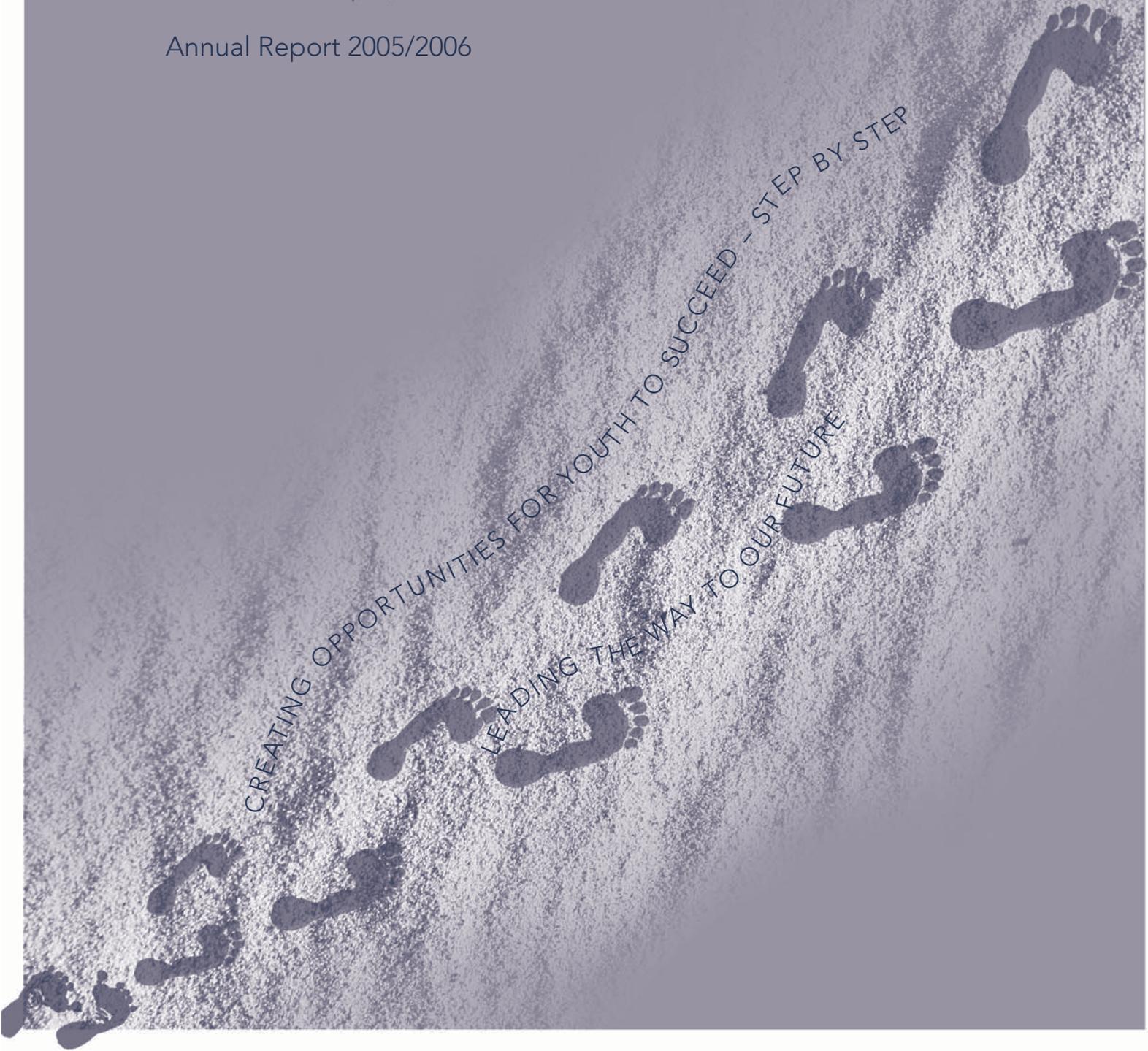




Girls &
Boys Town

Annual Report 2005/2006

CREATING OPPORTUNITIES FOR YOUTH TO SUCCEED - STEP BY STEP
LEADING THE WAY TO OUR FUTURE





Delivering value

To the Community and society we contribute through:

- > Socially responsible child care facilities, programmes, services and initiatives
- > A dedicated focus on providing opportunities for our youth where others have given up hope
- > Innovative, effective programmes and services that meet youth, family and community needs
- > Conversion of liabilities into assets for our society



To Investors we offer:

- > Programmes that serve youth, families and communities
- > Our knowledge, skills and experience to the field of childcare
- > Transparency and accountability to our donors and investors



VISION

Successful Youth:
our Strength, our Future

MISSION

Creating Opportunities for
Youth to Succeed

VALUES

Responsibility in Caring



CHAIRMAN'S STATEMENT

During the year under review, Girls and Boys Town South Africa (GBTSA) has continued to provide services within its mission – to meet the needs and requirements for youth at risk and to give them another chance. As each year passes we continue to see more children in desperate need. Our response continues to be motivated by the words of Father Flanagan, the founder of Girls and Boys Town USA: “No community can feel satisfied with its progress or prosperity if it has children who, through no fault of theirs, are growing up neglected.”

I wish to thank Board members, management and all employees of Girls and Boys Town for their ongoing dedication and service to the organisation. New terms of appointment were made in 2005 for Board members – we welcomed new Board members: Mrs Girly Kheswa, Mrs Eugène Smith and Mr Jan van der Berg. We acknowledged the contribution made by outgoing Board member, Mr Mike Frobus. Thank you to the other Board

members for your willingness to be of service for another term of office. I value your insight and guidance.

A rewarding finance workshop was held in April 2005 under the excellent facilitation skills of Brother Michael Burke. This workshop laid the foundation for changing the mindset of expenditure within the organisation. Under the CEO's leadership and the Finance Manager's excellent strategising, the organisation's overall financial state improved over the past year. Thanks go to all employees and youth of GBTSA for the cost-saving measures made at local level to keep expenditure down. I also wish to acknowledge the role played by our fund-raising staff for their enthusiasm and commitment in spite of the various challenges that they face.

Welcome, Ladies!

One of the highlights of the year was the official opening of the Alpha Home to girls that took place





in Cape Town during May 2005. We were honoured with the presence of Archbishop Tutu. In his address Bishop Tutu paid tribute to the role Girls and Boys Town has played in South Africa over nearly 50 years. He now hoped that girls would also benefit in the same way that so many boys have for so many years. In reflecting on the history of Girls and Boys Town in South Africa, I came across the following example of the role that women have played in the organisation over the years: "In 1962 the Board thanked Mrs Hussey, Girl Guides and Sisters of Marifont for 'licking' 30,000 Christmas cards stamps!"

Another highlight was the Board's visit to the Youth Development Centre in Macassar near Cape Town. We were impressed with the layout of the buildings and the programmes that were on offer to the boys. This was also the occasion for the full Board to meet with GBTSA's new Finance Manager, Mr Tommie Veldman, for the first time.

The Board continues to work and plan for Mr Joe Araujo's successor towards the end of 2007. In preparation for this, the job description of the CEO has been revised and updated. This time of transition – over the next 18 months – is both an opportunity and a significant challenge for the Board.

This report would not be complete without recognising and acknowledging the many loyal donors and benefactors of GBTSA. Thank you, again, for your financial and other support which helps our organisation make a difference to the society in which we live.

Brother Michael de Klerk
CHAIRPERSON



Brother Michael de Klerk



EXECUTIVE DIRECTOR'S REPORT – 2005/2006

'Girls and Boys Town' – The Brand/The Girls

The name-change of the organisation to 'Girls and Boys Town South Africa' has fascinated most individuals while the branding of the new name continues to be a challenge. Is it the same organisation? – so that, just when most people got to know the name, we changed the concept – and people wonder whether we house girls and boys in the same facilities. There is no such likelihood for the future as our facilities are not large enough to accommodate both sexes and the logistics would make it prohibitive.

