MES

Changing the heart of the city!



MES ANNUAL REPORT

1 MARCH 2025 - 28 FEBRUARY 2026



VISION
To change the heart of the city!

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

HOW?
Through services and partnerships that enable a journey out of poverty and homelessness to sustainable development. We believe change is possible for everyone who wants to build a thriving life and society anchored in Christ.

CORE 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
- To 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 motivated, 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!

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Reverend Hannes Windell

REPORT FROM THE
CHAIRMAN OF THE BOARD

"We have this treasure in clay jars... this extraordinary power belongs to God and does not come from us." (2 Corinthians 4:7)

These words from Paul's second letter to the Corinthians came to mind several times during the 2025/26 financial year. As the Board of Directors, we present the Annual Report for the year ended 28 February 2026 with gratitude, mindful that the extraordinary power belongs to God.

The first part of the year was largely taken up by an independent process which reviewed MES's policies and the day-to-day conduct of its leadership. Acting on legal advice, the Board initiated this process to address serious concerns brought to its attention. The independent investigation was concluded in June 2025. It examined each of the concerns raised and found no misconduct on the part of the organisation or its leadership; one minor procedural matter was noted and has since been addressed. The Chief Executive Officer resumed her duties on 11 July 2025, and the Board has since strengthened the way anonymous complaints are received and handled, so that future concerns can be dealt with fairly and promptly. In many ways, the process reminded the Directors that they, and MES as an organisation, are clay jars. This scrutiny of policy and conduct, together with external pressures such as increased financial strain and delayed government funding, placed further pressure on these clay jars. It goes without saying that pressure on an organisation not only exposes its vulnerabilities but also tests its resilience.

The Directors were again reminded of the importance of donors for an organisation like MES. We are grateful for their commitment and contributions. The Board is committed to strengthening its own relationships with donors alongside those held by management.

The latter part of the year was taken up by reflecting on the availability of financial resources and the influence it will have on the future of MES: MES might not be able to grow in the same way it had grown in the past. This led to serious discussions with management to embark on a process of organisational review. Management and staff spent many hours and days in consultation about the future of MES. The CEO's Report gives insight into this process.

I am grateful to the Directors, management, and staff for their loyalty and dedication to MES, both during and after the process. In that commitment, I see the extraordinary power of God. Although the process could have diverted everyone's attention, the Directors remained focused on their strategic role, while management and staff fulfilled their responsibilities within MES to the best of their ability and with the resources available.

We are grateful that the extraordinary power belongs to God, as it is clear to the Board that it will have to address the vulnerabilities in its own processes that this experience exposed. The Board remains committed to MES, its vision, management, and staff.

INCORPORATION
MES began its work in the inner city in 1986 and was registered as a Section 21 not-for-profit company on 6 June 1989 (registration number 1989/004921/08). It is now a non-profit company (NPC) under the Companies Act 71 of 2008.

IDENTITY
MES is a Christian non-profit organisation that walks alongside people affected by poverty and homelessness in South Africa's inner cities, from early childhood to independent adulthood.

FOCUS
Socio-economic and developmental challenges of a pervasive nature confront inner cities like Johannesburg, Cape Town, Gqeberha, 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 are also growing concerns 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 and development services (youth leadership and internships, work readiness, skills development, and job placement)
- Professional health and social work services (child protection and family preservation, psychosocial support, mental health and trauma support, as well as addiction support)

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

MES likewise 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 below in this annual report.

REVIEW OF FINANCIAL RESULTS AND ACTIVITIES
The financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

MES reported a deficit of R3 730 889 (2025: R4 901 039 deficit). The main contributing factor was a decrease in donor funding, particularly government subsidies and the end of a Foundations & Trusts partnership.

The organisation's total operating expenditure was R49 501 246 (2025: R58 430 954), of which employee costs were R25 615 590 (2025: R27 206 212). Expenditure was funded mainly through donor contributions, with the remainder split between donations in kind and revenue generated from our social enterprise initiatives.

The reduction in income placed direct pressure on liquidity, and current liabilities exceeded current assets by R2 175 166 at year end. As mitigation, a bridging loan of R3 400 000 from the MES Khula Sustainability Trust was activated. This loan is interest free, is not repayable in the short term, and has been subordinated in favour of all other creditors.

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, as well as for 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 independently auditing the financial statements and expressing an opinion on whether they are fairly presented in accordance with the IFRS for SMEs and the requirements of the Companies Act 71 of 2008.
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 the 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 remains financially sustainable, we have considered all aspects of the operations and programmes and made the required changes as and where necessary.

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 fundraising, 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 poverty and inequalities in the communities but also to the fact that conditions 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
After year end, MES disposed of several properties no longer required for its core operations, as part of the strategy to generate cash, stabilise the financial position and meet restructuring obligations. Two disposals have been completed and one transfer is being registered at the Deeds Office. The proceeds were applied to long-outstanding creditors and short-term liquidity requirements. MES continues to hold a significant property portfolio in support of its operations.

Also after year end, the courts handed down judgment in favour of MES in the matter between MES NPC and the City of Johannesburg, relating to amounts owing under a service level agreement. The judgment orders the City to settle the full amount owing. These funds will be applied to outstanding municipal accounts owed to the City, with the balance available for short-term and operational requirements.

GOING CONCERN
The financial statements have been prepared on a going concern basis. In reaching this conclusion, the Directors considered the organisation's net asset position of R10 556 892, the nature and timing of its liabilities, ongoing funding arrangements, the measures taken to reduce the cost base, the settlement and restructuring of outstanding obligations, and events after year end, including the disposal of non-core properties and the application of the proceeds to creditors.

The Directors are also unaware of any material non-compliance with statutory or regulatory requirements, or any pending changes to legislation that may affect the company. On this assessment, the Directors consider the going concern basis of preparation to remain appropriate.

MES BOARD DIRECTORS


Rev. Hannes Windell
Chairman

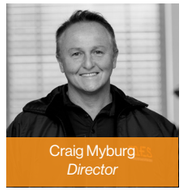

Leona Pienaar
Chief Executive Officer


Charlotte Botha James
Vice Chairperson


Willem Eksteen
Director


Alta Visser
Director


Malcolm Maclean
Director


Craig Myburg
Director


Funeka Ndungane
Director


Thabiso Ramasike
Treasurer

BOARD OF DIRECTORS

The following people served as Directors or Prescribed Officers of the Company during the year ended 28 February 2026. The Board met on twelve (12) occasions during the financial year. From July 2025, committee meetings were replaced by more regular full Board meetings.

SURNAME & INITIALS	APPOINTED	POSITION	RESIGNED / ENDED	MEETINGS HELD	ELIGIBLE TO ATTEND	ATTENDED	%
Windell JH	15/02/2000	Chairperson		12	12	12	100%
Botha CE	30/08/2022	Vice-Chairperson	19/06/2025 (re-signed)	12	1	1	100%
Eksteen WS**	26/07/2019	Vice-Chairperson (from 20/06/2025)		12	12	11.5	95.83%
MacLean MA	30/08/2022	Director		12	12	12	100%
Myburgh CD	30/08/2022	Director		12	12	12	100%
Ndungane YF	18/02/2016	Director	26/11/2025 (end of term)	12	11	11	100%
Pienaar L*	19/11/2019	CEO / Executive Director Prescribed Officer (from July 2025)		12	11	11	100%
Ramasike TG***	21/02/2017	Treasurer		12	12	11	92%
Visser A	13/11/2018	Director		12	12	12	100%

** L. Pienaar suspended for the period 7 February 2025 to 11 July 2025 pending independent investigation. Reinstated 11 July 2025. The investigation concluded with no finding of misconduct. Meetings falling within the suspension are excluded from her eligible total.*
*** W.S. Eksteen appointed 27/07/2014, resigned 12/06/2018, reappointed 26/07/2019. Appointed as Vice-Chairperson after the resignation of C.E. Botha. He attended one day of a meeting held over two days, recorded as half an attendance.*
**** T.G. Ramasike released from Board duties on 28/05/2025 and appointed acting CEO up to 11 July 2025, then reinstated as director.*

PRESCRIBED OFFICER

SURNAME & INITIALS	APPOINTED	POSITION	RESIGNED / ENDED	MEETINGS HELD	ELIGIBLE TO ATTEND	ATTENDED	%
Hlongwa VH	18/02/2024	CFO / Prescribed Officer	28/05/2025 (resigned)	12	1	1	100%

THE BOARD CHAIRPERSONS' COMMITTEE

The Board Chairpersons' Committee met on two (2) occasions during the financial year and consisted of the following members:

SURNAME & INITIALS	APPOINTED	POSITION	RESIGNED / ENDED	MEETINGS HELD	ELIGIBLE TO ATTEND	ATTENDED	%
Windell JH	15/02/2000	Chairperson		2	2	2	100%
Botha CE	30/08/2022	Vice-Chairperson	19/06/2025 (resigned)	2	2	2	100%
Eksteen WS**	26/07/2019	Vice-Chairperson (current)		2	2	2	100%
MacLean MA	30/08/2022	Director		2	2	2	100%
Pienaar L*	19/11/2019	CEO / Executive Director					
Prescribed Officer (from July 2025)		2	0	0	n/a		
Ramasike TG***	21/02/2017	Treasurer		2	2	2	100%
Hlongwa VH	18/02/2024	CFO / Prescribed Officer	28/05/2025 (resigned)	2	2	1	50%

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 three (3) occasions during the financial year, all before July 2025, after which its oversight was carried out through full Board meetings. It consisted of the following members:

SURNAME & INITIALS	APPOINTED	POSITION	RESIGNED / ENDED	MEETINGS HELD	ELIGIBLE TO ATTEND	ATTENDED	%
Ramasike TG***	21/02/2017	Director and Chairperson (to 28/05/2025)***		3	3	3	100%
Hlongwa VH	18/02/2024	CFO / Prescribed Officer	28/05/2025 (resigned)	3	1	1	100%
Myburgh CD****	30/08/2022	Committee Chairperson (from 28/05/2025)		3	3	3	100%
Pienaar L*	19/11/2019	CEO / Executive Director					
Prescribed Officer (from July 2025)		3	0	0	n/a		
Motsilili S	26/09/2024	Finance Manager	31/07/2025 (resigned)	3	3	3	100%

**** T.G. Ramasike released from Board duties on 28/05/2025 and appointed acting CEO up to 11 July 2025, then reinstated as director.*
***** C.D. Myburgh appointed as Committee Chairperson during the acting-CEO period of T.G. Ramasike.*

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 two (2) occasions during the financial year and consisted of the following members:

SURNAME & INITIALS	APPOINTED	POSITION	RESIGNED / ENDED	MEETINGS HELD	ELIGIBLE TO ATTEND	ATTENDED	%
Eksteen WS**	26/07/2019	Director and Chairperson		2	2	2	100%
Hlongwa VH	18/02/2024	CFO / Prescribed Officer	28/05/2025 (resigned)	2	1	1	100%
MacLean MA	30/08/2022	Director		2	2	2	100%
Myburgh CD	30/08/2022	Director		2	2	2	100%
Nyathi L	10/09/2024	F&M Manager	14/05/2025 (re-signed)	2	1	1	100%
Erasmus A	01/10/2025	F&M Manager		2	0	0	n/a
Pienaar L*	19/11/2019	CEO / Executive Director					
Prescribed Officer (from July 2025)		2	0	0	n/a		

HUMAN RESOURCES COMMITTEE

The Board's Human Resources Committee meets independently of the Executive Committee and advises MES's management on human resources and remuneration matters. The committee met on two (2) occasions during the financial year and consisted of the following members:

SURNAME & INITIALS	APPOINTED	POSITION	RESIGNED / ENDED	MEETINGS HELD	ELIGIBLE TO ATTEND	ATTENDED	%
MacLean MA	30/08/2022	Director and Chairperson		2	2	2	100%
Botha CE	30/08/2022	Vice-Chairperson	19/06/2025 (re-signed)	2	2	2	100%
Eksteen L†	17/07/2016	Ad hoc HR expert		2	2	1	50%
Hlongwa VH	18/02/2024	CFO / Prescribed Officer	28/05/2025 (resigned)	2	1	1	100%
Ndungane YF	18/02/2016	Director	26/11/2025 (end of term)	2	2	0	0%
Nyoka P	18/07/2016	HR Manager	07/02/2026 (passed away)	2	2	2	100%
Pienaar L*	19/11/2019	CEO / Executive Director					
Prescribed Officer (from July 2025)		2	0	0	n/a		
Visser A	13/11/2018	Director		2	2	2	100%

† L. Eksteen serves on the committee in an ad hoc capacity as an independent human resources expert and is a separate individual from W.S. Eksteen.

REFINED BY FIRE

CEO'S REPORT FOR THE YEAR ENDED 28 FEBRUARY 2026

Some years are measured by growth. Others are measured by what they reveal. The 2025/26 financial year will be remembered as one of the most demanding seasons in MES's forty-year history. It was a year that tested our leadership, our governance, our financial resilience and, perhaps most importantly, our faith. Yet it was also a year that clarified our purpose and reminded us why MES exists.
Throughout the year, we were confronted with uncertainty on many fronts for the organisation and its leadership, while increasing financial pressure and delayed government funding required difficult decisions about our future. These circumstances were challenging for everyone connected to MES. Seasons of testing are never easy, but they often strengthen the very foundations upon which organisations are built.

As the year progressed, it became increasingly clear that the challenges facing MES could not be solved by simply working harder or hoping conditions would improve. We had to ask ourselves difficult questions. If we were building MES today, what would it look like? Which programmes create the greatest long-term impact? How do we remain faithful stewards of the resources entrusted to us while ensuring that the most vulnerable continue to receive dignified care?
Those questions demanded courageous decisions.



Over the past year we embarked on one of the most significant organisational reviews in our history. We re-examined our programme portfolio, organisational design, management structures, and financial sustainability. Painful decisions followed. These changes included the consolidation of education programmes, the closure of selected homelessness interventions following government funding withdrawals, and the conclusion of statutory child protection services, enabling MES to focus its limited resources on sustainable pathways with the greatest long-term impact. We entered a comprehensive consultation process with staff, reduced operational complexity, and reshaped the organisation to match the financial realities before us.

These decisions were not made because we had lost confidence in our mission. They were made because we believe the mission is too important to compromise.

Sometimes faithful stewardship requires letting go of what was successful yesterday to preserve what is essential for tomorrow. We chose sustainability over sentiment, believing that a smaller, healthier organisation is better equipped to create lasting impact than a larger organisation living beyond its means.
Yet, remarkably, this year was not only defined by what ended. It was also a year of innovation.

REIMAGINING THE MES SERVICE ARCHITECTURE

One of the most significant strategic developments during the year was the repackaging of the MES programme portfolio into two integrated service pathways: **MES Ignite** and **MES Restore.**

For many years, our work was organised around five target groups. While this model served the organisation well, it became increasingly apparent that it did not fully communicate the beneficiary journey or the interconnected nature of our services. During our organisational review, we therefore redesigned our programme architecture to better reflect how people move through poverty, vulnerability, and ultimately towards sustainable independence.

MES Ignite brings together our education and prevention programmes, investing in children, youth, and families before crisis becomes chronic. Through early childhood development, after-school support, youth leadership, family preservation, and educational pathways, MES Ignite seeks to equip the next generation with the opportunities, skills, and support needed to thrive.

MES Restore focuses on pathways out of homelessness and chronic vulnerability. Through outreach, shelter, psychosocial support, work readiness, employment opportunities, and reintegration services, MES Restore provides structured pathways that enable individuals to rebuild their lives with dignity and purpose.
This strategic shift is far more than a rebranding exercise. It provides greater clarity for beneficiaries, donors, and partners, strengthens programme integration across our branches, and aligns every service within a clearly defined pathway of change. Together with our four-phase service model, it positions MES to deliver more coordinated, measurable, and sustainable impact for years to come.
Another highlight was the launch of our Othandweni Centre of Hope in Hillbrow, and the expansion of our services in the Eastern Cape to include Kariega (Uitenhage).

During the reporting year, **Mi-change** evolved from a joint initiative between MES and U-turn into an independently registered non-profit company, marking an important milestone in its long-term sustainability and growth. Mi-change provides the public with a practical alternative to giving cash directly to people experiencing homelessness by replacing cash handouts with dignity-based vouchers that can be redeemed for essential goods and services. More importantly, it serves as a bridge into professional support services, encouraging beneficiaries to access Homeless Service Centres where they can begin a structured pathway out of homelessness. MES and U-turn look forward to expanding the Mi-change footprint across South Africa as a collaborative strategy to promote responsible giving, strengthen coordinated service delivery, and create lasting pathways towards restoration and independence.

EXCEPTIONAL TEAM

Throughout this process, our staff demonstrated extraordinary resilience and compassion. They continued serving vulnerable children, families, and adults despite facing uncertainty about their own futures. Their commitment to our beneficiaries has been deeply humbling, and I remain profoundly grateful for every member of the MES family who chose to keep showing up each day with professionalism, courage, and hope.

