



**Annual report for**  
**RAND AID ASSOCIATION**  
**For the year ended 31 March 2022**



*Ducks enjoying their morning swim at Elphin Lodge*

## **RAND AID ASSOCIATION**

### **NOTICE OF MEETING**

Notice is hereby given that the 117<sup>th</sup> Annual General Meeting of the Board of Management will be held at Rand Aid Association in the Tarentaal Hall, corner Modderfontein and Wordsworth Roads, Edenvale on **23 November 2022 at 14h30**.

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### **AGENDA**

1. Opening of the meeting
2. The Chairman's report for the year ended 31 March 2022
3. Financial Statements for the period 1 April 2021 to 31 March 2022
4. To adopt proceedings of the Board of Management and the Annual Financial Statements for the period 1 April 2021 to 31 March 2022
5. The announcement of duly elected office bearers for the forthcoming financial year
6. To consider any other business as may be within the scope of the meeting

By Order of the Board

**W J PIETERSE**

**General Manager Finance**

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## **ANNUAL REPORT**

### **MEMBERS OF THE BOARD OF MANAGEMENT**

P A Quinn (BBusSc), CA (SA), FCMA, IMM

K R de Buys B Sc (Quantity Surveyor)

N U Garden

M P Naves-Shongwe (Dr) BA (Honours) (Social Work), MA Clinical Social Work, PhD

P A Carter (B.Sc) (Inf Proc)

C Bester BA (Law), LLB, LLM

G J Brokenshire (B.Sc) (Eng), MDP (Mining)

C A T Smit BCompt (FS), CTA (UFS), CA(SA), H.Dip in Tax Law

G A Mills ACIS

I R Child BComm, BAcc, BComm Honours Information Technology

#### **Chairman**

P A Carter

## **AFFILIATES**

#### **Auditors**

PwC

#### **Legal Advisors**

Fluxmans Attorneys

Jurgens Bekker Attorneys

Cliffe Dekker Hofmeyr

#### **Bankers**

Standard Bank of South Africa Limited

#### **Trustees – Pension Fund**

A J Matthews – Employee member - elected

E R Woodward – Employee member - elected

U Govender – Employee member – elected

J Tonkin – Alternate employee member - elected

P A Quinn – Employer member – appointed

A Diener – Employer member – appointed

E M Zühlsdorff – Employer member – appointed

W J Pieterse – Principal Officer

## SERVICE FACILITIES

200 Modderfontein Road, Edenvale  
Private Bag X03, Highlands North, 2037

Tel: (011) 882-2511  
Fax: (011) 882-4670

Chief Executive Officer

P A Quinn (BBusSc), CA (SA), FCMA, IMM

General Manager – Social React and Compliance

A J Matthews –  
Diploma in General Nursing  
Diploma in Midwifery  
Diploma in Business Management  
Diploma in Labour Law

General Manager – Finance

W J Pieterse – BCom Hons CA (SA)

General Manager – Advance and Services Division

Z Zühlsdorff – BA (SW)Hons; LLB; MBL

### **Elphin Lodge** (*Established 1990 – 1994*)

Comprising 119 x 2 bedroomed cottages, 64x2 bedroomed apartments  
and 40 x1 bedroomed apartments

### **Complex Manager**

Helen Petrie  
Tel: (011) 882-6296

### **Ron Smith Care Centre** (*Established 1991 – 1994*)

Comprising 160 bed frail care facility

### **Matron**

Avril Maltman  
Tel: (011) 882-6296

### **Inyoni Creek** (*Established 2007 - 2010*)

Comprising 93 x 3 bedroomed cottages, 10 x2 bedroomed  
cottages and 72 apartments

### **Complex Manager**

Jenny Tonkin  
Tel: (011) 430-2008

### **Tarentaal Village** (*Established 1988*)

Comprising 110 x 1 bedroomed apartments and 190 studio apartments

### **Complex Manager**

Tammy Neilson  
Tel: (011) 430-2006

### **Thembalami Care Centre** (*Established 1962*)

#### **MODA** (*Established in 1926*)

Together comprising 138 bed frail care facilities

### **Complex Manager**

Esme van der Walt  
Tel: 010 534 8771

### **Matron**

Paulina Namu  
Tel: 010 534 8771

### **Thornhill Manor** (*Established 2001*)

Comprising 101 x 3 bedroomed cottages and 112 x 2 bedroomed cottages

### **Complex Manager**

Esme Erasmus  
Tel: (011) 608-2480

### **Wedge Gardens Treatment Centre** (*Established 1943*)

Accommodates 130 persons with substance use disorders

### **Complex Manager**

Adél Grobbelaar  
Tel: (011) 430-0374

## CHAIRMAN'S REPORT FOR THE PERIOD 1 APRIL 2021 TO 31 MARCH 2022

We greeted the start of the financial year with great hope and expectation. The administration of vaccines to protect against Covid-19 was imminent and preparations were well underway to register Rand Aid as a vaccination centre.

It was a feather in the Rand Aid cap when the Department of Health found the preparations at the Ron Smith/Elphin Lodge site to be of such a high standard that the facility was summarily chosen to showcase the roll-out of the vaccination programme for older persons in Johannesburg on 17 May 2021. Various dignitaries and the press were hosted for inspection of the roll-out programme, which proceeded smoothly. There was a high vaccine uptake among residents and staff alike and the vaccination process continued throughout the year, including booster vaccinations. The on-site services eased the vaccination process for all Rand Aid residents and staff and to date, 5326 vaccines have been administered on-site.

Due to the high vaccination rate and the effective prevention measures that became part of standard operating procedures, the effect of Covid-19 among residents and staff was greatly reduced during the year. Staff members who contracted the virus recuperated quickly. In general, residents also recuperated well, except where recovery was hampered by existing comorbidities. Sadly, a few residents passed away.

The lockdown measures, regardless of how humanely they were implemented, had a negative impact on the emotional, social and spiritual well-being of residents. It was thus a great relief when we were able to remove the last of the restrictions and implement a full programme of social activities shortly before year-end. The support and understanding of residents and their families during the difficult time of lockdown restrictions were much appreciated.

Since the start of the pandemic, Rand Aid has spent R5,8m on Covid-19 prevention and treatment services. While this expense bears testimony to the high value placed on the health and safety of residents and staff alike, it was also an investment in the future of Rand Aid and, judging by the strong position in which Rand Aid finds itself post-Covid-19, it was a sound one.

Rand Aid is a non-profit, charitable organisation but this does not affect or detract from the great responsibility carried by Board members. In fact, their responsibility is weighted by the financial interests of residents and the vulnerability of the target groups served by the organisation. The oversight and guidance provided by the Board are critical in ensuring residents can have peace of mind, knowing that management operations are being conducted professionally. Thus, we are most grateful for the quality of persons serving on the Board and the fact that they do this without any remuneration or reimbursement.

Their deep interest in ensuring a viable and sustainable organisation that provides excellent services is commendable and highly appreciated by staff and residents alike.

The Board subcommittees established during the previous year are now fully operational. The Finance, Risk and Audit subcommittee made an invaluable contribution throughout the year, ensuring our financial management policies and procedures are refined, and meeting the rigorous auditing measures applied by PwC.

