, embark on a path of self-discovery and growth. They work through a comprehensive curriculum called The Mother Design, specifically created to support mothers in a fatherless generation. During the three months, they engage in various parenting skills, activities, and counselling sessions.

As they progress through the program, we receive heartwarming feedback from the families. They share stories of how our support has made a tangible difference in their lives. With their immediate need for food met, their children can now go to bed and school without the hunger pains. The workshops and counselling sessions have also empowered them to manage their anger, forgive their parents and families for past wrong-doing, and take charge of their lives.

One of the most remarkable outcomes of our programme is witnessing mothers become responsible and confident caregivers, capable of nurturing their children's physical, emotional, and psychological well-being. By addressing their wounds and learning valuable parenting skills, they break cycles of negativity and create a brighter future for themselves and their families.

In Johannesburg, the families at risk team provided crucial crisis intervention services, assisting beneficiaries with food parcels, clothing, placements, birth certificates, social grants, and school uniforms. In 2023, four children graduated from high school and were provided with laptops to support their university studies.

The team participated in a gender-based violence awareness campaign at Hillbrow SAPS. This campaign resulted in an increase in reported cases of domestic violence involving children, leading to a higher demand for social work interventions and, in some instances, the removal of children from harmful environments. The awareness campaign positively impacted clients by educating them on identifying abusers and how to report cases and seek assistance for accommodation, counselling, and long-term planning.

Foster children who excelled in their matric exams in 2023 were invited to a celebration in Boksburg by the Gauteng Department of Social Development. A top achiever from a disadvantaged background received a bursary to pursue a Bachelor of Accounting Science at Wits University, having passed matric with six distinctions. In February 2024, this student received a 100% bursary from the Provincial Department of Social Development, significantly improving his prospects.

A MES social worker addressed the issue of post-matric dropout rates in a presentation at a well-attended career exhibition in Mofolo, Soweto. The exhibition had a positive impact, helping children understand which subjects to choose based on their career aspirations. Various universities and colleges provided information on admission criteria and requirements.

FAR's Ikusasa Children programme supports children with school uniforms and stationery. Two facilitators provide psychosocial support and individual counselling, and quarterly group sessions address teenage issues. This programme has positively impacted children by reducing dropout rates due to financial constraints and assisting with bursaries.

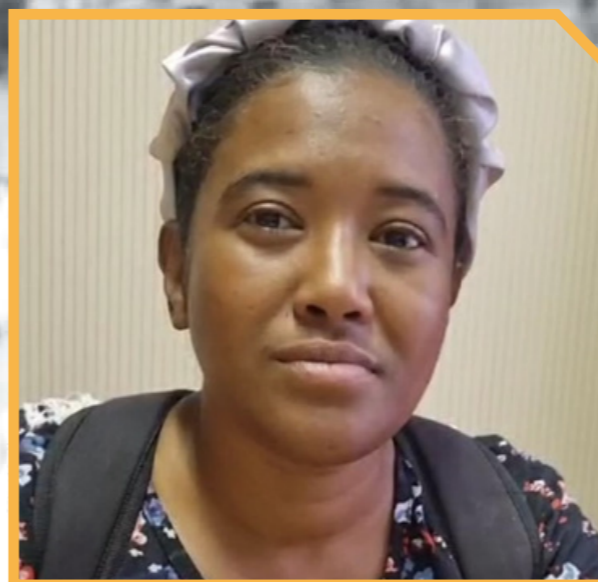
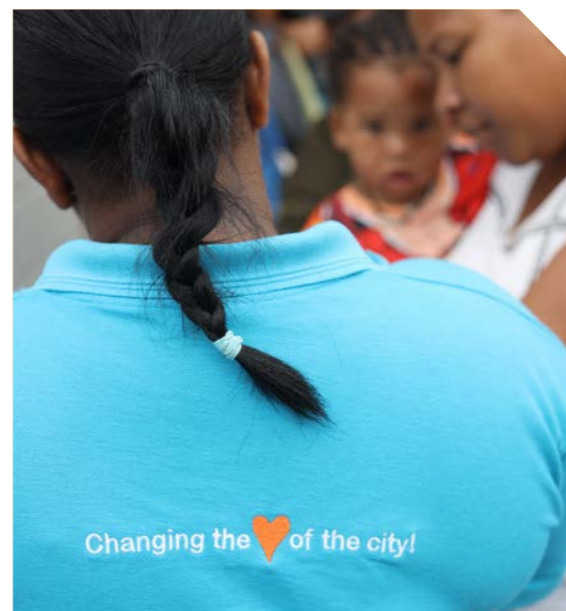
FAR's Social Relief Services distribute food parcels to 154 families monthly, providing support based on their needs. Clients are referred to the MES Training Centre for skills empowerment, and social workers run life skills group sessions. Families receive food parcels for six months while social workers work to make them self-reliant.