We are into the second year of our work with girls and it's turning out to be a whole new learning experience for the childcare team! Or is it that we had become so used to dealing with the boys that we forgot that, while girls may come from similar circumstances, the impact of their environments is more severe? Challenges

they certainly are and the need for facilities for them is outstripping our ability to care for all those who call for help!

Strategic Planning – Financial Viability

The measures adopted by Board, senior Management and our youth to address the funding deficit paid off handsomely and we continue to identify opportunities to 'sweat our assets' – the Magaliesburg school was let to a Christian organisation, a portion of Kagiso-Randfontein is sublet and generating an income while in three of the four Youth Development Centres, the grounds are maintained by outside contractors. We continue to look at our core business with a view to further outsourcing those tasks that tie up our Principals so that they can focus on the youngsters in their care. We also reviewed our insurance portfolio and the costs of our annual audit and in both instances we were able to affect savings. We welcome BDO





Spencer Steward as our new Auditors and wish to thank PricewaterhouseCoopers for the service they rendered over many years.

Another area that is occupying our attention is determining the future strategic direction of the organisation. Faced with the many funding challenges, it is heartbreaking to turn away so many youngsters and families who do not fit within the ambit of our work and where alternatives are lacking. But then, we never set out to conquer the world and must be satisfied and take pride in the number of youngsters who have been successfully returned to their communities in the past 48 years.

Our People

One of the greatest challenges in the past year was the unprecedented loss of many of our long-standing and loyal staff who have rendered a wonderful service to the youngsters – staff at both

Projects and Development Offices. At times it felt as if the wheels of the organisation were coming off! Instead, we see it as an organisational renewal. It's as if this renewal is all in anticipation of my pending retirement. The fact we have been able and continue to attract people to this work, is a credit to the reputation we have established over the years and the people who serve it! More importantly, it is based on our strong faith that God will always 'send labourers into the vineyard' because as Father Flanagan once put, 'It is God's work not mine.' It is that same faith and trust that will help us find the right person to lead the organisation into the future! The process to find my successor is well on the way.

Funding

One of the most satisfying aspects in this field of work is witnessing the investment of so many individuals and corporations in our youngsters.



EXECUTIVE DIRECTOR'S REPORT – 2005/2006 *(continued)*

This must surely be the greatest source of satisfaction one can derive from this work. It is equal to watching our youngsters grow into confident, responsible young people! God continues to bless this organisation and His children with many generous individuals who respond to our approach – both personal and by letter – so that our children have an opportunity of a better life. We know that we will always have more clients than cash – and the fact that the public continues to invest in our work, is a great source of satisfaction. The help we now receive from the Lotto assists in extending our services to others.

The cost of maintaining such a large family and attracting and retaining good staff, will challenge not only our resources, but also our energies and stamina. The competition for the discretionary Rand will not abate but we know

that there is no one who will not stoop down to help a child – especially those children who are short in the material needs of this world. God bless you all in return!

Development programmes

Our affiliation and Site Certification from Girls and Boys Town in Nebraska USA ensures that our youth have the benefit of some of the best programmes in the world. Added to our own Peer-Group system of self-government, these programmes enable us to 'turn around' and place youth back in their communities in a much shorter time than was possible back in the early 1990s. Not only is this desirable but it has also enabled us to now extend and give attention to the homes, and work on the strengths of their families – a more holistic approach.





The issues and challenges facing the youth at Girls and Boys Town are the product and a tragic reflection of the state of our communities and our society today! A sad reality that has been with us for some time is the number of youth who have been dabbling and involved in substance abuse – to the extent that we have had to stretch our resources to develop a programme to assist them. If we don't, these youngsters have no future! While we previously excluded many of these youngsters, we are now building capacity to accommodate some of them without turning our facilities into rehabilitation centres! This curse facing our youth represents an additional challenge for the organisation and again demonstrates the organisation's willingness – thanks to our donors – to breach some of the deficiencies and programmes lacking in communities.