I am equally grateful to our Board of Directors for their steadfast leadership during an exceptionally complex year. Their willingness to make difficult decisions, while remaining committed to our Christian values, has positioned MES to face the future with greater clarity and confidence.

To our donors, churches, corporate partners, foundations, and government stakeholders: thank you for walking this journey with us. Your generosity did far more than sustain programmes. It sustained hope. Every meal served, every child educated, every family strengthened, and every person taking steps out of homelessness is a testimony to what we accomplish together.

IN CONCLUSION

As I reflect on the past year, I am reminded that God's provision seldom arrives in surplus; it arrives as daily bread.

The future of MES will not be defined by the challenges we faced, but by how we responded to them. As MES approached its 40th anniversary, we sensed that God was not calling us simply to celebrate four decades of impact, but to prepare faithfully for the decades still to come.

We move into the next season leaner, stronger, and more focused than before. Our commitment remains unchanged: to change the heart of the city by igniting hope and restoring dignity, by walking alongside vulnerable people with excellence and the transforming hope of Christ.

Perhaps the greatest gift of this difficult season was clarity and results achieved despite adversity. It compelled us to simplify what had become complex, focus on what matters most, and build an organisation that is stronger, more integrated, and better positioned to change the heart of the city for decades to come.

"Because of the Lord's great love we are not consumed, for His compassions never fail. They are new every morning; great is Your faithfulness." (Lamentations 3:22–23)

Leona Pienaar
Chief Executive Officer

> *Sometimes faithful stewardship requires letting go of what was successful yesterday to preserve what is essential for tomorrow.*



40 YEARS OF IMPACT

MES entered its 40th anniversary year, having served vulnerable urban communities since 1986.

SOCIAL IMPACT
REPORT



SOCIAL IMPACT

PRESCHOOLERS

Early childhood is the foundation on which every child's future is built. For children growing up in impoverished, densely populated communities of Johannesburg, this critical stage of life is often marked by malnutrition, emotional instability, unsafe environments, and limited access to quality early learning. Without intentional intervention, these factors can hinder healthy development and reinforce cycles of generational poverty. During the reporting year MES operated three Early Childhood Development Centres: Dinaledi and Roly Poly in Hillbrow, and Kids Academy in Fleurhof.

These centres provided safe, nurturing, and stimulating environments for children aged six months to six years. Through qualified staff, structured developmental programmes, nutritional support, and holistic care, our aim is 100% Grade R readiness among all graduates, equipping young children with the building blocks they need for long-term academic success and healthy social-emotional growth.

THEORY OF CHANGE

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.





LIVES IMPACTED

- **298 children** enrolled across the three centres
- **121 children graduated** successfully to Grade R
- **147 children** received computer literacy training
- **260 016** nutritious meals served
- **21** Bible Clubs hosted
- **27 children** received bursary support across our centres

YEAR IN REVIEW

It was a year of steady, tangible progress across all three centres, but there were some challenges with securing the DBE subsidy for some of the centres due to the new requirements set by the Department of Basic Education. MES was required to register two of the centres as separate NPOs, each with its own bank account, to qualify for the subsidy. As a result, neither centre received DBE subsidy funding during the reporting period. MES was therefore required to absorb the operational costs while stewarding its limited resources responsibly.

Department of Basic Education funding supported improved learning resources at Dinaledi, the only centre not impacted. At Dinaledi, a successful animal-themed outing gave many children their first encounter with live animals, while regular parent consultations strengthened the relationship between teachers and families around each child's development. Kids Academy was registered as a separate NPO. It hosted an open day that welcomed 40 parents into conversation with teachers, hosted an innovative graduation and educational outings. Roly Poly reached full registration and 95% capacity, installed a new playground, and successfully held its open day, graduation, and two educational trips as planned.

Across all three centres, our teachers introduced more play-based learning activities and strengthened progress monitoring through regular assessments. The Six Blocks Lego programme was successfully utilised in all three centres.

During the latter part of the financial year, MES undertook a comprehensive organisational review to ensure long-term sustainability. As part of this process, the difficult decision was taken to close the Roly Poly ECD Centre and consolidate services into Dinaledi ECD Centre given their proximity to each other. Although this meant saying goodbye to a much-loved programme, the consolidation enables MES to strengthen the quality and sustainability of its remaining early childhood services.

Looking ahead, our focus is on deepening partnerships with parents, reintroducing computer learning where it has lapsed, and continuing to invest in teacher training so that every child leaves us ready for the next stage of their education. MES Kids Academy and MES Dinaledi continue into the year ahead.





STORY OF GRACE

When Zoe first walked through the doors of Dinaledi Crèche at just two years old, she cried every day, struggling to be apart from her mother, so much so that her mother could barely settle her, even at church. As Zoe grew, the tears gave way to a different kind of struggle: in class she would hide under the teacher's table or ask to go to the toilet, anything to avoid the activities in front of her. She lacked the confidence to engage, and it showed.

Today, at six years old, Zoe is a different child entirely. She is happy, confident, and independent, taking part eagerly in class and approaching her final year before primary school with excitement rather than fear. Her mother, still amazed by the transformation, credits the patience and dedication of Dinaledi's teachers for helping her daughter find her voice. For the team at MES, Zoe's story is proof of what a nurturing early childhood environment can do: not just prepare a child for school, but help her discover who she is along the way.



SOCIAL IMPACT
LEARNERS

South Africa's education system continues to reflect deep inequalities, with children in low-income communities facing daily challenges that impede learning and healthy development. Exposure to unstable home environments, limited parental support, malnutrition, and unsafe streets often compound academic difficulties and emotional strain. MES responds through structured After-School Programmes (ASPs) in Johannesburg and Cape Town, supporting learners from Grade 1 to Grade 12, including children progressing from our ECD centres.

Through homework assistance, nutritious meals, psychosocial services, recreational activities, youth clubs, and spiritual support, we create safe spaces where children can learn, grow, and discover their potential, while strengthening their resilience, academic readiness, and sense of identity.

THEORY OF CHANGE

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.





LIVES IMPACTED

- **54 089** meals served nationally through the KFC Add Hope Foundation
- **235 learners** received daily After-School Programme support across Johannesburg and Cape Town
- **228 children** supported through holiday programmes and educational outings
- **96 children** took part in art classes supported by Santam
- **All matriculants in the Johannesburg programme** passed matric**, and four matric students in the Cape Town After-School Programme** passed successfully
- **Two Bedford Eisteddfod group** entries scored 96% (Hip Hop, 19 participants) and 95% (Contemporary, 10 participants), both named item winners

YEAR IN REVIEW

This was a year of growth and meaningful connection for learners in both regions. In Johannesburg, learners attended a December Grade 7 transition camp, primary school learners passed their grades with several learners receiving reading awards, and the Kids' Clubs at the Madulammoho Housing Association (MHA) buildings continued to thrive. Santam expanded its art programme to the Johannesburg region. The annual musical was again a big highlight on the annual calendar. The production was called "When the Darkness Comes", and 65 children and young people took part. MES entered two group items in the Bedford Eisteddfod: Hip Hop and Contemporary, both of which achieved outstanding results and were named item winners, qualifying the groups for medals; a small prize-giving ceremony is planned to celebrate the achievement with participants.

In Cape Town, the After-School Programme welcomed additional children into its care and was strengthened by volunteer groups from the United States and Italy, alongside a dedicated local volunteer team supported by MHA and Friends of Butterfly.

Santam remained a valued partner of the Art Programme, which continued to reveal our children's creativity and confidence, and also sponsored a joyful December holiday programme. Children took part in a sports event in Scottsdene, broadening their exposure to new environments and opportunities, and we were able to honour our long-standing partners, Friends of Butterfly, with a commemorative tree planted in their honour as they moved into a new chapter of their own journey.

The year was not without its challenges. The meal sponsorship for the programme ended and placed pressure on the After-School Programme's ability to consistently feed the children in its care, and growing demand continues to outstrip the space available. Even so, our teams remained committed to providing every child with a safe, caring, and supportive environment, and we continue to trust that expanded partnerships and community support will allow us to grow our capacity in Cape Town in the year ahead.

Financial constraints required MES to consolidate its Johannesburg After-School Programme's footprint during the organisational review. While the number of centres was reduced for the 2026/27 financial year in Johannesburg, the organisation retained its commitment to delivering high-quality educational support through strategically located centres capable of serving the greatest number of learners.