Our staff also attended an Outreach for the Homeless, collaborating with the Youth at Risk Programme. Social workers needed to participate in the Homeless Outreach to share information about Child Protection Services and guide clients on reporting neglect, abuse, and access issues.

Clients receiving food parcels attended life skills group sessions at the Hillbrow office and received psychosocial support. Clients requiring additional services are referred to relevant stakeholders such as FAMSA and SANCA. They are empowered with knowledge to improve various aspects of their lives.

One child removed from biological parents due to neglect was placed with her family in Pinetown, KwaZulu-Natal. The family was assisted with travel and accommodation costs to fetch the child from Johannesburg, and a follow-up confirmed the child's well-being. Family preservation is essential.

In Kempton Park, family preservation services and social relief support were provided to 70 at-risk families



STORY OF GRACE

Pertucia Erasmus (38) first came across MES in March 2022 when she was looking for a job and would hear people talking about us. She initially experienced MES services through the KFC Add Hope food hamper distributions and personal and family development Bible sessions for three months. These services provided her with essential food items and helped her find a sense of community and spiritual guidance, for which she continues to express her gratitude.

Soon after, she participated in the GROW Work Rehabilitation programme as a cleaner. This programme, designed to provide employment opportunities and skills training to needy individuals, was a turning point in Pertucia's life. Her role at GROW resulted in her selection for the Better Bellville Together team to work in the graffiti and gardening division. In this team, she is the second in command (2IC) when her supervisor is not present, another opportunity for which she is grateful.

Pertucia shares that before she encountered MES, she suffered from alcohol and drug abuse. Fortunately, she found her path towards the Lord away from her previous lifestyle and is now familiar with the Bible taught in the sessions at the MES Cape Town centres. Pertucia says she carries a pocket Bible everywhere she goes. This transformation is a testament to MES's impactful work; your support makes it all possible.

Pertucia expresses her gratitude to the MES donors: "I am grateful for the donors because if it weren't for you, some people would still be collecting tins or 2-litre bottles just to put food on the table. We thank you for supporting the MES team and all the partnerships that help us as human beings, parents and single mothers who need it."

All the efforts from donors and MES staff do not go unnoticed. Vulnerable families and individuals receive food daily. Pertucia shares how painful it was when her son and daughter would tell her they were hungry, and she had no option except to shoplift to relieve their hunger. She is not proud of those actions but acknowledges MES' significant difference in her and her children's lives. The impact of your support is not just on individuals like Pertucia but also on their families, making a profound difference in their lives.



ENTERPRISE

DEVELOPMENT

[CHANGING THE HEART OF THE CITY]

The support from all our donors forms the financial backbone of our daily operations, for which we are very grateful. However, MES continuously considers opportunities for diversifying its income-generating portfolio in new, creative and inventive ways. MES has established the following alternative income streams:

INCOME FROM AN INVESTMENT PARTNERSHIP WITH PRIVATE ENTERPRISES THAT OFFERS BLACK OWNERSHIP OPTIONS TO COMPANIES.

RENT FROM THE LETTING OF SOME OF THE MES PROPERTIES:

- A building in Johannesburg to an educational centre.
- A small shop space at one of our creches.
- The fourth floor of the MES office building in Hillbrow.
- MES-owned flats in the MES office building in Hillbrow.
- Workshop space in the MES Gqeberha building.

INCOME FROM SOCIAL ENTERPRISES:

- MES manages recycling services in Kempton Park and Cape Town.
- e-Waste recycling service in the Cape Town branch. MES receives electronic waste from the public at all three Cape Town sites. We recycle the goods with a local e-Waste company and receive a rebate. Besides recycling, we sell electronics to local buyers who use them for parts or fix them for reselling. e-Waste recycling is a necessity as it is good for the environment. With MES accepting e-Waste, it gives easy access to the community and revenue for MES.
- Jumble sale – We receive clothes, shoes, and blankets from the public in our clothing bank. From here, we clothe beneficiaries in exchange for MiChange vouchers. Whatever clothing we cannot use, we sell to local community buyers who sell it to their communities. This generates more income for us.
- A thrift shop in Gqeberha is flourishing with donors who consistently donate previously loved clothing, shoes, school uniforms, and many other re-sellable items.
- Rental of solar panels to a renewable energy company in Gqeberha.
- A woodwork workshop was started in Gqeberha as part of the MES GROW programme, and it has expanded into making furniture on order.

OUTCOMES

MES generated R7,018,136 from its commercial enterprises, this is a significant increase from R3,870,099 achieved in the previous financial year.

GET INVOLVED!

- MES is seeking more shareholding in companies that need the B-BBEE benefits such an arrangement would create for the companies. Please contact us if we can help you achieve your B-BBEE targets.
- MES Kempton Park is expanding their recycling programme and needs premises with a concrete slab and roof for the compactor.
- MES Cape Town needs additional space (a wendy house or containers) and structural support on the current site for our teams to manage and sort e-waste.
- Volunteer supervisors and trainers are needed, especially in Gqeberha:
 - The woodwork centre and shop in Gqeberha must be run sustainably and professionally, providing skills development and generating income for the shelter. Experienced craftsman volunteers are required to train the clients to a suitable standard.
 - Crafts and sewing workshops and training are needed to use the machines and equipment available at the centre.
- MES needs additional vehicles to expand our work readiness and recycling initiatives.