The audit once again validated the integrity of staff and management in their daily administration of the affairs of the organisation, justifying our high level of confidence in the financial management of the organisation. The Membership Subcommittee has focused on optimising Board capacity through selection and information processes as well as the continuous assessment of Board performance, which is essential for good governance.

In the year under review, an amount of R25,4m was donated from the RA Welfare Development Trust (RAWDT) to cover shortfalls in Rand Aid, mainly for services at Thembalami Care Centre and Wedge Gardens Treatment Centre, as well as for general administrative and operational expenses. The financial support of R17,75m by the RAWDT for services at Thembalami Care Centre and Wedge Gardens Treatment Centre is now almost double the amount of R10,35m received in Government subsidies for these services. The foresight and courage of the Board in the late 1980's to develop a business model, utilising the development and sale of retirement housing on a life-right basis to fund welfare activities, is certainly appreciated today.

It is essential to continuously assess the Rand Aid business model for ongoing viability and growth. This goes hand in hand with a continuous review of our strategic objectives and aligning our operational services accordingly. During the year, our strategic plan was updated and our marketing plan is currently being reviewed. Rand Aid has always relied heavily on word of mouth for the marketing of its services, thus customer satisfaction has greater significance here than elsewhere. Over the years, I have been impressed by the way management and staff prioritise resident well-being and how this concept permeates all decisions, leading to a unique Rand Aid culture of care.

This culture is characterised by a deep respect for each resident, recognising each resident's individuality and fostering meaningful interactions between residents and staff. It is thus no wonder that the Ron Smith Care Centre is the first facility in South Africa to have achieved Milestone 2 recognition in terms of the Eden Alternative philosophy of care, which is a worldwide movement to ensure and enhance person-centred care for elders.

This philosophy of well-being is being practised in all Rand Aid operations and is an important reason for the resilience shown by the organisation in managing the effects of Covid-19. Demand for services remained high during the year under review; vacancies were filled quickly and thus financial stability remained high.

The manner in which management and staff steered the Rand Aid ship during the pandemic also showed that Rand Aid has attracted staff that identify with its culture and will go to great lengths to fulfil its mission. I salute them.

The Rand Aid culture of care means that the sale of life-right accommodation is much more than a property transaction. We care deeply and continuously about the well-being of each purchaser. The residents in these villages are not only significant partners in our mission to provide accommodation and care services to those who cannot afford the full costs of such services, but they are also part of a vulnerable age group affected by the challenges of ageing.

In line with this philosophy, the RAWDT continues to channel funds from life-right sales to the levy stabilisation funds of the three life-right villages to ameliorate levy increases. An amount of R2,39m was allocated for this purpose and a further R212k to fund extraordinary repairs and maintenance in these villages. Since the inception of the levy stabilisation fund in April 2011, an amount of R10,114m has been allocated to ameliorate levy increases. The value of the fund on 31 March 2022 was R5,911m.

The Trust, via Rand Aid, also continues to fund a community care service for village residents as well-being requires much more than financial security. The close relationship between Rand Aid and the RAWDT thus benefits not only the welfare services component, but also the life-right villages.

The Trust's investment portfolio, which is managed by Investec Wealth & Investment, was affected by local and world matters, such as the continued problems in State and State-owned entities and the invasion of Ukraine, which caused volatility in the marketplace. At year-end, the market value was R189,5m.

Municipal processes to obtain approval for the development of the proposed Glendower retirement village on the 8,1 hectares of land purchased from the Glendower Golf Club, continued to move slowly but had a positive outcome in the end – almost three years after the application was lodged. I am pleased to announce that approval has finally been granted for the development of 138 retirement units and the associated services. Our professional consultants are now in a position to continue with the multitude of processes required to enable the transfer of the land to the RAWDT, which will take some time. This development is an important component in Rand Aid's strategic plan to sustain its welfare services. At the same time, a development of this size requires serious diligence in planning, especially in uncertain economic, market and societal conditions. Thus, the Board, with the input from the management team, will increase its focus on the financial feasibility and marketing studies that are required to inform decisions on the way forward.

Rand Aid is one of the oldest charitable organisations in the country, marking its 119<sup>th</sup> birthday in 2022. It is also one of few organisations to have withstood the test of time. It has been able to adapt according to societal and financial conditions to meet essential needs. Moreover, its service offerings have remained relevant and of a high standard.

Over the years, many challenging times were experienced, the most recent being the Covid-19 pandemic. Again, Rand Aid coped extremely well and overcame this challenge too. The courage and resilience shown by all are characteristics of Rand Aid. It certainly is a great comfort to know that Rand Aid has the will, knowledge and experience to ensure the ongoing sustainability of this great organisation.

I thank my fellow Board members for their support as well as the Rand Aid staff for their loyalty and dedication. We, as a team, are eager to continue the journey of making meaningful improvements in the lives of our residents in the year ahead.

**Paul Carter**  
Chairman  
October 2022



## OPERATIONAL REPORT

### RETIREMENT VILLAGES

Name	Type	Year of first occupation	Capacity	Resales/New leases during 2021/22	Average selling price
Elphin Lodge	Life right	1990	223 cottages and apartments	26	R1,418m
Thornhill Manor	Life right	2001	213 cottages	12	R2,122m
Inyoni Creek	Life right	2007	175 cottages and apartments	12	R2,205m
Tarentaal Village	Life right and rental; since 2006, new occupations by rental only	1988	300 apartments	40	Rental only

Life-right sales for the year have exceeded expectations, with YTD sales of 50, which were 16 units better than the budgeted 34 units. It was also 10 units higher than the previous financial year. The average selling prices are a function of the type and size of units that became available for sale. The prices for life-right units increased by an average of 4,8% during the year. The relaxation of Covid-19 restrictions had a positive impact on new purchasers being able to sell their existing homes at expected prices. Our offering also remained attractive in terms of price, quality of accommodation and level of services. Resales of cottages and apartments on a life-right basis represented a turnover of 8,2% of the total number of units. The occupancy changes in Tarentaal Village represented a turnover of 13,3%, similar to the previous year.

All occupancy changes must be viewed against the age trends in the different villages and the number of residents transferring to a care situation or passing away. It should also be noted that several residents in the life-right villages opt for care at home, which enables them to remain in their cottages or apartments for longer. At year-end, at least 71 units were covered by care-at-home services, either on a full-time or part-time basis.

During the year, 34 village residents transferred to either the Ron Smith Care Centre or Thembalami Care Centre due to changes in their health and care needs, making full-time residential care imperative. At year-end, there were 91 residents from the villages in our care centres, representing 8% of all village residents and constituting 36% of care centre capacity (excluding capacity in MODA and recuperative care).

The average age in our different villages varied from 80 to 82 years old and 27,5% of the total number of residents were 85 years or older. It is remarkable that 25 residents, 95 years or older, were still living in their apartments or cottages.

The RA Welfare Development Trust (RAWDT) continued to cover the levies for unoccupied units between occupation changes, which meant that the loss of income from vacant units did not have an impact on current residents. An amount of R829 071 was transferred from the Trust for this purpose. At year-end, there were 721 applicants on the combined waiting list for the life-right villages, which reflects the ongoing interest in our villages and also resulted in vacant units being sold without delay.