STORY OF GRACE

After finishing matric in 2022, Lindsey found herself at a crossroads many young South Africans know well: uncertain whether to pursue university or college and discouraged by the feeling of sitting at home without direction. Looking for purpose, she joined the MES After-School Programme in Scottsdene as a volunteer in August 2023, and from her very first day, she stood out: enthusiastic, dedicated, and hungry to learn everything the programme offered her.

Her turning point came through the Art Facilitator Training. It was there that Lindsey discovered a genuine passion for teaching art to children, and the children responded to her creativity and patience in kind. That passion, paired with her growing leadership, led to her appointment as Scottsdene After-school Programme Coordinator at the start of 2025, a milestone that has made her parents immensely proud, watching their daughter grow into a capable, purpose-driven young woman.

Lindsey now dreams of studying art formally, and MES is grateful that Santam has expressed a willingness to support her educational journey. Her story is a reminder that when young people are met with opportunity, mentorship, and encouragement, a volunteer placement can become the beginning of a lifelong calling.



SOCIAL IMPACT

SCHOOL -LEAVING YOUTH

Youth unemployment in South Africa remains one of the country's most urgent challenges, with nearly half of young people not engaged in work, education, or training. Many school-leavers face uncertainty, limited support structures, and few opportunities to gain practical experience or pursue tertiary education. MES supports young people aged 18–24 through targeted transition programmes that develop leadership, strengthen life skills, and open pathways to employment and further learning.

Our Joshua Youth Servant Leadership Programme, New Direction, and All Stars alumni network provide a structured year of service, mentorship, emotional support, and career development, equipping young people with the confidence and values needed to transition successfully into adulthood.

THEORY OF CHANGE

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





LIVES
IMPACTED

- **14 Joshua participants** completed the year successfully
- **Joshua participants** received accredited leadership certificates through Kind Corporation
- **84 Young people** placed through the Social Employment Fund (SEF)

YEAR IN REVIEW

Eleven of the 14 Joshua participants enrolled during the reporting period had progressed through the MES ECD and After-School Programmes, making selection into the Joshua Youth Leadership Programme the fulfilment of a long-held aspiration. The team was very dynamic and engaged in all the programmes they were involved with. The Joshua Team was again hosted at Genesis House and graduates who continued with studies and learnerships were housed at Thuto Tiro.

They earned accredited leadership certificates through Kindness Corporation, a proud moment for the programme. They also participated in other life skills courses facilitated by Hyprop Foundation and joined the Bible College weekly. Towards the end of the year, they undertook the annual Botswana outreach to a remote village, which was a life-changing experience for many.

MES was one of the implementing partners for the Social Employment Fund (SEF) programme, facilitated by the Johannesburg Inner City Partnership (JICP) and the Industrial Development Corporation (IDC). Through this initiative, 84 young people were placed across a range of roles, including office support, Early Childhood Development, after-school programmes, and work readiness initiatives, gaining valuable exposure to real work environments and hands-on experience along the way.

As part of the organisational restructuring, the Youth Programme was redesigned with a smaller, more focused team for the 2026/27 financial year due to the downscaling of some After-School Centres. While the 2026/27 intake was reduced to align with available funding, MES deliberately protected its core leadership development pathway, ensuring that investment in young leaders remains a strategic priority so that the programme will be able to expand again in the future.





STORY OF GRACE

Chantel and Owami first came to MES as learners in the After-School Programme, where they received the academic support and mentorship that would shape the course of their lives. Their hard work paid off: both passed their matric examinations, a milestone that opened the door to the next chapter of their journey — the Joshua Programme, where they have continued building the leadership skills and sense of purpose that come with a year of service.

Both young women have since applied to pursue tertiary studies next year, taking yet another step toward the futures they are building for themselves. Their journey, from learners in an After-School Programme to young leaders preparing for university, stands as a testament to what perseverance and sustained support can achieve, and to the opportunities MES creates for young people to reach their full potential.



SOCIAL IMPACT

ADULTS AT RISK

Homelessness remains a significant and growing challenge across South Africa. Whether in major cities, peri-urban townships, or smaller towns, thousands of people face the daily realities of life on the streets. They face exposure to violence, malnutrition, unemployment, stigma, and a lack of access to basic services. MES began its work in 1986 in response to the urgent needs of people experiencing homelessness, and this remains a core part of our work today.

Through a continuum of care spanning outreach, safe spaces, shelters, social work intervention, rehabilitation support, work readiness, and reintegration, we enable vulnerable and homeless youth and adults across Gauteng, the Eastern Cape, and the Western Cape to rebuild their lives with dignity and hope. Our multidisciplinary approach ensures that each person receives holistic support (emotional, physical, social, psychological, and spiritual) as they move through our four-phase model towards stable, independent, and meaningful lives.

THEORY OF CHANGE

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





LIVES IMPACTED

PHASE 1: SOCIAL RELIEF & OUTREACH

- **543** nightly bed spaces provided nationally across Johannesburg, Kempton Park, Cape Town and Gqeberha
- **238 698 meals** served nationally through shelters, outreach programmes and day centres
- **4 172** people experiencing homelessness reached through mobile outreach in Johannesburg, alongside 6 550 individuals accessing the Kempton Park mobile shower unit
- **65** outreach hotspots visited across Johannesburg's Region F
- **102** beneficiaries received haircuts, 357 were screened for high blood pressure, and 104 were screened for TB as part of ongoing health interventions
- During outreaches taking place in **Kempton Park 241 beneficiaries** were referred to MES for social relief services
- **10** beneficiaries reunited with their families through Johannesburg outreach services

PHASE 2: CHANGE READINESS

- **778** Individual Development Plans (IDPs) created across Johannesburg, Kempton Park, Cape Town and Gqeberha
- **Over 1 400** beneficiaries accessed psychosocial support, counselling, trauma support, or substance abuse programmes nationally
- **257** beneficiaries assisted with ID and documentation support in Johannesburg and Cape Town
- **255** Change Readiness workshops delivered in Cape Town, alongside 54 in Gqeberha
- **135** new intakes conducted in Johannesburg between March and November
- **313** beneficiaries attended substance abuse workshops in Kempton Park

PHASE 3: WORK READINESS

- **30 145** Work Readiness shifts created nationally, supporting 771 beneficiaries across Johannesburg, Cape Town, and Gqeberha
- **1 180** beneficiaries completed Life Skills training in Johannesburg and Gqeberha
- **336** beneficiaries assisted with CVs, printing and job applications through the Johannesburg resource centre
- **309** beneficiaries completed computer training and 340 completed the Free to Grow Life Skills & Money Sense Programme in Johannesburg
- **180** beneficiaries completed CPR training in Gqeberha, and 55 completed security training in Johannesburg
- **127** beneficiaries attended job readiness workshops across Kempton Park, Cape Town and Gqeberha
- **400** beneficiaries in Cape Town attended developmental sessions, supported by 359 individual occupational and social work sessions
- The Gqeberha Work Readiness Programme **expanded from 20 to 32** beneficiaries during the year

PHASE 4: REINTEGRATION

- **101** beneficiaries secured stable employment nationally — 71 through direct placements in Johannesburg, Kempton Park and Gqeberha, and 30 stable job placements secured in Cape Town
- **30** beneficiaries placed in temporary employment and 7 in internships, across Johannesburg and Gqeberha
- **23** family reunifications achieved across Kempton Park, Cape Town and Gqeberha
- **28** beneficiaries in Johannesburg successfully exited the Impilo Change Readiness and Integration phase
- **21** beneficiaries successfully reintegrated in Kempton Park
- **38** beneficiaries accessed transitional accommodation in Cape Town, with 11 achieving stable, independent accommodation and 4 securing employment while in transition

YEAR IN REVIEW

This was a year defined by the strength of our integrated four-phase pathway across every region. In Johannesburg, the GROW Work Readiness programme continued to change lives, giving beneficiaries a second chance to restore self-dignity and earn an income during their change journey, while new work sites opened for those who had demonstrated responsibility. In Kempton Park, the shelter's soup kitchen remained an essential entry point for engaging people still living on the streets. Towards the end of the year, the Mobile Shower Programme in Johannesburg and Kempton Park was discontinued following a strategic review of the service's long-term financial sustainability.