FINANCIAL OVERVIEW

OVERVIEW

The summarised audited annual financial statements of Mould Empower Serve (MES) NPC for the year ended 29 February 2024 are provided in the following pages. The audited annual financial statements for the year under review reflect an improvement compared to the prior year, and this is primarily because of a centralisation strategy adopted and implemented during the year as well as continued support from our main donors and trusted partners, resulting in new grants and donations in the financial year under review.

Our revenue increased by 21% due to new funded projects, growth in revenue-generating activities and a slight increase granted on the existing funding.

The continued increase in donor contributions positively reflects donor confidence in MES to change the heart of the city and make a profound difference where it is needed the most. For this reason, our surplus for the financial year under review increased to R6,114,249 from R1,637,071 in the prior year. This sharp increase in our surplus is due to a significant capital expenditure funding received.

Total revenue amounts to R64.7 million, an increase of 21% compared to the prior financial year, and it consists of four income streams: Revenue Generated (35%), Government Subsidies (31%), Financial Donations (10%) and Goods and Services Received in Kind (13%).

The total operating expenditures amount to R58.7 million, an increase of 12% compared to the previous financial year. Considering that part of R64.7 million revenue is capital expenditure funding, our operating expenditures align with growth in activities due to new funding received. While operating costs have increased as a result of the increased activities, including new activities, such increase was 57% lower than the previous year, and that is due to strict control measures and improved procedures in our purchasing and payment processes, particularly after centralisation.

Of all our operating expenses, our largest expense remains the personnel expenditure at 37% of all operating costs. It reflects the MES business model, which depends on our capable team of people to deliver the services to its beneficiaries. We were able to avoid retrenchments in the year under review, and our focus remains on building self-sustainable and long-term financial resources that will enable us to attract and retain competent, committed, and compassionate employees that will enable us to offer the best service to our beneficiaries. We are grateful for both government and non-government donors who continue to support our vision. Without them, reaching our clients would not have been possible.

In the year under review, we strengthened our budgeting controls and moved to implement our centralisation strategy to align our spending with our overall MES strategic objectives. We always strive to ensure our activities are well planned and executed to ensure that every cent we receive from our donors is utilised for what it is meant for. For this reason, in the year under review, we strictly monitored our spending against the approved budget, ensuring that actual operating expenses were in line with the approved expenditure budget with no scope for unnecessary spending.

ANALYSIS OF FINANCIAL STATEMENTS

The financial statements are a consolidated set of accounts that include the operations of all our branches, Cape Town, Gqeberha, Johannesburg and Kempton Park.

1. FINANCIAL DONATIONS

MES's detailed Statement of Comprehensive Income reflects that our Financial Donations revenue stream is diversified and includes donations from churches, companies, government subsidies, international donors, foundations and trusts, and individual donors.

Noted is a growth in the Financial Donations ratio for two income streams: Foundations and Trusts and Individuals. The donations ratio of Foundations and Trusts is 21% in the year under review and 18% in the previous financial year. The individual donations ratio is 9% in the year under review and 8% during the last financial year.

2. REVENUE GENERATED

MES's detailed Statement of Comprehensive Income reflects that our revenue-generated revenue stream is diversified and includes income generated from commercially leased buildings, social enterprise initiatives, and shelter fees.

Revenue Generated Ratio 22% in the financial year under review, up from 20% in the previous financial year. When looking at revenue generated year on year, we show an increase of 35% because of significant growth in social enterprise activities.

3. GOVERNMENT SUBSIDIES

As reflected in MES's detailed Statement of Comprehensive Income, our government subsidies revenue stream is diversified and includes government grants from the Gauteng Department of Social Development, Gauteng Department of Basic Education, the City of Cape Town, the City of Johannesburg, Western Cape Department of Social Development and Eastern Cape Department of Social Development.

A noted increase in government grants indicates a good relationship between MES and the government, particularly in Gauteng and Western Cape. Gauteng Department of Social Development remains our largest government funder at (79%) of the total government funding received for the year under review.

Government Reliance Ratio is 24% in the financial year under review, up from 22% in the previous financial year.

4. GOODS AND SERVICES IN KIND

As reflected in MES's detailed Statement of Comprehensive Income, our Goods and Services in Kind revenue stream is diversified and includes goods such as food, equipment, clothing donated, a vehicle donated, and services offered at no costs and discounts on external audit services. While the services-in-kind donated ratio remains the same as the previous year, the Goods-in-Kind donated ratio has remained at 10% in the financial year under review similar to the previous financial year.

