



**ANNUAL REPORT**

**APRIL 2015/MARCH 2016**

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# WHO WE ARE

The Topsy Foundation NPC (hereafter referred to as Topsy), is a fully registered and internationally-respected South African Non Profit Company and Public Benefit Organisation which provides relief services to some of South Africa's most under-resourced rural communities.

Topsy partners with communities based in the sub-district of Dipaleseng. Dipaleseng is located in the district of Gert Sibande in Mpumalanga.

## Mission

The Topsy Foundation's mission is to ensure that severely poverty stricken children in rural communities reach their full potential.

## Vision

The Topsy Foundation's future vision is to develop thriving sustainable rural communities by creating lasting transformation in individuals' lives.

## Values

- Compassion
- Commitment
- Excellence
- Honesty
- Transparency

## Executive Directors

Silvia de Jager, Jana Oosthuizen (as at 31 March 2016)

## Non-Executive Directors

Sandesh Singh (Chairperson), André Gilbertson, Zachariah Sethojane, Rob Seddon, Dave Heidrich, Abey Mokgwatsane (as at 31 March 2016)

# EXECUTIVE DIRECTORS REPORT

As we end another year, we celebrate our progress but also acknowledge that we have faced numerous setbacks and challenges. Without a doubt, we will continue to learn and grow from our efforts, but look forward to the strength of the organisation that we will see evolve as a result. This report will provide you with an overview of our achievements and challenges this past year.

We are proud to report on the following milestones during this period :

- We partnered with 23 day care centres and 1 centre for special needs children, providing practitioner training, educational resources, medical and psychosocial support, as well as food security. These above mentioned services benefitted over 1,300 on average every month.
- 48 children received educational and nutritional support every month by attending our after school programme run by a qualified school teacher.
- 60 children received school uniforms, as well as food and hygiene parcels for themselves and their families every month.
- On average, 530 home visits were performed every month by our community health care workers.
- 320 children received full medical checks every month by qualified medical staff. Medication for opportunistic infections and x-ray facilities were provided, if necessary.
- By March 2016, 145 individual vegetable gardens were maintained, providing nutrition to 450 beneficiaries per month.
- 21 communal vegetable gardens fed 966 beneficiaries every month.
- Through our Enterprise Development Programme, on average 15 crafters receiving a monthly income.
- A total of 648 pap smears were done and 51 women received colposcopic biopsies. Women with abnormal results are then referred to tertiary institutions, with transport provided by Topsy.
- A total number of 1,455 medical male circumcisions were done in this period.

The accompanying financial statements include the accounts and transactions of the Topsy Foundation, as well as MasterProps 324 and 341 which hold the fixed property owned wholly by the Topsy Foundation.

The large deficit reflected in this period was due to the inability to reach breakeven on two programmes, namely the Medical Male Circumcision Programme (MMC) and Enterprise Development Programme (ED). The board has taken the decision to end both programmes as at July and May 2016 respectively to eliminate any further losses to the organisation and to ensure that total focus can now be channelled to the organisation's main focus area of care and protection of orphaned and vulnerable children.

The MMC programme in South Africa has seen a decrease in numbers nationally, and despite the organisations best efforts to educate the communities on the benefits of the procedure, it has been unsuccessful in recruiting sufficient beneficiaries to cover the expenses raised. In addition, the programme is highly seasonal in nature making it a challenge to run over a 12-month period.

Going forward, the ED Programme will be managed but the two consultants who have had significant experience running both the beadwork and sewing projects at Topsy in the past. The entity will be fully independent, trading as the Grootvlei Crafters.

As emotional and painful a process as this was, the Board were unequivocal in the knowledge that this was essential for the sustainability and growth of the organisation going forward.

The Topsy Foundation has an excellent track record of achievement and with the condensed and consolidated Topsy in place, the board are confident that this can be sustained over the coming years. Our strategic direction is one of innovation, development and sustainability and we look forward to another year in which we can plan for efficient and effective services.