The rental waiting list for Tarentaal Village was revised and reduced during the previous year, with the introduction of a small, refundable waiting list deposit to obtain a more accurate reflection of the need for accommodation.

This list stood at 131 at year-end, with the demand for one-bedroom apartments by far exceeding that of the more readily available studio apartments. Covid-19 also took its toll on the occupation of Tarentaal Village units as many families who would normally have contributed to the rental or ongoing living cost of a parent were having financial difficulties themselves. It is pleasing that the situation has improved significantly and we look forward to achieving full occupation in the next financial year.

The 2021/22 levy increases in all the life-right villages were subsidised from the levy stabilisation fund to limit the financial burden on residents. An amount of R1,317m was thus utilised, which limited actual increases paid by residents to between 4% and 7,8%. At year-end, the combined balance in the levy stabilisation fund was R5,911m Tarentaal Village forms part of our welfare services and the average rental increase was limited to 5% for 2021/22. It remains a significant advantage to Tarentaal residents that their electricity costs are included in the monthly rental amount.

After postponing the election of village committees during 2020 due to Covid-19 lockdown measures, these could finally take place by poll in 2021. The new committees were in place by 1 June 2021 and will serve the standard two-year period.

Due to excellent internal preparations, Rand Aid was chosen as one of a handful of facilities to showcase the vaccine roll-out for older persons in Gauteng. We thank the management and nursing staff at the Ron Smith Care Centre for their initiative in this regard. A full vaccination centre was established at the Elphin Lodge hall as well as the Tarentaal Village hall, which enabled residents from all the villages to benefit from on-site vaccination during May 2021. This was followed by an opportunity to receive the second vaccination as well as booster vaccines on-site. We were pleased with the excellent response from residents, ensuring a high vaccination status at the different properties. A total of 5002 vaccinations was done on-site during the financial year. This situation enabled us to progressively commence with community activities as restrictions were being lifted and made residents more comfortable in attending activities. This is especially important as well-being is dependent on being meaningfully engaged in activities of choice that satisfy the need for social interaction and challenge the body and mind. As one grows older, this requirement becomes even more significant. We are thus pleased that a full programme of community activities has been restored.

The Community Care Service, which was introduced in 2017, has greatly enhanced our multi-disciplinary focus on residents' well-being. The social workers in this section work closely with village staff, our resident doctors and other professionals in enabling residents to manage the many stresses and challenges associated with ageing, as well as to implement programmes building resilience and promoting a meaningful life for all. Due to the value of this service and requests by village committees, a decision was taken during the year to appoint a further two social workers, ensuring a dedicated service for each village. As village budgets are unable to absorb the cost of this service, it is funded by Rand Aid as an additional benefit to village residents. During the year, 267 new referrals were received, which attest to the great need that the service fulfils.

The services of the medical doctors on the premises at Elphin Lodge continue to be invaluable in terms of accessibility and expert, compassionate care. The services of the visiting physiotherapists, podiatrists, biokineticists, audiologists, optometrists and other allied health care professionals remained well utilised.

Our support services to village residents continued to include a domestic cleaning service, garden maintenance, security and access control, building repairs and maintenance support and transport for shopping and entertainment. Our staff went all the way to ensure that the different lockdown restrictions did not affect residents' ability to maintain their independence. They continued with an increased level of personal services, such as assisting with online shopping, collecting shopping for residents and implementing a cash-free payment system for those residents not able to manage this themselves.

The on-site personal services provided by hairdressers, beauticians and manicurists, which were limited during lockdown, have been fully restored. These services are not only convenient and cost-effective for residents, but play an important role in maintaining the dignity of residents, especially those who no longer drive.

In 2021, a coffee shop was established at the Inyoni Creek clubhouse, which means that all three life-right villages now have a coffee shop on their premises. These services meet an essential need in that they provide an attractive space where residents can enjoy affordable eats in the company of fellow residents, friends and family. The value of these services was especially evident during the different lockdown levels as they provided safe havens where residents could socialise without leaving the properties. Value-added services such as home deliveries and grocery shopping were also undertaken by the operators for those residents unable to manage on their own. All residents are free to use any of the village cafes.

Covid-19 continued to impact social and spiritual activities for most of the year as two of the community halls were repurposed for Covid-related services. Group activities were also limited elsewhere in line with regulations and best practice advice from medical experts. To maintain the very popular library service on each property, Rand Aid had ozone sterilisation stations installed, which allowed residents to continue using the libraries with preventative protocols in place.

One of the outstanding characteristics of Rand Aid is the after-hour support services available to residents and in this, the Carephone Call Centre plays a pivotal role. This call centre was developed with in-house expertise and is staffed 24 hours per day, 365 days per year, to enable residents to request help with any medical, security or maintenance emergency. During the financial year, 807 medical and maintenance emergencies were managed, which shows the importance of this service in our ongoing support of residents. In this respect, it needs to be mentioned that nursing and maintenance staff living in staff accommodation attend to emergencies after hours over and above their normal duties, without any additional remuneration.

## CARE CENTRES FOR OLDER PERSONS

Name	Maximum Capacity
Ron Smith Care Centre	160 (operating at an average of 150 due to double rooms utilised as single suites. Of these 150 beds, 14 are reserved for recuperative care)
Thembalami Care Centre	114
Max Ordman Deaf Association (MODA)	24

The impact of Covid-19 infections was very high in our care centres during the first wave in 2020. At the same time, the measures required to protect residents had significant consequences on care centre residents, their families and the staff. We were thus thankful when the Covid-19 vaccines were made available to older persons and that our care centres were selected for the roll-out programme, which began on 17 May 2021. The high rate of vaccination achieved among residents and staff was commendable. This, as well as continued preventative measures and dedicated care, contributed to the fact that the second and third Covid-19 waves had a much-reduced effect on residents and staff alike. The rate of infection was much lower, the severity of symptoms was reduced and a high rate of recovery was achieved.

Although Covid-19 restrictions continued to affect occupancy levels in the care centres, the situation has improved significantly. At year-end, there were 13 vacancies at Thembalami, five at MODA and one at Ron Smith Care Centre. We are pleased that all restrictions on visitations could be lifted and that residents are now able to enjoy close and meaningful interactions with families and friends.

The care needs of residents in our care centres are high, which is a function of frailty related to illness and age. At the Ron Smith Care Centre, in particular, age-related frailty is a factor, with over 56% of residents above the age of 85 years (15 residents were over the age of 95 years at year-end). We thus rely greatly on our care teams of nursing sisters, medical doctors, auxiliary nurses, care workers, physiotherapists, podiatrists, occupational therapists and technicians, social workers and kitchen and housekeeping staff to provide comprehensive services, ensuring all needs are met. We can state that Rand Aid and our contracted staff provided sterling services despite the many challenges faced, including Covid-19. The appreciative feedback from families has been heart-warming and enabled staff to maintain a positive spirit throughout the pandemic. Nevertheless, we are mindful of the emotional toll on them and provided professional support for staff through various interventions. Covid-19 also showed how nurturing objectives for staff and residents can be achieved through the promotion of fun group activities and how these contribute to well-being for all.

Practical training for students, which was placed on hold by the universities during the previous year due to lockdown measures, commenced again. The utilisation of our facilities shows the regard in which they are held.