Goods and Services in Kind received are equal to the Goods and Services in Kind distributed and utilised unless fixed assets are donated.

5. MES LIQUIDITY

As reflected in MES's detailed Statement of Financial Position, our total assets for the financial year under review are R26.2 million and R20.3 million in the previous financial year. Our total liabilities are R5.1 million for the financial year under review and R5.3 million for the previous year.

The increase in our assets is because of newly funded assets purchased and donated in the year under review. Our liabilities decreased in the financial year under review, and this is due to a cleanup in our Accounts Payables and correcting supplier balances.

- Short-Term Liquidity

Current Assets have increased by 47% to R5.8 million (2023: R3.9 million), while current liabilities have decreased by 2% to R4.6 million (2023: R4.7 million). Our short-term liquidity has decreased to 1: 1.25 (2023: 0.83), which indicates an improvement from the prior year in our ability to meet our short-term obligations, a position we will strive to maintain through implementing our centralisation strategy. Cash reserves have increased by 20% to R3.3 million (2023: R2.7 million) compared to the prior year, and trade and other receivables have more than doubled to R2.5 million (2023: R1.188 million).

6. BUSINESS CONTINUITY

The solvency ratio of 5.11 (2023: 3.8) indicates an improvement in MES's ability to meet debt obligations, which is financially healthy. The year under review performance indicates a commitment from the board and the management to continue improving financial sustainability. The ability to keep major donors and strengthen the fundraising department is also an indication of management's commitment to focus on reducing business continuity risk and ensuring that MES business continuity is guaranteed.

- MES Khula Sustainability Trust:

In 2012, a separate trust was established to build an endowment fund with MES as the sole beneficiary on the income and capital of the trust. Amongst the objectives of MES Khula Sustainability Trust is to raise capital funds on behalf of and through MES. Funds are distributed to MES in consultation with the MES Board of Directors.

Khula Sustainability Trust was established as part of an ongoing strategy for MES to be less dependent on donor funding, where possible. The trust indicates an increase of 1% in current assets to R4.3 million (2023: R4.4 million) because of an increase in the fair value of investments.

SECTION 18A STATUS

MES is a registered Public Benefit Organisation (PBO) with SARS and, as such, has Section 18A status. This section 18A status provides bona fide donors with an income tax benefit as these donations are, in most cases, tax deductible. SARS issued directives to assist in determining cases where a Section 18A certificate may or may not be issued. Effective 1 March 2023, SARS has implemented new guidelines which necessitate the inclusion of additional donor details on all receipts issued for donations received under Section 18A of the Income Tax Act.

ACKNOWLEDGEMENTS

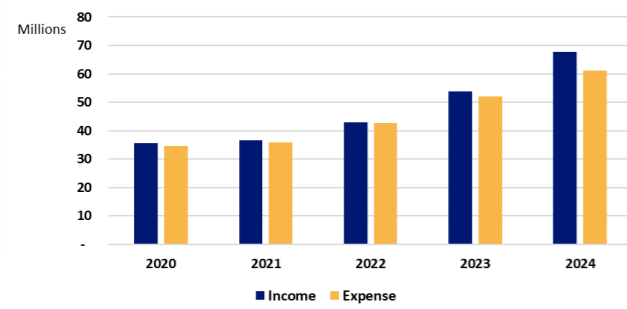
The Accounting and Finance Department had to say goodbye to Keagan Philander, the Finance Manager, and Gift Mboweni, the Financial Controller, who were both based in our Head Office in Johannesburg. We wish them well in their new roles. A special thanks goes to the Accounting and Finance staff for their dedication and commitment to delivering valid, accurate and complete financial information on a timely basis, despite the challenges being faced – David Africander, Fernanda Jovela, Khomotso Tsukudu, Noelene Ramaru, Nondumiso Mthethwa, Madeline Krugel (Kempston Park), Carli Olivier (Cape Town), and Chumonue Slamdill (Gqeberha). Your efforts do not go unnoticed.

We are also grateful for the support from all branch managers, programme managers, and staff at all branch locations. Thank you to all Head Office staff for their support and the board and the management for guidance and support.

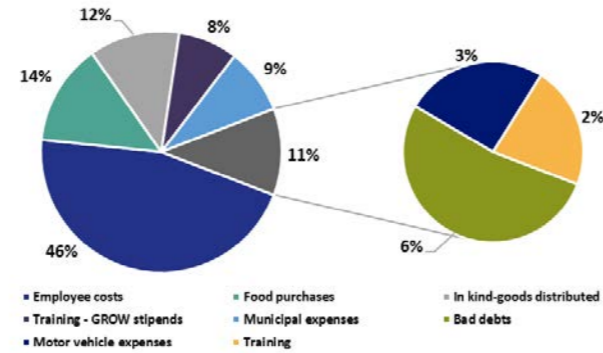
CLOSING

Detailed MES financial statements are available on request. Alternatively, they can be downloaded from our website, www.mes.org.za. We must thank our long-term donors who have been carrying MES through all challenging times. We are indebted to you as you have continued believing in the cause despite the many challenges many of you, as our loyal supporters have faced.