We thank our dedicated staff, who worked tirelessly to serve the needs of civil society, the poor and the disempowered. To all our donors and friends, thank you for your support. We hope that you will continue to assist Topsy in the future and extend an invitation for you to visit our Sanctuary in the future to see what an incredible difference Topsy makes to the communities we serve through your belief in our work.



# WHAT WE DO

## MAIN PROGRAMMES

### OVC PROGRAMME

#### Improved Education

- ECD practitioner training
- Access to Toy Library
- Provision of educational resources
- After School Programme
- Provision of school uniforms

#### Improved Health

- Health screening for children

#### Psychosocial Support

- Home visits
- Holiday and Life Skills Programme
- Individual counselling
- Facilitation of access to grants, birth certificates and ID documents

#### Increased Food Security

- Individual and Communal vegetable gardens
- Food and Hygiene Parcels

### MEDICAL PROGRAMMES

#### Cervical Cancer Screening

#### Medical Male Circumcision

#### X-ray and Pharmacy facilities

### ENTERPRISE DEVELOPMENT

#### Beadwork and Sewing Projects



# PERSONAL STORIES



This is one of our children in our OVC programme, Bongumisa Dlamini. Her granny Francina Dlamimi has looked after her and two other siblings. She came to Topsy's attention when she was three months old. Her mom passed away and Topsy has been involved with this family ever since. We assist with nappies, milk, medicine, blankets and monthly food parcels.

This little girl is now 18 months old and look how beautiful she has grown up with the care of her granny and Topsy's assistance.



The ASHA Trust partnered with Topsy to deliver C.A.R.E Skills Development Training in the Dipaleseng Municipality in 2015.

Through a consultation process with the community and the Department of Social Development, 20 ECD centres were selected to be on the programme.

The programme was offered to site heads (principals) who own the ECD centres. ASHA's focus is on centre-based programmes in order to have a sustainable impact on the systems implemented and for children at these centres to develop holistically.

The C.A.R.E. programme is a foundation ECD skills development programme and is designed to provide basic knowledge and understanding of the early childhood education framework in South Africa. It provides an understanding of the Child Care Act, proper governance of pre-schools, including the importance of committees and parental or guardian participation, pre-school administration and statutory prerequisites; as well as the basics of child development needs and the use of age appropriate learning resources in child development.

Topsy assigned one Social Worker to work with a Facilitator from ASHA as part of skills transfer for the community. This proved to be highly successful and impactful for all the site heads who completed the programme.



# FINANCIAL RESULTS

The accompanying financial statements include the accounts and transactions of The Topsy Foundation NPC (Group), and the combined accounts and transactions of The Topsy Foundation NPC and Masterprops 324 Proprietary Limited and Masterprops 341 Proprietary Limited (Group). Masterprops 324 Proprietary Limited and Masterprops 341 Proprietary Limited hold the fixed property used by The Topsy Foundation NPC. The aforesaid subsidiaries are wholly owned by The Topsy Foundation NPC.

From 1 April 2015, The Topsy Foundation NPC (Topsy) continued with four major programmes, namely the Orphaned and Vulnerable Children Programme (incorporating early childhood development, home-based care and vegetable gardens), Medical Male Circumcision Programme, Cervical Cancer Screening Programme and the Enterprise Development Programme (incorporating beadwork and sewing).

All costs not identifiable with a single project but indispensable to the conduct of such projects and activities and the Foundation's existence are included as "Administration" expenses. Expenses that benefit more than one project of the Foundation are allocated proportionately between the programmes based generally on the amount of time spent by the employees, and the cost in question. If a substantial percentage of the costs are relevant to one programme, the expense is allocated to that project.

The large deficit reflected in this period was due to the inability to reach breakeven on two programmes, namely the Medical Male Circumcision Programme (MMC) and Enterprise Development Programme (ED). The board has taken the decision to end both programmes as at July and May 2016 respectively to eliminate any further losses to the organisation and to ensure that total focus can now be channelled to the organisation's main focus area of care and protection of orphaned and vulnerable children.