Our care centres ascribe to the Eden Alternative philosophy of care, which leads to a higher level of well-being for all involved, as is evidenced in the warm and caring relationships all around and the individualisation of residents' needs.

High-quality nursing care remains unnegotiable, but it must be integrated with ways to improve social, psychological, recreational and spiritual well-being, with all staff working as a team across boundaries to achieve these goals. We were thus most concerned about the effect that Covid precautions would have on community life and staff had to be more innovative in engaging residents in meaningful activities and relationships. The involvement of volunteers and their contribution to community life and activities were sorely missed during the first Covid-19 wave. We are pleased that these arrangements are back on track. The support group service for families of residents living with dementia, which continued virtually, is vital in providing support to spouses, children and close friends of residents living with dementia. This service too can now continue in person.

The use of the 14 beds at the Ron Smith Care Centre set aside for recuperative care by village residents increased significantly from the previous year, when access was severely restricted due to lockdown regulations and Covid-19 infections. During the past year, 152 residents used 1,372 bed days, staying an average of eight days each.

Thembalami Care Centre remained exceptionally well supported by the local community. Donations of clothing, toiletries, bedding, household items and edible treats for residents were received regularly, as well as free personal services such as hairdressing and beauty treatments. The Inyoni Creek residents continued their support of the centre, which included cash donations and donations of crockery, toiletries, bedding, adult diapers, medicaments and the hosting of the monthly birthday bashes. Residents from Inyoni Creek, affectionately referred to as the Inyoni Angels, have been involved in services and infrastructure development at Thembalami Care Centre for more than 13 years and the value they have provided is deeply appreciated.

The services at Thembalami and MODA received a subsidy of R4,355m from the Department of Social Development. While we are grateful for this assistance, the amount provided does not reflect the cost of care and during the year it only covered 16,8 % of expenditure. The loss of R12,160m after subsidies was met by a donation from the RAWDT. The subsidy amount included an amount of R1,040m for the purchase of a vehicle with a wheelchair lift, which will assist greatly in the transportation of residents with mobility issues.

The operation of the Zamokuhle Outreach Programme, Thembalami's community service programme for grannies in Alexandra, was also affected by Covid lockdown measures. For most of the year, it was only possible to provide limited services, with the focus being on the home delivery of food items for nutritious meals. We are pleased that the service could be returned to full operation at the beginning of 2022. Many of the participants have to sustain children, grandchildren and even extended family from their small social grants and live under very difficult circumstances. The health care, nutrition and social support they receive at Thembalami make a significant difference in their lives. Although the subsidy received for this service is small, the benefits and rewards cannot be measured in monetary terms.

### **WEDGE GARDENS TREATMENT CENTRE**

Worldwide statistics are increasing with regard to people suffering from substance use disorders. This disorder is showing an alarming rise in the percentage of comorbid medical and psychiatric conditions, such as TB, HIV/Aids, cardiac problems, bipolar mood disorder, schizophrenia, major depression and anxiety disorders. Since changes in the law regarding the recreational use of cannabis in private, the admission of patients using this drug and suffering related psychotic episodes has increased. These facts show that the treatment of patients is extremely demanding and complicated. This is exacerbated by the shortage of psychiatric services in the community for patients with no or little income, who most often find it difficult to access treatment for their individual needs.

In addition, the consequences of addiction impact negatively on the next of kin of patients, who rarely have the necessary financial or emotional resources left to support the person in treatment. In some instances, entire communities will be held victim to drug sub-cultures and related crimes. Patients returning to those communities and circumstances find it hard to continue the recovery process.

A total of 220 patients were admitted to the in-patient programme during the year, of which 154 qualified for a partial government subsidy. The remaining 66 patients were private, mostly funded by their medical aid schemes. Due to the lifting of Covid-19 restrictions, the admission process could be normalised and treatment numbers have increased. The demand for services from persons requiring subsidised treatment by far exceeded availability, as the subsidy from the Department of Social Development is restricted to 25 people at a time. This contributes to a very long waiting period and may compromise these patients' recovery. According to research, admission should follow closely after readiness for treatment.

The in-patient treatment programme is supplemented by a half-way house facility. This provides an opportunity for people who have completed treatment and have managed to obtain a job or who are actively seeking work, to live in a structured environment until they have stabilised their adjustment to society. An average of 20 residents per month could be accommodated in the half-way house. Wedge Gardens also continued to offer the Therapeutic Community programme, in which people above the age of 45 who struggle to create their own structure and routine in the community are accommodated on a longer-term basis. Some of these residents are employed and leave the property daily, whereas others are close to retirement age or have conditions that make work placement highly unlikely. Being in a safe and structured environment enables such residents to establish a new, positive lifestyle away from substance use.

Substance use disorders affect people of all ages and all walks of life. Due to the number of patients lacking formal schooling, Wedge Gardens is offering a limited work skills programme that enables participants to learn basic carpentry skills. This is not a service offered by many other treatment centres.

The drug-testing service for various schools in the area has been increased. Covid-19 impacted negatively the number of learners starting to experiment with substances during the lockdown period.

We continued our mutually beneficial arrangement to provide office space to Alcoholics Anonymous (AA) West Rand Region and the SANCA Head Office. As a full affiliate of SANCA National, Wedge Gardens receives on-site and improved access to the latest research and training programmes on addiction, as well as marketing exposure. Being affiliated also assists with registration as a preferred service provider by medical aids or companies that fund treatment for employees. AA volunteers remain actively involved in the counselling programme and bring an additional support system into the after-care structure.

Our treatment team continues to be held in high esteem in the professional community and staff members also shared their knowledge and experience on social media, in the printed media and at conferences, even internationally. In the new year, Wedge Gardens will continue to serve as a practical training venue for occupational therapy and social work students. Both the University of the Witwatersrand and UNISA has approached Wedge Gardens for the continuation of this service.

The subsidies provided by the Department of Social Development applied only to the in-patient programme (25 patients per month) and to 20 beneficiaries in the half-way house facility.

The amount of R5,995m received covered 38% of expenditure. The net loss of R5,593m after subsidies was funded by the RAWDT. The subsidies provided partially funded the installation of a generator for the kitchen at Wedge Gardens, which had become critical due to increased load shedding.

### **JOSEPH GERARD FOUNDATION**

This is an organisation of the Catholic Church in Alexandra which runs a frail care centre for 36 older persons as well as an edu-care centre for 150 pre-school children. After more than 20 years of active and comprehensive involvement, Rand Aid, in the previous year, scaled down its assistance to the provision of food, which included cooked meals for the care centre and menu requirements for the edu-care centre. More recently, an agreement was reached for Rand Aid to withdraw its remaining services and for Joseph Gerard to continue its operations independently. Over the years, Rand Aid enabled the Foundation to develop its services to such an extent that it was registered with the Department of Social Development, as required by law, and successfully applied for subsidies and Lotto grants. In terms of a development mandate, the Rand Aid involvement could not continue indefinitely.

### **LAUNDRY SERVICES**

Our in-house laundry provided a comprehensive service to all our care centres and also offered a limited service to village residents. During the year, it laundered 110 973kg of linen, which equates to 440kg of linen laundered per working day. With the assistance of our hygiene consultants, our procedures to manage normal and Covid-19-affected linen remained optimal and thus hygiene testing outcomes remained most satisfactory. The service also remained efficient and cost effective.