During the final quarter of the financial year, MES was compelled to make several difficult decisions following the withdrawal of Gauteng Department of Social Development funding for key homelessness interventions. This resulted in the closure of the Impilo Change Readiness Centre, the Johannesburg and Kempton Park Mobile Outreach Programme and the Skills Training Centre. Although these services produced meaningful outcomes over many years, MES consolidated resources into an Integrated Othandweni Centre of Hope Service Centre. Resources were redirected towards protecting the core shelter and developmental services, ensuring that beneficiaries continued to access essential pathways out of homelessness. In January 2026, the Othandweni Centre of Hope opened as a day-service centre in Hillbrow in partnership with the Citi Foundation.

In Cape Town, beneficiaries progressed through weekly therapeutic development classes addressing work ethics, sobriety, financial literacy, and stable accommodation, culminating in a year-end Work Readiness gala, a World Homeless Day Talent Show, and the Annual Amazing Grace Race alongside VRCID staff and beneficiaries. In Gqeberha, the GROW Work Readiness Programme grew from 20 to 32 beneficiaries, new work teams were established at Port Elizabeth Provincial Hospital and in Kariega, and one graduate went on to find employment as an apprentice at Gradan Engineering within a month of completing the Restoration Programme.

Community and stakeholder partnerships deepened meaningfully across all regions. Mandela Day brought donors, churches, corporates, and volunteers together in service, while new collaborations, including with Matrix Rehab, Shofar Church, and the Fisantekraal Centre for Development, expanded the network of care available to beneficiaries. In Cape Town, the Integration team marked several milestones for our transitional accommodation model, including a Mental Health Indaba, an Intersectoral Northern Suburbs Housing Indaba hosted by MES, and participation in the National Homelessness Conversations event and the Development Action Group's research project on transitional accommodation. Elderly beneficiaries in Gqeberha received specialised support, including grant-in-aid assistance and family reunifications, and a rising elderly population living on the streets remains an area we continue to prioritise.

Real constraints remain. Reliable vehicles and drivers, limited staff capacity, delayed government and donor funding, and a scarcity of affordable exit accommodation all limit how many people we can move through to full independence. Even so, the year's outcomes, from the 101 beneficiaries who secured stable employment to the hundreds who completed Life Skills, Change Readiness, and Work Readiness training, reflect a model that is working, and a team determined to keep walking alongside every person until they are home.

STORY OF GRACE

Ndumiso is 25 years old, Deaf, and fluent in English, isiXhosa, and South African Sign Language. He came up through special schools in Cape Town, completing an education equivalent to Grade 9 alongside hospitality training, and went on to earn CathSETA-accredited qualifications in Convenience Foods Cookery and Kitchen Cleaning. Like many young people with disabilities, he wanted nothing more than to work — but the barriers he faced, compounded by exploitation and a lack of opportunity, eventually left him homeless.

In 2023, Ndumiso found his way to MES Cape Town, where he began accessing housing, vocational, and therapeutic support. From September that year, he threw himself into the Work Rehabilitation Programme, providing outdoor cleaning services for partner organisations with a reliability and professionalism that quickly became his hallmark. It wasn't the career he had imagined, but he treated it as exactly what it was: a stepping stone. Along the way, he overcame personal fears, took up mainstream sport and dance, and built genuine friendships with hearing peers, all while developing healthier financial habits and a real commitment to saving.

Ndumiso never stopped reaching for more. Alongside the programme, he pursued opportunities through eDeaf Cape Town and the Fisantekraal Centre for Development, and in June 2025 he created a profile on Job-abled, an online platform connecting young people with disabilities to meaningful work. Within a month of uploading his CV, he had secured a position as a Cold Food Chef at I Love Coffee Roastery & Deli in Claremont — a workplace celebrated for its inclusion of Deaf and hearing staff alike. A year later, he is still there, still growing.

His housing journey followed the same trajectory of quiet determination. From emergency shelter in Bellville, Ndumiso moved to Phase 2 transitional housing at Airo House, then into Phase 3 accommodation through MES's partnership with the Madulammoho Housing Association, settling into a studio apartment in Maitland. As the saying goes at Airo House, "the way you enter is the way you exit", and Ndumiso entered with clear goals and left, finally, with a home of his own.

He recently stood among his peers at the MES Work Readiness Graduation, recognised for the progress he has made, and continues to be supported by the MES Cape Town Integration team as he pursues long-term, affordable housing. His story is a powerful reminder of both the particular barriers faced by people with disabilities experiencing homelessness, and what becomes possible when determination is met with the right support at the right time.





STORY OF GRACE

Dave is 29 years old and comes from Mpumalanga, the eldest of seven children and the first grandchild in his family. Before MES, home was a difficult place to be — his family struggled to understand him, and conflict had become a constant. It left him without the support he needed most.

Dave found his way to MES Kempton Park in January 2026, after hearing about the programme from a fellow resident in recovery who had stayed there and spoke openly about what it had done for him. That conversation was enough to bring Dave through the door.

What he found was simple but life-changing: a roof over his head, food to eat, and, just as importantly, the message that he deserved a second chance. Slowly, the care he received began to change who he was. It humbled him, brought back his smile, and taught him patience he hadn't had before. Along the way, he also found employment.

Dave's growth wasn't only practical. Through the programme, he learned to grow spiritually, discovering how to pray for the first time. He speaks warmly of the people he met along the way — the chance to interact with different people, attend churches, and build new relationships he wouldn't otherwise have had.

Today, Dave is employed as a security officer at Boston Campus, but he isn't standing still. He is looking ahead to a future as a successful business owner in the retail sector, carrying forward the same determination that brought him through MES's doors in the first place.



SOCIAL IMPACT

FAMILIES AT RISK

Violence against children remains a pervasive and deeply rooted challenge in South Africa. The legacy of inequality, generational trauma, and poverty, combined with high rates of unemployment and community violence, continues to place children at significant risk of abuse, neglect, exploitation, and emotional harm. Many families struggle to provide safe, stable environments, leaving children vulnerable to domestic violence, substance abuse, sexual abuse, and severe psychosocial distress. MES provides holistic support to children and families through integrated developmental, protective, and therapeutic services. Until its statutory services concluded during the reporting year, MES Johannesburg, as a registered Child Protection Organisation (CPO), offered statutory social welfare intervention, while all regions deliver family strengthening, psychosocial support, social relief, and prevention services — together ensuring that vulnerable families receive the intervention, protection, and empowerment needed to remain together safely or, where necessary, to secure the immediate protection of children.

Our goal is to safeguard vulnerable children, strengthen family systems, and promote the wellbeing, stability, and resilience of at-risk families living in low-income urban communities where family structures are fragile, support networks are limited, and children face heightened risks to their safety, health, and development.

THEORY OF CHANGE

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





LIVES
IMPACTED

- **235** children placed in foster care nationally
- **36** foster care cases successfully finalised in Johannesburg, ensuring vulnerable children were placed in safe, stable and nurturing family environments
- **70** clients in Cape Town received psychosocial and therapeutic services
- **45** families in Cape Town supported with food parcels
- **163** beneficiaries reached through clothing donation drives to informal settlements in Johannesburg
- **194** children approved for educational bursaries under the Ikusasa Programme, including children from the Soweto office

YEAR IN REVIEW

In Johannesburg, the year included the successful commemoration of both Social Workers' Day and Child Protection Week, recognising the dedication of our social workers and raising awareness of children's rights among children, parents, caregivers, and community members. Five workshops and awareness programmes were conducted across schools and communities, covering child protection, positive parenting, substance abuse prevention, life skills, and foster care awareness, and were well attended and positively received throughout. Clothing donation drives brought essential support to families in informal settlements, while 194 children were approved for educational bursaries under the Ikusasa Programme, easing financial pressure on their families. Thirty-six foster care cases were successfully finalised during the year, each following the full statutory process of assessment, court proceedings, and family support to safeguard the best interests of the child.

During the organisational review, MES made the strategic decision to conclude its statutory Child Protection Organisation services in Johannesburg. While statutory intervention had been delivered faithfully for many years, the Board concluded that limited financial resources should be concentrated on family preservation, prevention, psychosocial support and integrated developmental services, which align more closely with MES's long-term strategic direction. MES wishes to express its sincere appreciation to the dedicated social work team who served vulnerable children and families with professionalism, compassion and unwavering commitment throughout this transition. Their diligence ensured that every statutory case was responsibly concluded or transferred to the Department of Social Development, safeguarding continuity of care for the children entrusted to MES.

In Cape Town, the Social Work Department supported clients through external counselling referrals that helped rebuild communication and family relationships, connected clients to the work readiness programme where they went on to secure temporary employment through an EPWP contract, and provided food parcels to 45 families — support that allowed many households to better meet their children's other needs. Together, these interventions reflect a continued national commitment to keeping vulnerable families safe, supported, and, wherever possible, together.