The MMC programme in South Africa has seen a decrease in numbers nationally, and despite the organisation's best efforts to educate the communities on the benefits of the procedure, it has been unsuccessful in recruiting sufficient beneficiaries to cover the expenses incurred. In addition, the programme is highly seasonal in nature making it a challenge to run over a 12-month period.

Going forward, the ED Programme will be managed by the two consultants who have had significant experience running both the beadwork and sewing projects at Topsy in the past. The entity will be fully independent, trading as the Grootvlei Crafters.

The board is confident that the restructuring of the programmes will enable the organisation to strengthen its existing programmes even further, further increasing the impact on the communities we serve.

**The Topsy Foundation NPC and its subsidiaries**  
**(Registration number 2000/027675/08)**  
**Financial Statements for the year ended 31 March 2016**

**Statements of Financial Position**

	<b>2016</b>	<b>2015</b>
	<b>R</b>	<b>R</b>
<b>Assets</b>		
<b>Current Assets</b>		
Trade and other receivable	522,588	461,394
Cash and cash equivalents	<u>1,750,065</u>	<u>2,901,157</u>
	<u>2,272,653</u>	<u>3,362,551</u>
<b>Non-Current Assets</b>		
Property, plant and equipment	318,686	433,366
Investments in subsidiaries	<u>2,235,700</u>	<u>2,235,700</u>
	<u>2,554,386</u>	<u>2,669,066</u>
<b>Total Assets</b>	<b><u>4,827,039</u></b>	<b><u>6,031,617</u></b>
<b>Equity and Liabilities</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Loans from group companies	158,670	158,670
<b>Other payables</b>	<u>218,907</u>	<u>210,173</u>
	<b><u>377,577</u></b>	<b><u>368,843</u></b>
<b>Equity</b>		
Accumulated funds	<u>5,449,462</u>	<u>5,662,774</u>
<b>Total Equity and Liabilities</b>	<b><u>4,827,039</u></b>	<b><u>6,031,617</u></b>

**The Topsy Foundation NPC and its subsidiaries**  
**(Registration number 2000/027675/08)**  
**Financial Statements for the year ended 31 March 2016**

**Statements of Comprehensive Income**

	<b>2016</b>	<b>2015</b>
	<b>R</b>	<b>R</b>
Revenue	8,781,318	9,426,560
Other income	-	12,692
Administration expenses	(1,386,709)	(1,879,340)
Cervical Cancer Screening	(186,215)	(105,783)
Medical Male Circumcision	(1,538,886)	(1,523,235)
Orphaned and Vulnerable Children	<u>(6,598,258)</u>	<u>(5,107,740)</u>
<b>Operating surplus (deficit)</b>	<b><u>(928,750)</u></b>	<b><u>833,154</u></b>
Finance income	82,330	94,757
Finance costs	<u>-</u>	<u>(4,053)</u>

<b>Surplus (deficit) for the year from continuing operations</b>	<b>(846,420)</b>	<b>923,858</b>
<b>Discontinued operations</b>		
Deficit from discontinued operations	<u>(366,892)</u>	<u>(716,993)</u>
<b>Surplus (deficit) for the year</b>	<b>(1,213,312)</b>	<b>206,865</b>
Other comprehensive income	-	-
<b>Total comprehensive surplus (deficit) for the year</b>	<b><u>(1,213,312)</u></b>	<b><u>206,865</u></b>

**The Topsy Foundation NPC and its subsidiaries**  
**(Registration number 2000/027675/08)**  
**Financial Statements for the year ended 31 March 2016**  
**Statement of Cash Flows**

	<b>2016</b>	<b>2015</b>
	<b>R</b>	<b>R</b>
<b>Cash flows from operating activities</b>		
Cash used in operations	(1,233,422)	167,937
Interest income	82,330	94,757
Finance costs	<u>-</u>	<u>(4,053)</u>
<b>Net cash from operating activities</b>	<b>(1,151,092)</b>	<b>258,641</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-	(107,137)
<b>Total in cash and cash equivalents movement for the year</b>	<b>(1,151,092)</b>	<b>151,504</b>
Cash and cash equivalents at the beginning of the year	<u>2,901,157</u>	<u>2,749,653</u>
<b>Cash and cash equivalents at end of the year</b>	<b><u>1,750,065</u></b>	<b><u>2,901,157</u></b>