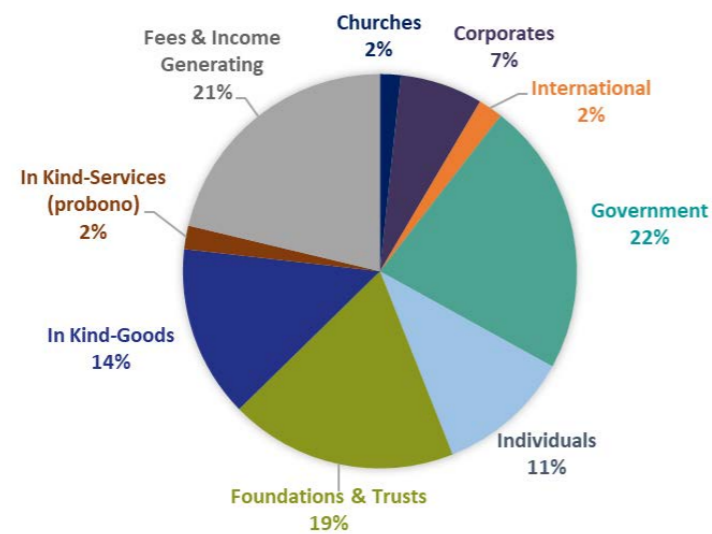
MES FINANCIAL PERFORMANCE OVER 5 YEARS



ANALYSIS OF TOP 6 EXPENSES



MES INCOME SOURCES: MARCH 2023 TO FEBRUARY 2024



STATEMENT OF FINANCIAL POSITION AS OF 29 FEBRUARY 2024

FIGURES IN RAND

	2024	2023
Assets		
Non-Current Assets		
Property, plant, and equipment	20,387,606	16,369,407
Current Assets		
Trade and other receivables	2,509,607	1,188,031
Cash and cash equivalents	3,286,668	2,742,028
	5,796,276	3,930,059
Total Assets	26,183,882	20,299,466
Equity and Liabilities		
Equity		
Retained income		
Retained income	21,059,944	14,945,695
Liabilities		
Non-Current Liabilities		
Other financial liabilities	482,066	623,661
Current Liabilities		
Other financial liabilities	132,622	121,925
Deferred income	2,759,947	2,169,277
Trade and other payables	1,749,303	2,438,908
	4,641,872	4,730,110
Total Liabilities	5,123,938	5,353,771
Total Equity and Liabilities	26,183,882	20,299,466

STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN RAND

	2024	2023
Revenue		
Revenue Generated	14,414,055	10,689,441
Government Subsidies	15,260,847	11,685,740
Financial Donations	27,253,849	24,488,343
Revenue excluding in-kind donations	59,928,751	46,863,524
Goods and services received in kind	7,775,853	6,645,929
Total Revenue	64,704,604	53,509,453
Other income	162,539	349,188
Operating Expenses	(58,666,848)	(52,156,890)
Operating surplus	6,200,295	1,701,751
Finance costs	(107,814)	(79,699)
Investment revenue	21,768	15,019
Surplus for the year	6,114,249	1,637,071

DETAILED STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN RAND

	2024	2023
Advertising	171,748	164,665
Auditors' remuneration	262,376	263,996
Bad debts	-	579,867
Bank charges	268,054	275,061
Basic care	447,724	391,523
Cleaning	810,787	370,292
Depreciation	1,376,177	860,540
Donations	763,128	-
Employee costs	21,563,270	20,475,069
Enterprise expense	20,881	7,614
Entertainment	-	8,547
Equipment expenses	488,302	335,993
Food purchases	7,473,792	6,046,973
Functions, camps, and outings	31,639	42,215
Health care	62,922	98,946
In kind-goods distributed	5,920,125	5,441,159
In kind-services utilised	1,309,928	1,204,770
Insurance	589,848	514,222
Lease rentals on operating lease	885,553	611,189
Legal expenses	961,668	591,093
Motor vehicle expenses	1,640,317	1,355,882
Municipal expenses	3,861,734	3,079,399
Printing and stationery	714,875	709,446
Repairs and maintenance	763,834	1,317,216
Security	1,107,366	1,001,211
Software Expenses	86,856	-387
Telephone and Internet	479,840	444,398
Training	1,508,979	1,223,535
Training - GROW stipends	4,910,904	3,930,315
Vat Adjustment	184,216	812,142
	58,666,848	52,156,890

DONOR

ACKNOWLEDGEMENTS

We could not do this work or change these lives without our donors and delivery partners, to whom we are immensely grateful. For a list of our valued partners, please visit our website at www.mes.org.za.