STORY OF GRACE

Kamogelo is 37 years old and lives in Hillbrow. She first came to know MES in 2019, when she needed help enrolling her son at IH Harris Primary School as he prepared to start his schooling. MES stepped in with more than just a school placement — support with homework, activities, and food followed, along with school shoes, stationery, and help covering school fees at a time when money was tight.

Beyond the practical support, Kamogelo says MES helped her recognise and grow her own skills. She speaks warmly of the way she was treated throughout her time with the programme, and today she is working part-time, with her sights set on moving into full-time employment so she can provide fully for her children.

"Yes," she says, without hesitation, "I would advise the next person to come to MES."

ENTERPRISE DEVELOPMENT

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:

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 the Western Cape and Gauteng, including an e-waste recycling service in Cape Town. 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 benefits the environment, gives the community an easy drop-off point and generates 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 Mi-Change vouchers. Whatever clothing we cannot use, we sell to local community buyers who sell it to their communities. This generates additional income for programme service delivery.
- 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.
- MES work readiness teams provide essential services to City Improvement Districts (CIDs) and Special Rating Areas (SRAs), creating meaningful work learning opportunities. Our strongest footprint for these services is in the Western and Eastern Cape, with Gauteng now also rolling out.

OUTCOMES

MES generated R7 279 060 from its commercial enterprises; this is an increase of 13% on the R6 419 011 achieved in the previous financial year.

Alternative revenue streams remain important to sustain MES's operations and complement donor income.





FINANCIAL OVERVIEW

"Sometimes faithful stewardship requires letting go of what was successful yesterday to preserve what is essential for tomorrow."

The pages that follow put figures to the choices described in the Chief Executive's report. They show what it cost to become a smaller, more focused organisation — and what that choice has already begun to return.

INTRODUCTION

The past financial year has again been a challenging one with especially the Gauteng Department of Social Development funding challenges. The summary audit financial statement is presented on the following pages. The full sets of audit financial statements can be downloaded from the MES website at www.mes.org.za.

ANALYSIS OF FINANCIAL RESULTS

The audited annual financial statements of MES Mould Empower Serve NPC for the year ended 28 February 2026 reflect **a year of deliberate consolidation in the most constrained funding environment MES has faced. MES recorded a deficit of R3.7 million,** compared to a deficit of R4.9 million in 2025.

Total revenue declined to **R46.5 million** (2024/25: R53.5 million), driven mainly by a **sharp contraction in foundation and corporate grant funding and the delayed receipt of government subsidies.** Against this, total operating expenditure was reduced to **R49.5 million** (2024/25: R58.4 million), a saving of R8.9 million in a single year.

Personnel costs remain the largest cost driver at **R25.6 million** (2024/25: R27.2 million), underscoring the people-centred nature of MES's service delivery model.

The year confirmed the structural challenge identified in the previous period – **dependency on funding streams that have become increasingly unpredictable** – but it also showed the first returns on diversification. Income that MES generates for itself held firm, with **enterprise revenue growing by 13%** to R7.3 million, and self-generated income funding close to a third of everything MES spent.

Support from individual donors **increased by 38%,** and international sponsorship **more than doubled,** even as foundation and corporate giving each contracted by roughly 40%. Alongside this, MES received **R3.3 million in goods and services in kind,** mainly food, equipment and blankets, given by donors across all four regions.

The year was impacted by the loss of a significant donor which impacted adversely on our Early Childhood Development centres and After School Programme.

It is worth noting that a material portion of the deficit is n**on-cash in nature.** Of the R3.7 million, R1.2 million relates to non-operational vehicles returned to the Department of Social Development and R1.6 million to depreciation. The underlying cash shortfall for the year was closer to **R1.0 million.**

The financial position at year-end continues to reflect **pressure on liquidity,** with current liabilities exceeding current assets by **R2.2 million** – an improvement on the R4.1 million shortfall reported in the prior year. Of these current liabilities, R2.0 million represents **deferred income:** donor and programme funding received in advance for work still to be delivered, which does not generally require cash settlement.

MES accessed a **R3.4 million bridging facility** through the MES Khula Sustainability Trust, which is interest free, not repayable in the short term, and subordinated in favour of all other creditors. Importantly, the organisation **remains solvent,** with net assets of R10.6 million, and closed the year with **65% more cash on hand** than it started with.

At year-end MES entered into Payment arrangements with its creditors and these are being closely monitored by management. A bulk portion of this was already settled post year-end.

LOOKING FORWARD

In response to the financial pressures, MES implemented **decisive cost containment and restructuring measures,** including programme consolidation, the settlement and restructuring of material historical obligations, a section 189A process, and the alignment of staffing with sustainable funding levels. These decisions were taken with care and responsibility, recognising their impact on both staff and service delivery, while prioritising the long-term viability of the organisation.

After year-end, MES **disposed of several non-core properties** no longer required for its operations, applying the proceeds to long-outstanding creditors and short-term liquidity requirements. MES continues to hold a significant property portfolio in support of its work. The courts also handed down **judgment in favour of MES** in the matter against the City of Johannesburg relating to amounts owing under a service level agreement, ordering the City to settle the full amount due.

CLOSING AND GRATITUDE

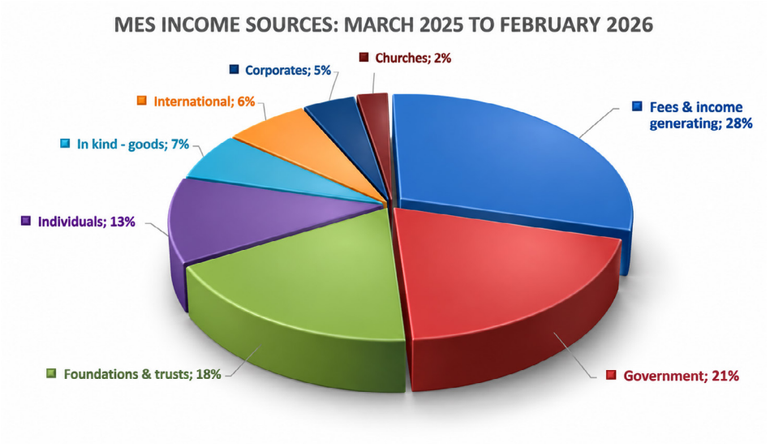
Despite the challenges, the Board has confirmed that MES **remains a going concern,** supported by a reduced cost base, the restructuring of historical obligations, strengthened financial oversight and a focused sustainability strategy.

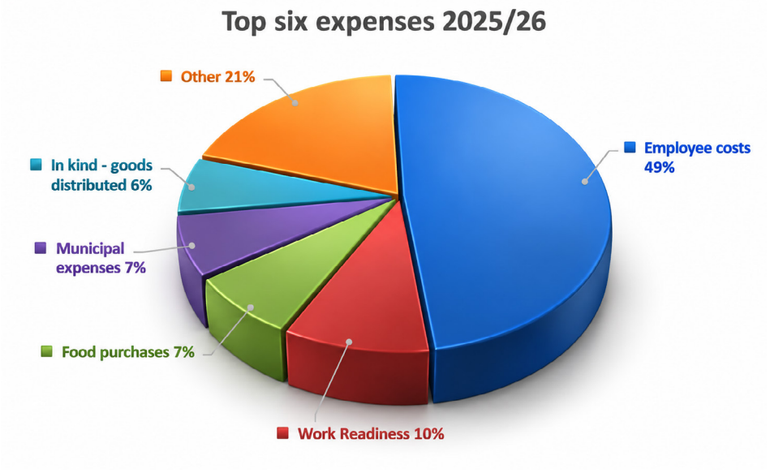
The 2025/26 financial year has been a season of hard choices carried through. Where the previous year was one of recalibration, this year was one of implementation – and the results show a smaller, more focused organisation that served more people than ever while closing the gap between what it spends and what it receives.