### **COOKCHILL SERVICES**

Cookchill supplied 400 666 meals during the year, at an average of 33 388 meals per month, to our various residential centres. The number of meals provided has increased in line with higher occupancies in the residential centres. Procurement of raw materials and dry goods was most efficiently managed, ensuring that all meals were provided as planned, despite the impact of lockdown regulations on logistics and the availability of food products in general. Costs were well controlled and quality remained high.

### **MAINTENANCE AND GROUNDS SERVICES**

The buildings owned by the RAWDT and managed by Rand Aid Association have an insured value of R2,44 billion. Great care needs to be taken to ensure the buildings and grounds are properly maintained, retain their value and meet the expectations of current and prospective residents. To meet maintenance requirements, each village/care centre has dedicated handymen and, in addition, we run a central workshop from where more complicated and time-consuming jobs are managed. The main workshop completed 1 518 maintenance requests during the year. In addition, it completed 95 refurbishments of cottages/apartments that had been vacated due to death, departure or internal moves. Despite the impact of lockdown regulations on the availability of contractors and materials, all timeframes for the completion of refurbishments were met. The preventative maintenance programme, which was revised due to Covid regulations, is being fully implemented again.

Heavy storms caused damage to ground infrastructure, such as perimeter fencing and stormwater retention dams. All repairs were undertaken in good time.

The maintenance, housekeeping and care teams are supported by a centralised procurement system and a main store, where over 4 000 stock lines of the most essential items are available. Our procurement system continued to ensure that we benefit from scale efficiencies and that all purchases were well managed, with excellent control over stock. The ordering system also ensured that we never ran short of household and nursing care items required daily at our care centres.

Our well-maintained landscaped grounds consistently impress prospective customers and provide us with a definite market advantage. In addition, enjoyment of the grounds ranks high on residents' list of priorities. Our facilities enable them to exercise and experience nature in a secure and beautiful environment. However, it is costly to maintain 69 hectares of land. Thus, grounds maintenance represents a significant portion of our expenses. Servest Landscaping has been maintaining our gardens for several years and the relationship with their management and operational staff remains excellent.

Water usage, as a scarce and costly resource, remains an ongoing priority on all properties. It is also a challenge due to the need to preserve the investments made in the grounds and gardens by Rand Aid and our residents.

## **SECURITY SERVICES**

A high and effective level of security is one of the most important factors in attracting residents to Rand Aid's service offerings. It is also essential that residents living here continue to have peace of mind. Thus, the maintenance and improvement of our security systems receive daily attention and are one of the highest priorities on our agenda.

We implement a holistic approach – our technical infrastructure and human resource components work hand in hand to ensure a layered defence in controlling, deterring, detecting and delaying any risks. During the year, we made significant improvements to infrastructure, which included upgrades in terms of lighting, camera surveillance and external monitoring systems. Generators and solar-powered back-up systems were also installed to ensure all guardhouses and perimeter security infrastructure are operational during power outages. In terms of human resources, we increased the guarding component at night, improved guard training and made changes to the patrol systems for greater effectiveness. Due to the importance of developing and managing the human component of our security service, a new position of senior security manager has been established and will soon be filled. All improvements made exceeded the recommendations of an independent assessment of our security operations.

However, security measures can never be regarded as complete or completed. Crime is escalating, as was evidenced by two serious incidents of armed robbery experienced and reported on in 2021. Fortunately, no residents were physically harmed, but a Rand Aid security guard sustained a gunshot wound to the leg. It is most frustrating that despite intensive investigations and the appointment of two private investigating companies, the perpetrators are still at large.

As safety and security are of paramount importance, we will continue to do our utmost to implement effective security measures and plan the necessary budget allocations accordingly.

## **HUMAN RESOURCES**

On 31 March 2022, Rand Aid had a total of 436 permanent employees, including seven employees employed by MODA. The majority of the employees (68%) are engaged in our care and treatment centres to provide 24-hour nursing care, housekeeping, security and support services.



The success of Rand Aid depends entirely on the loyalty and dedication of staff, especially those staff members who interact with residents and prospective residents on a daily basis.

Despite the difficulties brought about by Covid-19 at home and at work, our staff remained positive, with a high attendance rate. Considering the vulnerable communities in which we work, we appreciate the fact that almost all staff members vaccinated against Covid-19. This contributed to a reduction in the number and severity of Covid-19 infections among staff and residents alike. All infected staff members recovered within the expected timeframe. Documentation for 66 employees who contracted Covid-19 was submitted to the Compensation Fund in terms of the Occupational Injuries and Diseases Act.

The positive feedback received from residents and visitors alike on Rand Aid's management of the pandemic, including the implementation of on-site vaccination, has been most rewarding. It is clear that staff go out of their way to fulfil the mission of Rand Aid and we appreciate their commitment to the organisation.

An Employee Assistance Programme, focusing on health screening for the early detection and treatment of common debilitating conditions, was implemented. Various programmes focusing on stress management were also implemented, especially to combat the emotional toll of Covid-19.

The staff in our employ include chartered accountants, professionals with LLB and MBA degrees, professional nurses, care workers, social workers, occupational therapists, clerks, artisans and other maintenance staff, gardeners, domestic workers, chefs and security personnel. Together, they form a strong corps that renders a comprehensive service to residents. The number of staff who received long-service awards is testimony to how staff dedicate their working lives to the organisation. Eighty-three staff members received awards for a combined service total of 550 years, with one person being with Rand Aid for 40 years. During the year, we had 11 resignations and one expired contract, while 10 staff members retired. Four staff members could not continue working due to ill health. Unfortunately, disciplinary processes are part and parcel of managing a large staff complement and eight staff members were dismissed for not adhering to the Rand Aid code of conduct.

Rand Aid is committed to the principle of employment equity. During the year, the Employment Equity (EE) Plan was submitted and various EE policies and procedures continued to be reviewed and adjusted. It is accepted that training for promotion and retention purposes should support EE goals.

In-service training is ongoing and where resources allow, the organisation provides financial support to staff members wishing to engage in further studies appropriate to their work requirements. During the year, one such staff member completed her studies and graduated with a BA degree in Health Sciences, majoring in psychology. Covid-19 measures impacted the ability of staff to attend seminars and courses, but various online opportunities were utilised.

The number of university students in the fields of medicine, psychology, social work and occupational therapy placed at our facilities for practical training was limited due to Covid measures, but several requests for this to resume have already been received. This attests to the high esteem in which our staff and services are regarded by academia.

## **FUNDRAISING AND MARKETING**

The contribution from the Department of Social Development towards our welfare services amounted to R9,310m which covered 15,4% of welfare expenditure. Donations, legacies and bequests totalled R1,754m. Significant donations were gratefully received from the following:

- EJA Loerincz Trust – R1 098 342
- Joseph Lisco Will – R116 359

- JM Gilbert (estate late) – R10 518
- Bloom Family Trust – R116 140
- Norman Wevell Trust – R65 433
- ED Sonnenfeld (estate late) – R100 000
- Kenyon Thompson (estate late) – R214 003

Thank you to all the donors for their donations.

Unfortunately, unlike in the past no funds were received from The National Lotteries Commission which significantly impacts our welfare work.