Outreach programmes

In the past decade, the organisation has been readying itself to break out into communities to share its knowledge and programmes with other residential facilities, youth, families, schools and communities. These have all been pioneered, 'indiginised' and adapted to South African conditions within the organisation – with both youth and the parents of youth in our care. In 2001, we pioneered the 'Well-Managed Classroom' programme firstly, in some of the most disadvantaged schools in the Western Cape and then rolled it out to schools in Gauteng. What we didn't anticipate was the lack of support and funding in public schools – which, while educators are desperate for skills to deal with issues of discipline, are unable to compensate us. We have been able, to a small degree, to overcome this obstacle by getting the support of corporates for whom it makes good business



EXECUTIVE DIRECTOR'S REPORT – 2005/2006 *(continued)*

sense to show their concern where they do their business – in the schools attended by the children of their employees.

As we do not plan to make use of the house in Port Elizabeth, we will soon extend these programmes to that region, an area that is sadly neglected and where families are crying out for our services. This will extend to, once more – with the support of the people of the region – taking youngsters from the region into our projects countrywide.

The mission and vision – future challenges

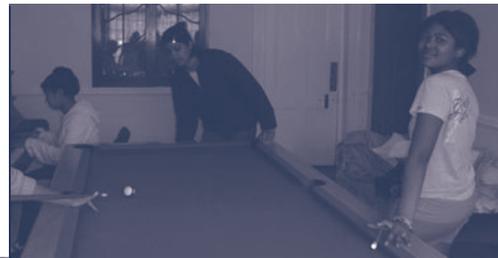
The knowledge we have accumulated over the past 48 years places the organisation in a wonderful position to become a significant role player in the field of child and youth care and education. The two are inextricably bound and the organisation has the knowledge and expertise to impact on

both fields – in the home, the school and in communities.

The greatest threats to the country and the challenges facing the organisation are those of financial and people resources and education of the broader public in order to carry out our mission and vision – to change the way South Africa cares for its children, because as the late Oliver Tambo put it:

“A people, a nation, a country that does not care for its children, has no future and deserves none.”

There are many deficiencies in the childcare and child justice system which impede our ability to help more children and families. Girls and Boys Town not only has a role to play but an obligation to challenge and help remove those obstacles that make it onerous for us to stretch out a hand to more children and families.





Thanks and appreciation

I hope to enjoy the financial support of our donors and the assistance of our Board of Trustees and my colleagues in my final year with the organisation. It has been an incredible journey and a privilege for me to be a small part of the lives of thousands of young people who today excel in their communities.

My heartfelt thanks and appreciation to the Board and our people for the role they play in the lives of our children and for guiding the organisation through many storms. To our donors, may you be rewarded abundantly as you enable us to reach out

to more children and families so that we are able to build a better society, a better nation.

God bless you!

Joe Araujo
EXECUTIVE DIRECTOR



Joe Araujo



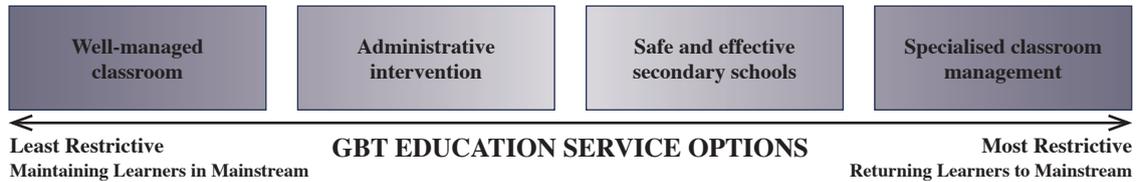
YOUTH SERVICE OPTIONS

Growth, development, changes, challenges and opportunity ... words best describing Girls and Boys Town: Youth Services activities during 2005/6.