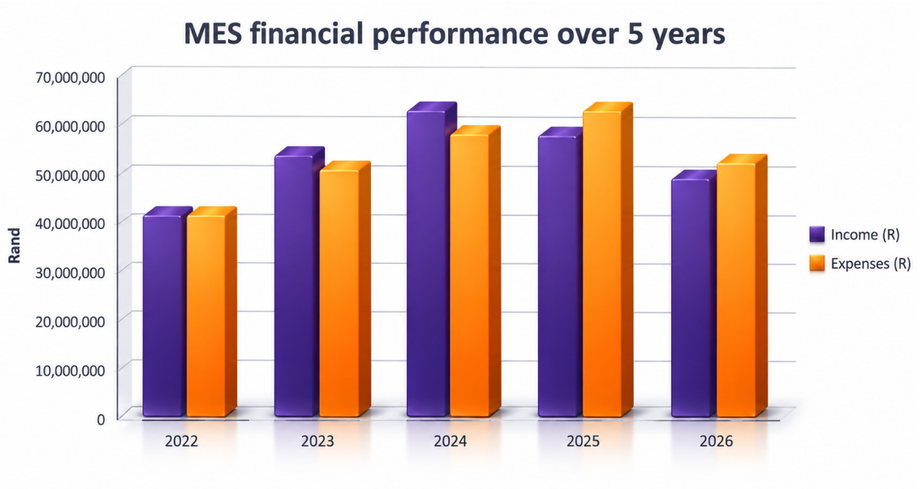
We are grateful to our staff that remained loyal and resilient through a very challenging financial year.

We move forward with **gratitude for our partners, care for those we serve, and determination to build a resilient and sustainable organisation** that continues to create pathways out of homelessness and poverty.

We are grateful for His Grace that has brought us here.









STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2026

Figures in Rand	2026	2025
Assets		
Non-Current Assets		
Property, plant and equipment	16 435 239	18 779 805
Current Assets		
Trade and other receivables	2 976 581	793 615
Cash and cash equivalents	2 812 625	1 706 367
Total current assets	**5 789 206**	**2 499 982**
Total Assets	**22 224 445**	**21 279 787**
Equity and Liabilities		
Equity		
Retained income	10 556 892	14 287 781
Non-Current Liabilities		
Other financial liabilities	3 703 180	343 082
Current Liabilities		
Other financial liabilities	214 086	1 632 989
Deferred income	1 959 106	2 481 215
Trade and other payables	5 791 181	2 534 720
Total current liabilities	**7 964 373**	**6 648 924**
Total Liabilities	**11 667 553**	**6 992 006**
Total Equity and Liabilities	**22 224 445**	**21 279 787**

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 28 FEBRUARY 2026

Figures in Rand	2026	2025
Revenue generated	14 072 438	15 339 434
Government subsidies	10 665 880	11 662 164
Financial donations	21 760 415	26 508 640
Total revenue	**46 498 733**	**53 510 238**
Other income	526 414	–
Operating expenses	(49 501 246)	(58 430 954)
Operating deficit	**(2 476 099)**	**(4 920 716)**
Investment revenue	40 794	78 461
Finance costs	(113 556)	(58 784)
Motor vehicles returned – DSD	(1 182 028)	–
Goods and services received in kind	3 319 771	4 468 273
Goods and services in kind distributed / utilised	(3 319 771)	(4 468 273)
Deficit for the year	**(3 730 889)**	**(4 901 039)**

DETAILED STATEMENT OF COMPREHENSIVE INCOME — OPERATING EXPENSES

Supplementary information. This does not form part of the annual financial statements and is unaudited.

Figures in Rand	2026	2025
Advertising	(116 030)	(62 248)
Auditors remuneration	(163 357)	(611 006)
Bad debts	(105 512)	(567 130)
Bank charges	(347 526)	(267 481)
Basic care	(271 339)	(314 010)
Cleaning	(246 927)	(250 187)
Consulting and professional fees	(837 366)	(690 723)
Depreciation, amortisation and impairments	(1 584 026)	(1 848 476)
Disbursements to third parties	(560 855)	(18 488)
Employee costs	(25 615 590)	(27 206 212)
Enterprise expense	–	(88 453)
Equipment expenses	(74 972)	(619 043)
Fines and penalties	(30 492)	–
Food purchases	(3 835 164)	(8 871 145)
Functions, camps and outings	(63 573)	(231 680)
General expenses	–	(436 366)
Insurance	(693 799)	(686 771)
Lease rentals on operating lease and levies	(1 154 246)	(1 124 936)
Loss on sale of assets	(4 546)	–
Medical expenses	(85 144)	(96 713)
Motor vehicle expenses	(882 307)	(1 519 557)
Municipal expenses	(3 811 688)	(4 377 482)
Printing and stationery	(1 025 446)	(903 612)
Repairs and maintenance	(394 154)	(839 969)
Security	(813 663)	(876 212)
Software expenses	(216 736)	(320 736)
Subscriptions	–	(13 803)
Telephone	(429 402)	(418 499)
Training	(507 493)	(562 089)
Training – GROW stipends	(5 426 465)	(4 488 654)
Travel – local	(203 428)	(119 273)
Total operating expenses	**(49 501 246)**	**(58 430 954)**



TAX BENEFIT

MES AND SECTION 18A

The South African government recognises that many organisations rely on public generosity and encourages this support by allowing taxpayers to deduct qualifying donations from their taxable income.

MES IS A PUBLIC BENEFIT ORGANISATION WITH SECTION 18A STATUS

MES is a registered Public Benefit Organisation (PBO) with SARS and, as such, enjoys tax-exempt status. This means MES is exempt from certain taxes, including income tax, transfer duties and skills development levies.

In addition, MES holds Section 18A status. This enables donors to receive a tax-deductible benefit and certificate for bona fide cash or in-kind donations made to MES, provided the donation meets the requirements of the Income Tax Act.
Donors may claim a deduction of up to 10% of their taxable income per year. Any amount above this limit may be carried forward to the following year of assessment.

Section 18A eligibility applies only to certain public benefit activities as defined by law. Most MES activities qualify; however, spiritual enrichment activities do not. Donations allocated to non-qualifying activities cannot receive Section 18A tax-deductible receipts.

REQUIREMENTS OF A VALID SECTION 18A RECEIPT OR CERTIFICATE

MES will issue a Section 18A certificate on request for income tax return purposes. All certificates issued are submitted to SARS twice a year, meaning donor information is shared with SARS via a prescribed declaration form.

To be accepted by SARS, a Section 18A certificate must include the following:

- Recipient information:
- Section 18A reference number issued to MES by SARS
- Date the donation was received
- MES name and address for enquiries
- Unique receipt number
- Donation amount or description of goods (for non-cash donations)
- Confirmation that the receipt is issued under Section 18A and that the donation will be used exclusively for approved activities

Donor information:

- Donor's name and address
- Donor type (individual, company, trust, etc.)
- ID type and country of issue (for individuals)
- Donor ID or registration number
- Donor income tax reference number (if available)
- Donor contact number
- Donor email address
- Trading name (if different from registered name)

NON-QUALIFYING DONATIONS

Under SARS regulations, the following donations do NOT qualify for a Section 18A deduction. MES cannot issue a Section 18A receipt for:

- Professional services rendered free of charge
- Payments for fundraising events (for example, dinners and charity golf days)
- Donations of memorabilia or goods intended for auction
- Amounts paid for the successful bid on auctioned items
- Payments for raffle or lottery tickets
- School fees, entrance fees or compulsory school levies
- The value of free rent, water or electricity provided by a lessor
- Payments of an organisation's debt made directly to a third party instead of to the PBO
- Prizes or sponsorships for fundraising events (for example, charity golf days)
- Tithes and offerings to churches or religious organisations for religious activities
- Membership fees

We encourage donors to consult their accountants, as some non-qualifying donations may still be deductible as standard business expenses.

GOODS-IN-KIND DONATIONS

Tangible goods, including food, clothing, equipment or blankets, qualify for Section 18A receipts if donated bona fide and allocated to eligible public benefit activities.

The donor is responsible for substantiating the value of goods donated. Section 18A receipts from MES will reflect an estimated value. SARS may request supporting documents such as invoices or valuation certificates when donors submit their tax returns.

Please consult your accountant to confirm whether goods purchased and delivered to MES should be treated as an expense or a donation, as companies may not claim the cost twice.

VAT ON DONATIONS

For VAT-registered donors, note that donations are generally not subject to VAT, as nothing is supplied in return. If the donor issues a pro forma invoice for internal record-keeping, no VAT should be included.

CLOSING

We trust this information is helpful. For further enquiries, please contact our finance department at **finance@mes.org.za**





DONOR
ACKNOWLEDGEMENTS

(GIK) indicates donors who gave goods or services in kind.