As part of Rand Aid's three-year strategic plan, we engaged with a professional marketing consultant to develop a structured marketing plan. Commercial developers are taking an increased interest in the development of retirement housing and our products must remain abreast of needs, demands and trends. The same applies to our residential care and treatment services, where we have to become top of mind, keeping services fully occupied and sustainable. There is also a great need to develop and implement effective fundraising strategies.

The importance of marketing cannot be underestimated. Allycat, which manages our publicity, continued their excellent efforts to raise the profile of Rand Aid Association in the local newspapers and on the web through the publication of local news and educational material related to our fields of work. This has resulted in many small donations and has assisted us in maintaining healthy waiting lists for our different services.

## **GOVERNANCE AND MANAGEMENT**

During the year, the past chairman, Iain Fraser, resigned after over 23 years' service on the Board and passed away shortly thereafter. In line with the number and categorisation of membership as prescribed in the updated Constitution, Len Segal and Neil Garden resigned as Board members. Neil Garden remained a trustee of the RAWDT and was invited to continue to attend Board meetings for specialist input and guidance. One Board position was filled, with the appointment of Ian Child. At year-end, there were 10 Board members, including two resident members of the RA Residents Committee, representing the village communities. The Members Committee did valuable work in developing Board assessment and self-assessment tools. These will ensure that the Board continues to maintain the high standard set in undertaking its governance and fiduciary responsibilities. We remain most appreciative of the time and expertise given to us by all Board members, in particular the community representatives who are in full or part-time employment and receive no financial benefit for their involvement on the Rand Aid Board.

The Board met five times during the year and held an Annual General Meeting. The latter could be attended by only a limited number of residents due to Covid regulations. The executive management prepared full narrative and financial reports for each meeting of the Board, ensuring that members are informed of all aspects of operations and the associated financial implications. In the past, all Board members were appointed as trustees of RAWDT. However, due to inefficiencies and time delays in the Office of the Master of the High Court, it is no longer feasible to appoint resident representatives as trustees. Nevertheless, these members all attend the meetings of the RAWDT and can contribute fully to discussions.

In terms of the three-year tender granted last year, PwC was responsible for Rand Aid's audit and reporting on the audited financial statements. The audit process has been meaningful and constructive. Throughout the year, the input and guidance from the Finance, Risk and Audit Subcommittee were of a high standard, constantly focusing on measures to enhance financial management and accountability. Risk management was high on the agenda and a risk strategy has been adopted.

Rand Aid has to abide by a plethora of legislation and directives in the ordinary course of service delivery. We are thus fortunate to have an excellent Compliance Officer who, as a qualified lawyer, can advise on all aspects of compliance and guide staff in policy and practice development. The development and implementation of Covid-19 policies and procedures, as well as reporting measures, continued to take up significant time, as did the preparation for the implementation of the Protection of Personal Information Act and compliance with the Financial Intelligence Sector Act. All legal reporting requirements, such as reports to the Department of Social Development, Department of Labour, Compensation Commissioner and NPO Directorate, were met on time. A project to review all policy documents and develop new policies as required, is underway.

## **GOVERNMENT LIAISON**

Municipal processes continued to impact on the management of our properties and caused many frustrations. The dispute on the Elphin Lodge electricity account of R4m remains unresolved and in the hands of our lawyers. The frequent failure in waste removal services necessitated the hiring of private services at a significant cost. Cable theft and cable failures also impacted services for long periods, especially at the Elphin Lodge/Ron Smith Care Centre and Inyoni Creek/Tarentaal properties. The implementation of load shedding exacerbated the matter and, as a result, fuel costs for the generators increased significantly. The City of Johannesburg's rates policy regarding Public Benefit Organisations is a further concern. The Wedge Gardens property has already been assessed detrimentally, which is being followed up by specialist lawyers.

The town planning application in respect of the proposed Glendower development finally went before the Municipal Planning Tribunal in February 2022. While the application was approved, the original objectors decided to lodge an appeal, which again delayed the process. We were recently informed that the objectors withdrew their appeal, thus the process of township establishment can now proceed. Our team of professional consultants are attending to the matter. It is foreseen that transfer will only take place in 2023.

Fortunately, the approved plans for the proposed canteen and staff ablutions at Ron Smith Care Centre and Elphin Lodge, which were lost by the Johannesburg Metro, were found. This building of these extensions is currently underway. We remain hopeful that the transfer of the portion of the Wedge Gardens property sold to Sifiso Education Properties and the incorporation and rezoning of the Bedfordview properties owned by the RAWDT will be finalised in the next financial year.

Wedge Gardens Treatment Centre and Thembalami Care Centre continued to be strictly monitored by the provincial Department of Social Development in respect of services and subsidy amounts granted. No irregularities were found.

The life-right villages are registered in terms of the Community Schemes Ombud Service Act 2011 and currently, these levies are covered by the donation to Rand Aid from the RAWDT. From 1 April 2022, such levies will be recovered from residents.

We remain in contact with Century Developments regarding the Linksfield Mixed Use Development Project, bordering the Elphin Lodge and Inyoni Creek properties on land currently owned by government. The developer has been made aware of the impact that the construction process will have on our Inyoni Creek and Elphin Lodge villages. The management of security during the construction process will be critical.

Despite the difficulties in engaging with government officials at all levels, we will persevere to achieve the best outcomes for Rand Aid and the RAWDT. There have also been individuals in various government offices who have gone out of their way to assist us, for which we are grateful.

## RAND AID ASSOCIATION

### Statement of comprehensive income – Year ended 31 March 2022

	2022	2021
	R	R
<b>Revenue</b>		
Revenue from patients and residents	100 548 818	92 488 084
Donations from the RA Welfare Development Trust	25 400 000	24 100 000
Government subsidies	9 084 876	7 814 448
Donations, legacies and bequests	1 744 184	2 760 150
Sundry income	3 471 804	3 100 613
Lotto funds received	0	70 000
Workshop Income	4 097 459	3 663 652
	<b>144 347 141</b>	133 996 947
<b>Expenditure</b>	<b>-145 556 567</b>	-143 496 894
<b>Municipal Expense Recoveries</b>	<b>0</b>	1 527 764
<b>Net profit / (loss) from operating activities</b>	<b>-1 209 426</b>	-780 163
Finance income	1 221 794	808 078
Finance expenses	-20 837	-15 246
<b>Total comprehensive profit/(loss) for the year</b>	<b>-8 469</b>	12 669