## 8. Revenue

### Donations in kind

	<b>2016</b>	<b>2015</b>
-Crossroads	1,882,407	1,106,251
-Department of Health	300,422	257,035
-Ogilvy and Mather South Africa	777,928	1,191,090
-Other	1,105	-
-PricewaterhouseCoopers Inc.	246,540	232,585
-Royale International Couriers Proprietary Limited	22,821	-
	<b><u>3,231,223</u></b>	<b><u>2,786,961</u></b>

### Cash donations

-ABSA Bank Limited	-	10,800
-Afrigis	6,000	-
-AJ Rattey	16,500	-
-Amex	6,250	-
-Amrod Group	44,999	65,840
-Anglo American Chairman's Trust	450,000	450,000
-Carl and Emily Fuchs Foundation	10,000	-
-Crossroads Church	1,557,040	2,060,636

-DG Murray Trust	83,000	-
-DisChem Foundation	120,000	120,000
-Domain Name Services	-	50,000
-Eagle Oil/Reliable Paraffin	11,000	-
-Givengain	100,197	53,640
-Global Giving	20,941	-
-HCI Foundation	40,000	40,000
-Hermann Olthaver Trust	35,000	30,000
-Kurt and Cindy Firnhaber	50,000	-
-LP Architects	-	15,000
-LYT Architects	10,000	-
-M&F Business Furniture	5,000	-
-Media 24	10,640	-
-N3 Toll Concession	200,000	225,000
-NLDTF	-	743,569
-Ogilvy and Mather South Africa Proprietary Limited	216,000	216,432
-Origin Alumunium	10,000	-
-Other	43,813	85,990
-RB Hagart Trust	-	200,000
-Right to Care (Cervical Cancer)	338,505	383,119
-Right to Care and CHAPS (Medical Male Circumcision)	1,096,875	1,023,750
-Roses and Rosemary	119,700	103,740
-S Reddy	1,300	1,100
-Strate	120,000	110,000
-Topsy United Kingdom	510,926	255,406
-Topsy US	126,720	12,452
-Value Logistics	-	40,000
-Veolia Water	-	112,000
-Phil Collins   Warner Music	165,689	219,125
-Zingaro	24,000	22,000
	<b><u>5,550,095</u></b>	<b><u>6,649,599</u></b>
	<b><u>8,781,318</u></b>	<b><u>9,436,560</u></b>

## 9. Expenses by nature

### In kind

Audit fees	246,540	232,585
Advertising	103,931	338,532
Computer expenses	99,840	101,760
Courier and postage	30,021	7,200
Medication	301,527	257,035
Patient Food	1,882,407	1,106,251
Rental	472,013	591,258
Stationery	36,048	72,600
Telephone	30,264	28,560
Water and Electricity	<u>28,632</u>	<u>51,180</u>
	<b><u>3,231,223</u></b>	<b><u>2,786,961</u></b>

**Operating**

Accounting fees	34,758	80,031
Bad debt	13,148	-
Bank charges	19,035	23,866
Community Projects	154,507	155,267
Computer expenses	56,174	47,001
Courier and Postage	890	626
Depreciation	114,680	196,752
Employee benefit expenses	4,396,008	3,653,976
Fundraising expenses	46,157	211,503
Insurance	95,225	89,956
Medication (for opportunistic infections)	77,057	83,799
Motor vehicle expenses	266,319	193,604
Food and Housekeeping	312,626	299,618
Patient transport	214,739	210,845
Printing and Stationery	78,737	97,280
Rental	6,726	7,200
Repairs and Maintenance	85,515	75,664
Telephone	123,075	86,855
Training	152,233	28,179
Water and Electricity	6,478	133,587
Other	224,758	153,803
	<b><u>6,478,845</u></b>	<b><u>5,829,137</u></b>
<b>Total expenses</b>	<b><u>9,710,068</u></b>	<b><u>8,616,098</u></b>



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