PLATINUM R500 000 AND ABOVE

Citi Foundation

GOLD R100 000 TO R499 999

- APL Cartons
- Beeld-kinderfonds
- Boston City Improvement District
- City of Cape Town
- de Frey T
- Department of Public Works (EPWP)
- Du Toit Christo
- FJL Wells Will Trust
- Friends of Butterfly
- Hamman Thinus
- Hillbrow Ekhaya Improvement District
- Independent Development Trust (IDT)
- James Richie Trust
- JMJ Donation
- Johannesburg Inner City Partnership
- Lategan Wikus
- Letsatsi Finance and Loan (Pty) Ltd (GIK)
- MES Khula Sustainability Trust
- National Treasury SA
- Nexia SAB&T (GIK)
- NG Kempton-Kruin
- NG Sinode Hoëveld
- Salt River Business Improvement District
- Santam Ltd
- Securitas SA
- Transport Improvement District
- Tree Of Life Foundation
- TruckFuelNet
- Urban East Alliance
- Welgemoed City Improvement District
- Western Cape Department of Social Development
- Woodstock Improvement District (WID)

SILVER R50 000 TO R99 999

- Bariben Trust IT5035/99
- Beyond Legacy Partner Trust
- Bezuidenhout Waldo
- Bridge-ed Foundation
- Capital Propfund Pty Limited
- Claassen Daniel Gerhardus
- Coetzee J
- da Veiga A
- Dankitog Trust
- de Villiers Louise
- Doxa Deo Midstream
- Dr Francois du Toit INC
- Dr Karin Strauss INC
- Eastern Cape Department of Social Development
- Fanie Botha Familie Trust
- Ferreira Karen
- Friends of St George's Park
- Gautrain GMA SIP (GIK)
- Koster JHB
- NG Kerk Sonstraal
- NG Sinode Wes Kaapland
- Northpine City Improvement District
- Paternoster Trust
- PKF Cape Town
- Power Construction (Pty) Ltd
- Protea Toyota
- Puma Sports SA (Pty) Ltd (GIK)
- ReNew Trust
- Robinson Adrian Arthur
- Shofar Durbanville
- Sihambana NPC
- Siyavuka for Kids NPC
- Snaddon Susan
- Stikland Industrial City Improvement District
- The Primal Masters (Pty) Ltd (GIK)
- Tuhf Capital Services (Pty) Ltd
- Tygervalley Improvement District (TVID)
- Uss Pactech
- van Antwerpen PHA
- van Rensburg Neil
- van Sittert A
- van Zijl Petrus

BRONZE R10 000 TO R49 999

- Albany Bakeries (GIK)
- Alberts Louis
- Anchor Ind
- Aucamp Wimpie
- Autus Foundation NPC
- BCE Food Services (GIK)
- Beaconvale City Improvement District
- Bhoora RV
- Blignaut Johan
- Blom Lucette
- Boer Pieter
- Booysen Vasti
- Bowler Packaging
- Brackenfell Business Improvement District
- Brand Alexa
- Bunches For Africa Western Cape (PTY) LTD
- Burgess
- Central Special Rating Area (SRA)
- Cillié Stephan
- Claremont Laerskool
- Coetzee Louis
- Common Ground Church
- CY Collective Market
- Dairy Exchange (Pty) Ltd (GIK)
- Davids Petula
- De Bruyn Renier
- Debby Van Antwerpen
- Diaconie of the Koningskerk
- Diedericks Gustav
- Dixon Elsbeth
- Dr CH Badenhorst
- Dr Daniel Francois Du Toit INC
- Du Toit Jan Louis
- Du Toit Jurgens
- du Toit Rene
- Durbanville Catholic Church
- Eksteen Stephanus Francois
- Elsies River City Improvement District
- Epping City Improvement District
- EXEO Fund Advisors
- Falck Denis
- Ferreira Miguel
- Flemming HCJ
- Fouche Rizta
- Fourie L
- Fourie Reanne
- Friends of Golf South Africa NPC (GIK)
- Gergem Geldelike Hulp
- Gelderblom Dalene
- Geocentric Urban Management
- Giant Marketing
- Grant Morton
- Grey High School
- Grimbeek Norman
- Grobler Jacobus André
- GTP Connect (Pty) Ltd
- Hoffman Lisa Elizabeth Maria
- Kamffer C
- Karma Property Investments 29 (Pty) Ltd
- Kendal Road Neighbourhood Watch
- Kenridge Gemeente
- Kruger Louis
- Lamprecht MC
- Lategan Jan Felix
- Laubscher Jacob Johannes
- Le Roux Charl
- Len Neel
- Lencoe Ofentse
- Lessing Carli
- Lord & Lady Lurgan Trust
- Maitland City Improvement District
- Malan Gerlinde
- Marais Jan Gabriël
- Maranatha Community Church
- Marble Collegiate Church
- Meyer Estelle
- MICA Spiros Stores Durbanville
- Mr Delivery
- Muggie fonds
- Murray Christo
- Nel Rutgert
- Nell CJ
- Neo Spektrum (GIK)
- Newton John
- Newton Park Methodist Church
- NG Durbanville Bergsig
- NG Gemeente Monte Vista (GIK)
- NG Gemeente Parkkruin Familiekerk
- NG Gemeente Parow (GIK)
- NG Kerk Durbanville
- NG Kerk Durbanville Moedergemeente
- NG Kerk Stellenberg (GIK)
- NG La Rochelle
- NG Ring Kempton Park
- Nicarela Charity
- NoChill Pty Ltd
- Novico
- Novo Futurum
- O'Brien Michelle
- Oosthuysen JG
- Pass Jackeline Doreen
- Paterson Road Investments (Pty) Ltd
- PEP A Division of Pepkor Trading
- Pienaar Francois
- Pienaar Linette
- Plastic Accent
- Premier FMCG (Pty) Ltd (GIK)
- Raath Rudolph
- Radio Tygerberg
- Rauch Michelle
- Rautenbach Wilna
- R&H Erasmus Trust
- Robalex Investments CC
- Rossouw Elsje Johanna
- Rossouw Paul Johannes
- SA Harvest (GIK)
- Salem Full Gospel Church
- Schoonwinkel Louise Lydia
- Shepherd Financial Services (Pty) Ltd
- Shipshape Software
- Skye Retail Services CC
- Smit Catherina Wilhelmina
- Smit Jozua
- Snijders J
- SnoMaster
- Soli Deo Gloria
- Sound Doctrine Parow
- South African Avocado Growers Association
- South32
- Southern Oceaneering
- St. Vincent de Paul
- Standard Bank (GIK)
- Steenkamp Floris
- Steenkamp W
- Steenkamp Willem Petrus Jacobus
- Tavcor Motor Group (Pty) Ltd (GIK)
- Teraco Data Environments (Pty) Ltd (GIK)
- The Carl & Emily Fuchs Foundation
- The Star Foundation (GIK)
- Thembekile Waste Management
- Tjaard Du Plessis
- Turner Carol
- Turner MMC
- Uys Anton
- van Deemter Linda
- van den Heever RJ
- van der Merwe Johan
- van Graan Danie
- van Graan Willem Jakobus Bruwer
- Van Jaarsveld Pieter
- Van Niekerk CA
- van Wyk G
- Venter Tertius
- Venter Willem Jacobus
- Visagie Aleta
- Visser Catherina
- Visser Elizme
- VKG Bellville
- Vorster Corlia
- Vredelust Gemeente
- Walmer Park Shopping Centre (GIK)
- Wandrag Carel
- Warren Henning
- Wilkins Rees
- Zimbulk Tankers

We also thank every donor who gave anonymously, and those we could not name here because of limited space. Each contribution is deeply valued.



MES JOHANNESBURG

Snap here to pay
SnapScan

ABSA Bank
Account holder: MES General
Account number: 3240140208
Branch Code: 632 005
Swift Code: ABSA_ZAJJ

MES CAPE TOWN

Snap here to pay
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ABSA Bank
Account holder: MES Cape Town
Account number: 4058062432
Branch Code 632 005
Swift Code. ABSA_ZAJJ

MES GQEBERHA

Snap here to pay
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ABSA Bank
Account holder MES Port Elizabeth
Account number- 4073401835
Branch Code: 632 005
Swift Code: ABSA_ZAJJ

MES KEMPTON PARK

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ABSA Bank
Account holder. MES Kempton
Account number 9228657779
Branch Code: 632 005
Swift Code ABSA_ZAJJ

MES
Changing the heart of the city!

CONTACT NUMBERS:

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MES Kempton Park: 011 024 4580 - 6 Kempton Road, Kempton Park
MES Cape Town: 021 949 8736 - 3 Davies Street, Bellville
MES Gqeberha: 041 451 2657 - c/o Kempston Rd and Hiles, Korsten

MES LEGAL STATUS:

Non-Profit Company (NPC):
1989/004921/08
NPO: 023-603
PBO: 930003011
18A RG/0012/09/04
CPO (Child Protection Organisation)

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