Not only does any Girls and Boys Town service user – children, youth, families, schools, professionals, care-givers, etc – have a range of options and services to select and benefit from, but services and workshops complement and build on one another. Thus, services users continually add depth and capacity to their strengths and learning as they enter different service options, in the RESIDENTIAL sector – as follows:



Similarly, Girls and Boys Town Training and Resource Centres have increased their work with community-based schools, especially in the Gauteng and Western Cape regions, where we now also offer educationalists service/ programme options in addressing the well-documented challenges faced by schools in the country. The Girls and Boys Town EDUCATIONAL services and workshop options include:





Thus, Girls and Boys Town continues to develop and expand ever-increasingly effective and extensive Residential Centres and services and COMMUNITY-BASED SERVICES via our TRAINING And RESOURCE CENTRES and national Hotline service

Staff, too, have applied themselves to great levels of excellence – achieving academically, attaining Girls and Boys Town annual certification and contributing to the general development of both the Child and Youth Care and Social Work fields and professions.

The Training and Resource Centres trained 2 673 educators in 136 schools impacting on 83 128 learners, including working directly with educational departments on the regional and national level as well as directly with learners. Feedback from both adult and youth/learner participants has been exciting and positive:

“At the moment I have no problems because I am trying to change. The things that I used to do will not help me in life so I thank Girls and Boys Town for helping me in a way that I can carry on changing while there is still hope for me” – Learner (Learner Skills Development Workshop).

“It helped to guide us on management systems and methods on how to resolve conflict situations between educators and learners” – Principal (Administrative Intervention Workshop).

“I am recommending this workshop to others because it is helpful to develop strategies of dealing with learners and other people and implant what I have learned” – Educator (Well-managed Classroom Workshop).

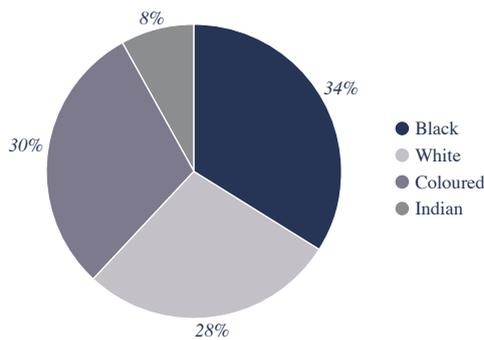


YOUTH SERVICE OPTIONS *(continued)*

Ethnicity

Girls and Boys Town strives to ensure that no young person is excluded from receiving care due to religion, ethnicity, gender or economic circumstances.

Youth ethnicity as at March 2006



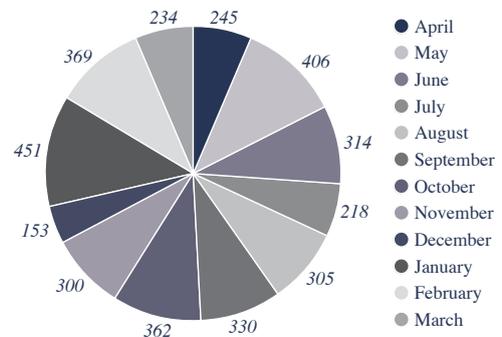
Similarly, staff who care for and serve these young people and families receiving our services, should be representative of those with whom they work and serve. Youth and staff – from Management to online workers – are involved in ongoing development and training, designed to heighten cultural understanding and sensitivity as well as appreciation of the joy of their individual uniqueness and diversity.

National Hotline (0861-58-58-58)

The National Hotline service has seen an increase in calls from the previous financial year to 3 687 calls during this period with, interestingly, an increase in ‘girl related issues’ following the introduction of residential services for girls. The Hotline service has not been limited to telephonic communications or short-term face-to-face counselling alone. It has assisted families, youth and agencies with professional services and support to ensure more prompt and efficient service-delivery to youth and families.

It has been a very exciting year for Girls and Boys Town staff, youth and all of those community-based youth and adults – and sponsors and donors – with whom we have had the pleasure and honour of working with in our mission to make a difference.

Calls per month



3 687
Average: 307



186
Average: 15.5



9
Average: 0.75

A PARTNERSHIP IN SOUND FINANCIAL MANAGEMENT

Financial report

Our sole vision with regard to financial management is to apply the gifts that our donors so generously give us – which we are extremely grateful for – in the most effective manner. The aim is to distribute the biggest percentage we possibly can to reach the youth that we serve.

After all, 79% of our income is derived directly from our donors. The 11% we receive from government subsidies is clearly not sufficient to meet the ongoing and ever-increasing demand for funding to serve the youth in our care.