PLATINUM (R500,000 AND ABOVE)



GOLD (R100,000 AND R499,000)

Ambassadors for Good (Anglo American)	Ornico
Badenhorst Jacobus Michael	Paternoster Trust
Discovery Fund	RB Hagart Trust
DUKKS Foundation	Renati Group (Pty) Ltd
Giant Marketing	Robert Niven Trust
Goedemoed Animal Hospital	Santam
Koster Johannes Hendrik Bastiaan	Shofar Durbanville
Khulisa Social Solutions	Snaddon Susan
Maranatha Community Church	TruckFuelNet
MES Khula Sustainability Trust	True South Foundation Trust
Myculture Design and Digital	Uppe Marketing (Pty) Ltd
Nexia SAB&T	Villa Crop Protection (Pty) Ltd
NG Kempton-Kruin	Western Cape Department of Social Development
NG Sinode Hoefeld	

SILVER (R50,000 AND R99,999)

APL Cartons	Lategan Wikus
Avalon Shipbroking (Pty) Ltd	Marble Collegiated Church
Badenhorst Casper Hendrik	More2Life Charity
BDO South Africa	Myburgh Craig Dudley
Beeld Kinderfonds	NG Kerk Sonstraal
Bezuidenhout Waldo	Novo Futurum
Bridge Ed Foundation	Panthera Media (Pty) Ltd
Claassen Danie	Snaddon Susan
Dankitog Charitable Trust	Strauss Karin
Discovery health Vitality (Pty) Ltd	Tree Of Life Foundation
Du Toit Christo	USS Pactech Pty LTD
Eastern Cape Department of Social Development	Van Antwerpen Philip
Edgar Droste Trust	

BRONZE (R10,000 AND R49,999)

A Van Sittert	Flemming HCJ	PowerX Pty Ltd
Ackermans	Fly Linda	PTE Logistics(Pty) Ltd t/a Primetime Express
AGS Kaleideo	Fouche Ritza	Raath Rudolph Johannes
Airgro (Pty) Ltd	Fourie Annalise	Rauch Michelle
Alberts Louis	Fourie Reanne	Rautenbach Wilna
Andrag Beleggings Pty Ltd	Friends of Butterfly	Re:new Trust
Aucamp Wimpie	Gergem Geldelike Hulp	Rossouw Elsje Johanna
Autus Foundation NPC	Good Morning Angels Jacaranda FM	RUT
Bariben Trust	Greyvensteins Incorporated	Salutare Hygiene and Pest Control
Bharuthram Ramesh	Harvest Field Ministry	Schoeman Boerderye (Pty) Ltd
Bhoora RV	Hattingh Hilmari	Schoonwinkel L
Blignaut Blikkies Johan	Hoffman Lisa Elizabeth Maria	Shepherd Financial Services (Pty) Ltd
Blignaut Elaine (Prof)	JA Engineering	ShipShape
Blom Lucette	Jackmar Family Restaurant	Smit Carine
Boer Pieter	Janse van Rensburg PL	Smith JP
Boje Anthony Richard	Kotzee Andre Johan	Smith Kalie
Bosman Michael	Kriek Johan Muggie	South African Avocado Growers Association
Botha Daniel	Lambrech MC	South32
Botha Fanie and Hannelize	Lategan Jan Felix	South33
Briers CJ	Laubscher Jacob Johannes	South34
Campbell Anni	Le Roux Charl	Southern Africa Philanthropy Foundation (SAPF)
Carl & Emily Fuchs Foundation	Lencoe Ofentse	Southern Oceaneering
Charis Bible College	Madsen-Leibold Surita	St. Vincent de Paul
Cillié Stephan	Magni Paul	Steenkamp Floris
Claremont Laerskool	Malan Gerlinde	Street Smart SA
Coetzee Johann	Manifested Glory Ministries	Towercom Constructions
Common Ground Church	Nell Johann	Turner Carol
Da Veiga Adele	Newton John	Van Blerk Helena
De Frey Therese	NG Crosby	Van den Heever Rolf
De Necker C	NG Gemeente Parkkruin Familiekerk	Van Graan Daniel
Diaconie of the Koningskerk	NG Kerk Durbanville Bergsig	Van Jaarsveld Pieter
Digby Wells and Associates South Africa (Pty) Ltd	NG Kerk in SA (Sinode Wes Kaapland)	Van Niekerk CA
DNV South Africa (Pty) Ltd	NG Kerk Sonstraal	Van Rensburg Neil
Doxa Deo Midstream	NG Kerk Stellenberg	Van Wyk G
Drakensberg Mansions Edms Bpk	NG La Rochelle	Van Zijl Petrie PWM
Du Plessis Tjaard	NMI Durban South Motors (Pty) Ltd	Venter Tertius
Du Toit Jurgens	Northville Student Accommodation (Pty)Ltd	Venter Willem Jacobus
Durandt Louis	Pass Jackeline Doreen	Visagie Aletta Sophia
Durbanville Catholic Church	PEP Stores	VKG Bellville
Durbanville Methodist Church	Pienaar Linette	Vorster Corlia (KP)
Eksteen Stephanus Francois	Pieterse WJ	Wilkins Daniel
Fedgroup (Emergent Energy) Pty Ltd	Plastic Accent CC	Zimbulk Tankers
Fick Lambert		

Due to limited space we cannot acknowledge each donor, but we would like to thank everyone that made a contribution that enabled us to "Change the heart of the city!". We value each one of you!