## RAND AID ASSOCIATION

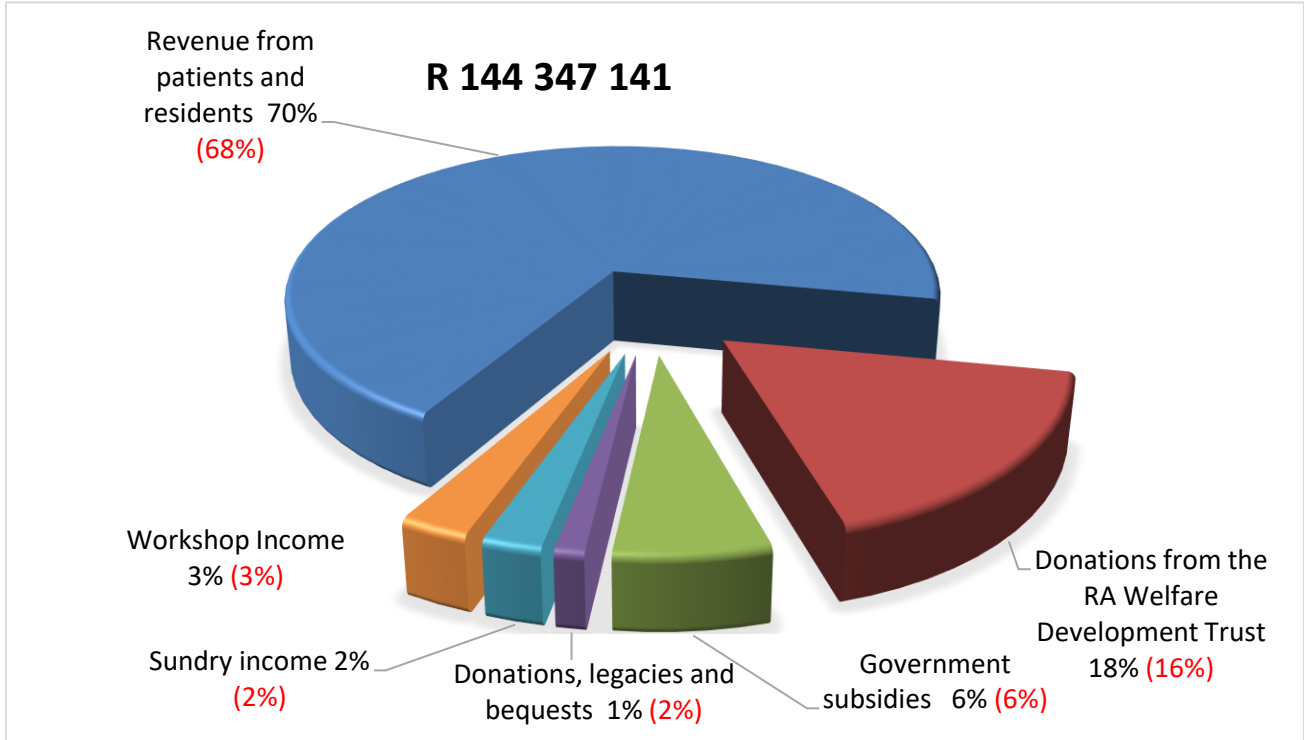
### Statement of financial position at 31 March 2022

	2022 R	2021 R
<b>Assets</b>		
<b>Non-current assets</b>		
National Lotteries Board assets	672 800	907 272
<b>Current assets</b>	48 307 564	32 748 714
Inventory	1 851 032	1 745 537
Amounts owing by related parties	362 467	380 879
Other receivables	3 895 603	3 250 549
Cash & cash equivalents	42 198 4629	27 371 749
<b>Total assets</b>	<b>48 980 364</b>	<b>33 655 986</b>
<b>Reserves and liabilities</b>		
<b>Reserves</b>		
Retained income /(deficit)	957 136	965 605
<b>Current liabilities</b>	48 023 228	32 690 381
Amounts held in trust	3 618 886	3 210 983
Amounts owing to related parties	14 939 094	1 829 659
Other payables	26 373 322	24 557 813
Provisions	3 091 926	3 091 926
<b>Total reserves and liabilities</b>	<b>48 980 364</b>	<b>33 655 986</b>

# RAND AID ASSOCIATION

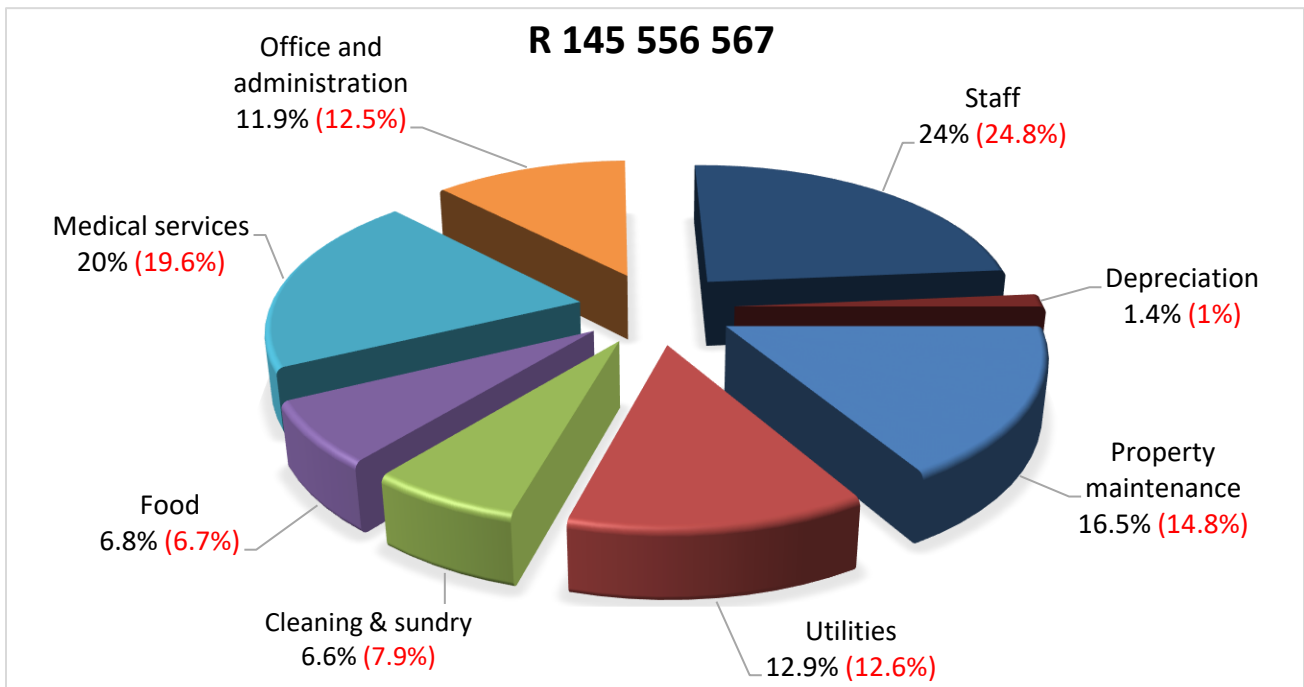
## REVENUE

(\*red previous year)