The biggest percentage of our donations income received originates from monthly debit orders, which allow us to do proper financial planning due to the certainty of the income stream. In addition, debit orders are not susceptible to the postal pilferage we have been experiencing lately and also allows for low monthly administration costs.

The bulk of our income is still channelled to our Youth Development Centres and Family Homes for the direct benefit of the youth in our care. Fundraising costs remain high as we continually have to engage new donors in order to ensure

the future of the organisation. Included in the fundraising costs are the costs of communication with our existing donors through direct mail campaigns, Newsletters and Youth Updates.

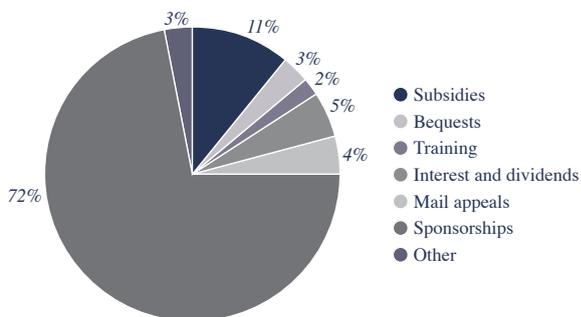
We are committed to making every Rand count, so that it will benefit and touch the mind, body and soul of the youth we care for.

With the help of our friends (both corporate and individual), as well as the Lotto, we managed to increase our fundraising income by 14% to R29,6 million and in an extensive drive to contain costs, we lowered our expenditure by 4,2% to R29,1 million.

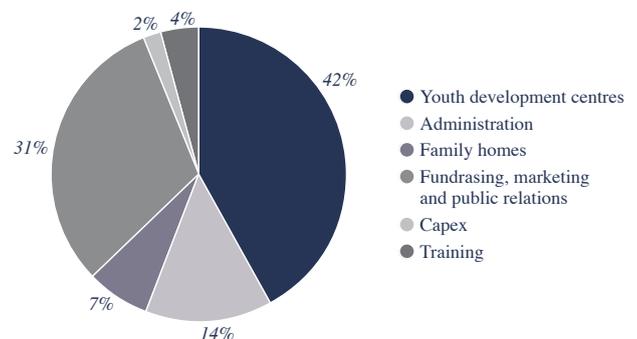
I want to leave you with this comment: although we are a Nonprofit Organisation it does not mean that we have to be non-profitable. The more profit we are able to generate, the more financial resources we have to live out our values – the best possible life-changing experience for the children in our care.

Tommie Veldman
FINANCE MANAGER

Revenue distribution 2005/2006



Cost distribution 2005/2006





Friendship Prayer

I said a prayer for you today,
and God must have heard.
I felt the answer in my heart
although He spoke no word.
I didn't ask for wealth or fame,
I knew you wouldn't mind.
I asked Him to send treasures
of a far more lasting kind.
I asked that He'd be near you
at the start of each new day,
to grant you health and blessings
and friends to share the way.
I asked for happiness for you
in all things great and small,
but it was for His loving care
I prayed for most of all.

Frank Zamboni

**6 things a child
needs to hear:**

I love you.

I believe in you.

YOU'RE ONE IN A MILLION!

You make me proud.

Great job – well done!

You're very special.



For more information concerning the programmes and services offered to youth, parents, teachers and schools, please contact:

The Executive Director

Girls and Boys Town South Africa
11 Lemon Street, Sunnyside, 2092
PO Box 91661, Auckland Park, 2006
South Africa

Telephone +27 11 482 2655
Fax +27 11 482 6146
Email jds@gbtown.org.za
Website www.girlsandboystown.org.za
Hotline 0861-58-58-58

Registered as a Nonprofit Organisation Act (71 of 1997) – 009 – 244 NPO

Registered as a Welfare Organisation Act (100 of 1978)

Registered as a "Public Benefit Organisation" (PBO) in terms of section 18A of the
Income Tax Act (58 of 1962) – SARS Ref 18/11/13/379