MES AND SECTION 18A

TAX BENEFIT

The South African government has recognised that specific organisations depend on the public's generosity and has encouraged that generosity by providing a tax deduction for individual donations made by taxpayers.

MES IS A PUBLIC BENEFIT ORGANISATION WITH A SECTION 18A STATUS

MES is a registered public benefit organisation (PBO) with SARS and thus has tax exemption status. MES is, therefore, exempt from paying certain taxes, including income tax, transfer duties and skills development levies.

In addition, MES has Section 18A status, which means a donor gets a tax deductibility benefit and certificate. A donor making a bona fide donation in cash or in-kind to MES is thus entitled to a deduction from their taxable income if the donation meets the requirements of the Income Tax Act.

The donation amount that may qualify for a tax deduction is limited to 10% of the donor's taxable income per annum.

The eligibility to issue Section 18A receipts is restricted to specific public benefit activities defined by the relevant tax law schedule. Most of MES' activities comply, except for the spiritual enrichment activities. Thus, donations towards this activity will not qualify for the Section 18A tax deductibility.

REQUIREMENTS OF A VALID SECTION 18A RECEIPT OF A CERTIFICATE

MES will issue Section 18A certificate on request for the donor's income tax return purposes. All Section 18A certificates issued by MES will be submitted to SARS bi-annually and this means all information supplied by the donor is shared with SARS using a prescribed declaration form. For this Section 18A certificate to be accepted by SARS, it must include the following details:

Recipient information:

- The Section 18A reference number of MES issued by SARS.
- The date of receipt of the donation.
- The name and address of MES to direct inquiries to.
- A unique receipt number.
- The donation amount or the nature of the donation (if not in cash).
- Certification that the receipt issue is for Section 18A and that the donation will be used exclusively for the activities approved for Section 18A.

Donor information:

- The name and address of the donor.
- Donor nature of the person (natural person, company, trust, etc.).
- Donor identification type and country of issue (in case of a natural person).
- Identification or registration number of the donor.
- Income tax reference number of the donor (if available).
- The contact number of the donor.
- Electronic mail (email) address of the donor.
- The trading name of the donor (if different from the registered name).

The Section 18A receipt will be issued only on receipt, and the donor must ensure they claim the Section 18A tax benefit in the tax year corresponding with that of the donor.

NON-QUALIFYING DONATIONS

According to SARS directives, the following donations do not qualify for a Section 18A tax deduction, and subsequently, MES cannot issue a Section 18A receipt for:

- Donation of professional services rendered, such as a professional person providing a skill free of charge.
- An amount paid to attend a fundraising event such as a dinner or charity golf day.
- The donation of memorabilia and other assets for auction to raise funds.
- The amount paid for the successful bid of goods auctioned to raise funds.
- Amounts paid for raffle or lottery tickets.
- Amounts paid for school fees, school entrance fees or compulsory school levies.
- The value of free rent, water and electricity a lessor provides to the lessee.
- Payments of debt owed by an organisation approved under Section 18A. An example would be the cost of repairs to a vehicle paid to the service station on behalf of the PBO and not paid directly to the PBO.
- Prizes and sponsorships donated for a fundraising event such as a charity golf day.
- Tithes and offerings to churches or other religious organisations for religious activities.
- Membership fees.

We advise our donors to consult with their auditors or accountants, as getting a standard expense deduction on some of these non-qualifying donations may be possible.

GOODS-IN-KIND DONATIONS

As mentioned above, any tangible goods such as food items, clothing, equipment or blankets qualify for a Section 18A receipt if made in a bona fide fashion and towards public benefit activities.

The responsibility to substantiate the value of the goods donated lies with the donor. For this reason, the Section 18A receipt issued by MES stipulates an estimated value. SARS may require the donor to provide additional documentation, such as a sales invoice or valuation certificate when making the Section 18A claim in their tax return.

Again, please confirm with your accountant if allocating goods your company bought and delivered to MES is an expense or donation. Companies cannot claim the cost twice.

VAT ON DONATIONS

If the donor is a VAT vendor, note that, per definition, donations are deemed VAT-exempt. Thus, if the donor wants to issue a pro forma invoice to substantiate the value in its books, it should not include any VAT on the invoice.

CLOSING

We trust this information is helpful. Please contact the finance department at finance@mes.org.za if you require any additional information.



B-BBEE

YOUR COMPANY AND MES

INTRODUCTION

As MES, we believe South Africa's broad-based black economic empowerment (B-BBEE) strategy can be beneficial in addressing some of the social inequality and injustices. For B-BBEE initiatives to be broad-based, the role of non-profit community-based organisations should be more active and engaging in developing a more sustainable and socially just society.