## EXPENSES

**R 145 556 567**

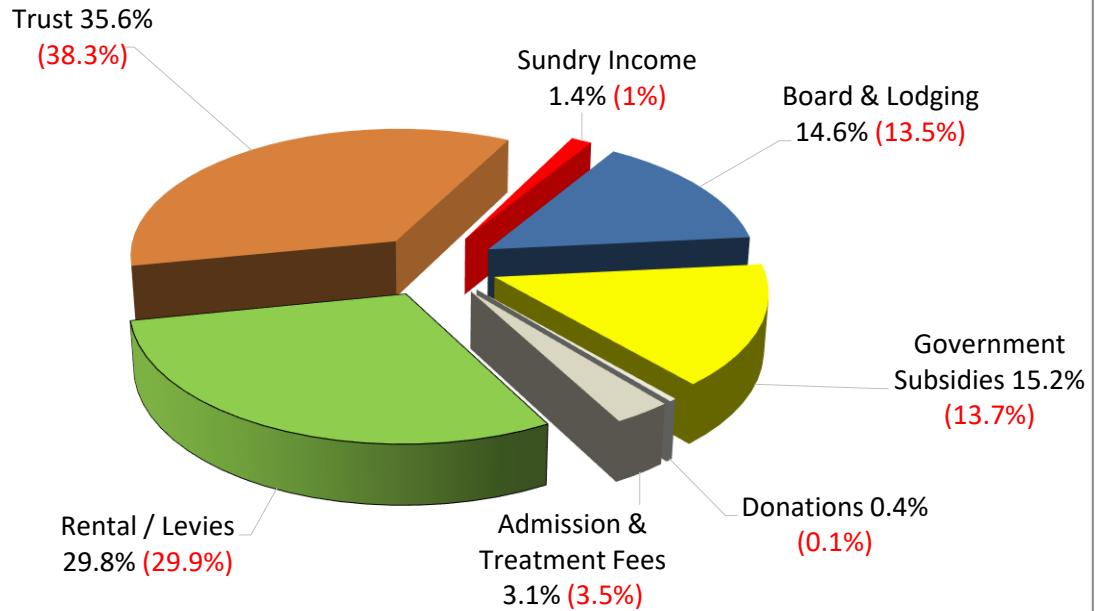


# RAND AID ASSOCIATION

## SOCIAL REACT DIVISION REVENUE

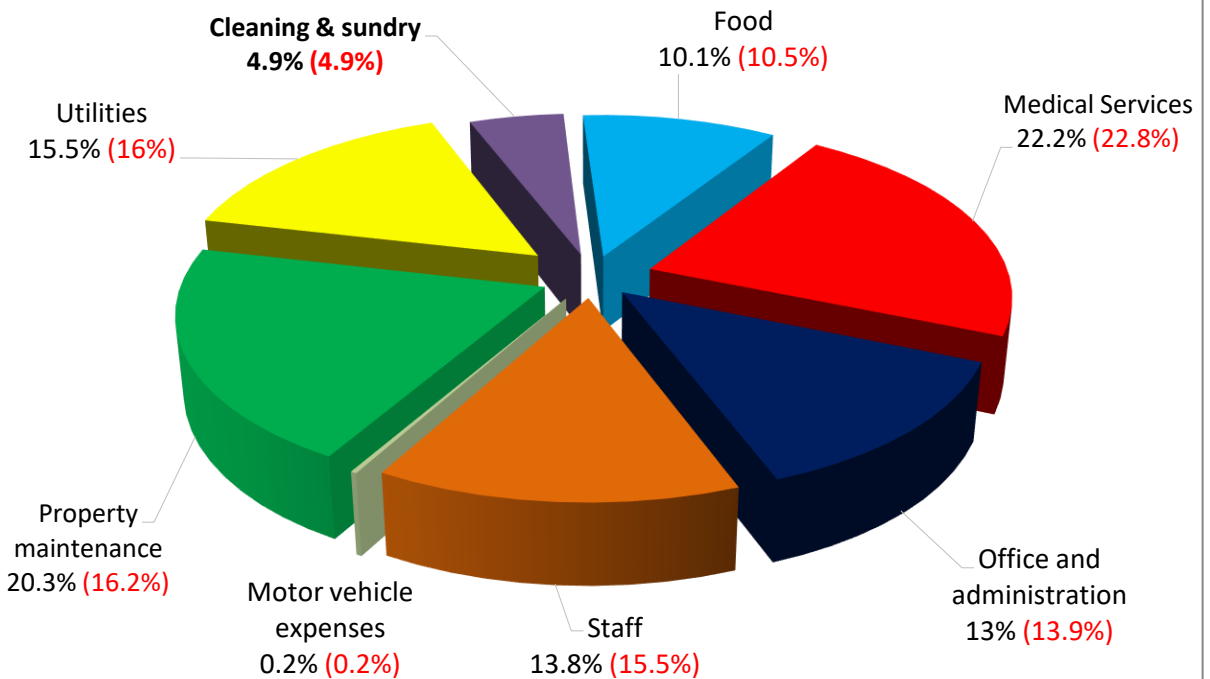
(\*red previous year)

**R 68 827 321**



## EXPENSES

**R 60 232 752**



## THE RA WELFARE DEVELOPMENT TRUST

### Statement of financial position at 31 March 2022

#### Assets

	2022 R	2021 R
<b>Non-current assets</b>	<b>760 789 782</b>	<b>742 055 342</b>
Properties	571 245 362	574 680 612
Investments	189 544 420	167 374 730
<b>Current assets</b>	<b>87 869 545</b>	<b>74 956 898</b>
Utility deposits	1 407 247	1 407 247
Other receivables	13 137	1 754 972
Amounts owing by Rand Aid Association	14 939 094	1 829 659
Cash & cash equivalents	53 545 840	52 180 007
Property purchase deposit	17 964 227	17 773 130
VAT receivable from SARS	0	11 883
<b>Total assets</b>	<b>848 659 327</b>	<b>817 012 240</b>



## THE RA WELFARE DEVELOPMENT TRUST

### Statement of financial position at 31 March 2022 *(continued)*

#### Reserves and liabilities

	2022	2021
	R	R
<b>Reserves</b>	<b>208 700 457</b>	204 687 141
Accumulated funds	103 244 566	112 475 932
Levy stabilisation fund	5 911 471	4 836 479
Non-distributable reserve	99 544 420	87 374 730
<b>Non-current liabilities</b>	<b>600 441 123</b>	563 487 666
Amount owing to Max Ordman Deaf Association	4 412 000	4 412 000
Refundable portion of life right proceeds	596 029 123	559 075 666
<b>Current liabilities</b>	<b>39 517 747</b>	48 837 433
Waiting list deposits	3 658 362	3 699 385
VAT payable to SARS	303	0
Other payables	25 644 098	32 915 081
Current portion of refundable life right proceeds	10 214 984	12 222 967
<b>Total reserves and liabilities</b>	<b>848 659 327</b>	817 012 240

## DONATIONS, LEGACIES AND BEQUESTS

For the year ended 31 March 2022

EJA Loerincz Trust

JM Gilbert (estate late)

Norman Wevell Trust

ED Sonnenfeld (estate late)

Joseph Lisco Will Trust

The Bloom Family Trust

Kenyon Thompson (estate late)

### **Thanks**

Our very sincere thanks are due to all who have contributed in money, in gifts, in kind and in voluntary services and to all those groups and individuals who have organised outings and entertainment for our residents. Without the help that we receive from the community and especially from our committees, we would be unable to carry out our work – we are truly grateful.

### **Appeal**

May we appeal to members of the community to remember Rand Aid when drawing up their Wills. We invite the kind co-operation of Attorneys, Trustee Departments and Trust Companies – you can significantly assist by suggesting the name of this Association for inclusion in your clients' dispositions.

### **Exemption from Donations Tax**

Rand Aid has a Section 18A Certificate and all donations made to the Association are tax deductible.



*Therapy dogs bringing joy to the Thembalami and MODA residents*