MES offers companies valuable and meaningful solutions when they partner with us. Whether companies seek to do more with their corporate social investment budget or benefit more from what they spend on skills or enterprise development, procurement and supplier development, MES provides reliable and valuable solutions.

MES' solutions can provide companies with much-needed B-BBEE points. It will enable them to build a favourable B-BBEE scorecard plan and access markets and other various opportunities through an improved scorecard.

Donor can use a Section 18A certificate already provided for income tax return purpose as proof that a company made a bona fide donation. Similarly, MES can provide a letter confirming funds received for those contributions that do not qualify for a Section 18A certificate or when requested by a donor.

BY PARTNERING WITH MES, COMPANIES CAN IMPROVE THEIR B-BBEE SCORECARD ON THE FOLLOWING:

Socio-economic development (SED) – Receive maximum points for contributing to this element. We have a minimum of 75% black qualifying South African beneficiaries and will earn you full recognition for your contribution. We are a registered NPO and qualifying SED recipient.

Enterprise development (ED) – We have several black-owned start-ups and existing enterprises that can benefit from your investment in contributing to their story, sustainability, and financial and operational independence. MES also qualifies as a black-owned Level 1 enterprise, thus affording ED points. Investing in our black-owned beneficial enterprises could earn your company maximum points on the enterprise development scorecard.

Procurement – MES is a level 1 B-BBEE qualifying small enterprise with a 135% procurement recognition, thus adding value to preferential procurement scores. Companies that have used any of the services MES offers can allocate their subsequent spending towards MES to the preferential procurement indicator under enterprise and supplier development.

Supplier development – MES has several value-adding black-owned supplier enterprises that can benefit from investment to contribute to their development, sustainability, and financial and operational independence. Investing in our black-owned beneficial enterprises and utilising them as suppliers could earn your company maximum points on the supplier development scorecard.

Skills development – There is an expectation that companies allocate skills development expenditure to learning programmes for unemployed or employed black people. MES serves hundreds of unemployed black South African individuals who can benefit from skills development through company grants or bursaries or through their participation in company-funded learning programmes. Each specific industry sector should execute these programmes.

Ownership – MES offers black ownership options to companies looking for shared ownership options through MES as a level 1 B-BBEE contributor NPC or through our Khula Trust. The Trust is deemed a black entity through MES (and thus our clients) as its sole beneficiary. The MES Khula Sustainability Trust is an initiative that is not a handout but an investment partnership with private enterprises to ensure the organisation's long-term sustainability to the benefit of our clients. The Trust has already raised some funds and is looking for investment opportunities in listed and unlisted shares.

As MES, we can be a valuable resource for companies that want to see social change in their communities. B-BBEE compliance is a consideration as an added benefit and need not be the defining premise of a partnership with MES. We, therefore, invite interested companies to partner and engage with us on social transformation and, in so doing, to “change the heart of the city!”

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For assistance with your B-BBEE investment in MES, please contact [Vukile Hlongwa \(vukile@mes.org.za\)](mailto:vukile@mes.org.za) or [Leona Pienaar \(leona@mes.org.za\)](mailto:leona@mes.org.za).





CONTACT DETAILS PER BRANCH & BANKING DETAILS



MES NATIONAL

ABSA Bank
Account holder: MES National
Account number: 4057902724
Branch code: 632005
Swift code: ABSAZAJJ



MES CAPE TOWN

ABSA Bank
Account holder: MES Cape Town
Account Number: 4058062432
Branch Code: 632 005
Swift Code: ABSAZAJJ



MES GQEBERHA

ABSA Bank
Account holder: MES Port Elizabeth
Account Number: 4073401835
Branch Code: 532 005
Swift Code: ABSAZAJJ



MES JOHANNESBURG

ABSA Bank
Account holder: MES General
Account Number: 3240140208
Branch Code: 632 005
Swift Code: ABSAZAJJ



MES KEMPTON PARK

ABSA Bank
Account holder: MES Kempton
Account Number: 9228657779
Branch Code: 632 005
Swift Code: ABSAZAJJ

MES LEGAL STATUS:

Not for Profit Company: 1989/004921/08
NPO: 023-603
PBO: 930003011
18A: RG/0012/09/04
CPO (Child Protection Organisation)



CONTACT NUMBERS

MES Johannesburg: 011 725 6531 - 16 Kapteijn Street, Hillbrow
MES Kempton Park: 011 024 4580 - 6 Kempton Weg, Kempton Park
MES Cape Town: 021 949 8736 - 3 Davies Avenue, Bellville
MES Gqeberha: 041 451 2657 - C/O Kempston Rd and Hiles, Korsten



MES Website
www.mes.org.za



Facebook
Mould Empower Serve
@mouldempowerserve



LinkedIn
Mould Empower Serve



Instagram
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MESZNATIONAL