



**THE HOPE EXCHANGE**

**ANNUAL REPORT**

**2020/2021**



40 years in service of the homeless

Should you wish to contribute to the valuable work we do, do not hesitate to contact us at

[appeal@thehopeexchange.org](mailto:appeal@thehopeexchange.org),

visit our website

[www.thehopeexchange.org](http://www.thehopeexchange.org)

or use the SnapScan code below.



Every little helps us provide our homeless clients with dignity and hope.

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The Carpenter's Shop NPC trading as The Hope Exchange  
Reg no: 1979/006154/08 • NPO: 003-417 • PBO: 18/11/13/2509 • Tax exempt: Section 18A

**Executive Board:** AS McLeod (Chairman), PR Solomon

**Advisory Board:** W Conrad, I Veary, J Smith, A Kirke, K De Lorenzo, R Hofmeyr

**Patron:** GJC Burton

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## CHAIRMAN'S REPORT

This year represents our 40th anniversary and we intend using it to celebrate the successes of the last 40 years in service of the homeless in Cape Town. We see this as an opportunity to reinvigorate our organisation following the harsh realities of the past year.

The COVID-19 pandemic has had a greater impact on the homeless community than on almost any other sector. The conditions of living on the streets, combined with the lack of access to health care facilities, exposes homeless people to the vagaries of the pandemic. However, the biggest impact is the economic impact and we have seen a dramatic increase in the number of homeless people in Cape Town.

A positive response from The Hope Exchange has been the recent, first of its kind, roll-out of the Vaccination programme to the homeless in conjunction with the Western Cape Department of Health.

The areas where we make the biggest impact on mitigating the effects of COVID-19 on the homeless community, continue to be in the provision of our core services:

- access to ablutions
- access to food
- access to medical assistance

- second phase shelter to 40 men ahead of reunification or reintegration
- social work services to assist homeless people to get back on their feet.

In order to make this happen, we rely on people like **you!** I would like to take this opportunity to thank all of our generous Donors, our Volunteers, the Department of Social Development, the City of Cape Town, our partners, NGO's, especially our feeding partners, the people working at The Hope Exchange led by Peter Solomon and the Advisory Board for everything that you have contributed over the past year.

A brief summary of the successes of the past year:

- Our Annual Feed 5000 Campaign increased the number of meals provided over the December/January holiday period when the Service Dining Rooms are closed from 10,463 to 11,516
- Food support for the homeless and those living in the Geoff Burton House second phase accommodation

- Increase in Donations received by 109%
- Engagement and support from the City of Cape Town

There is a saying that one should never let a good crisis go to waste. The Advisory Board of The Hope Exchange have done exactly that and have done a fundamental review of the Strategies that are required to make a real difference in the lives of the homeless. We will be sharing this with you during our online Annual General Meeting. In summary we believe that the major areas of focus for ourselves should be:

- to substantially improve the level of Social Care Services that we offer.
- to be advocates on behalf of the homeless to enable lasting solutions for our clients.
- to lift the bar and professionalise the way in which we operate.

At our AGM in 2019, we celebrated the contribution that our Founder Geoff Burton had made to our organisation over the years. This last year Geoff made the decision to hand over the baton and step down from the Board. I would like to take this opportunity to salute and thank Geoff for his years of tireless service to The Hope Exchange and to the homeless community in central Cape Town. In recognition of his contribution, Geoff was appointed as the Patron of The Hope Exchange.



**STUART MCLEOD** – Chairperson



## DIRECTOR'S REPORT

The next year heralds an exciting milestone in the life of The Hope Exchange as we celebrate 40 years in service of the homeless! We could not have done so without the resolute vision and perseverance of our founders, the ongoing support from funders, donors, partners and volunteers, the sacrifice, drive and expertise of our Advisory Board and the dedication, forbearance, and commitment of our staff – all to whom I wish to express my sincere gratitude.

My last report began with the announcement of our new identity and branding. I'm pleased to inform that our new name has been positively received by all relevant stakeholders.

Much has happened since then, most particularly the immense increase in homelessness post COVID-19. Stuart McLeod, in his Chairman's Report, referred to the crippling effects of the pandemic. This has not only led to sweeping business closures, a great increase in commercial property vacancies and South Africa's new record high unemployment rate of 34.4%, but also rampant homelessness and food insecurity.

From the previous official figure of 7,383\* there are now an estimated 14,357\*\* homeless people in Cape Town. A little more than 2000 have shelter and a bed at night, as this is the total capacity of all available night shelters, meaning about 12,000 people literally live on the streets every single day.

After the first hard lockdown at the end of March 2020, we temporarily closed our Ablutions Facility for health and safety reasons and were obliged to shut The Car Wash (TCW) and Second Chance Shop (SCS) as these were not essential services. Ablutions and TCW later resumed when restrictions were eased, but SCS couldn't open fully under the lockdown regulations. Our second phase shelter, Geoff Burton House (GBH), continued to operate uninterrupted with strict COVID-19 protocols in place.

During the hard lockdown we opened a Walk-by Hydration and Sanitising Station where our clients could obtain fresh drinking water and hand sanitizer daily. This also served as a COVID-19 information and awareness centre with relevant health and safety information and face masks for the homeless.

Hunger became another priority and together with our existing partners, The Service Dining Rooms, Ladles of Love and

RPJ Helping Hands we were able to ramp up feeding opportunities to meet the desperate and increased needs.

While GBH operated continuously through all lockdown levels, most GBH residents suffered the harsh effects of the pandemic after either losing employment or having shifts reduced – many are employed in the hospitality or service sectors. As GBH is a second phase shelter (a more independent living model prior to reintegration with society or reunification with family), residents are required to be employed, take care of their own living costs and service fees are payable. The loss/reduction of employment meant many residents could no longer meet their financial obligations and became destitute. We are thus very grateful for the ongoing support from FoodForward and a first-time Grant-in-Aid from the City of Cape Town that enabled us to provide food parcels and personal care packs to our GBH residents during the darkest days of the hard lockdown and since.

The loss of income from GBH fees and zero revenue from TCW and SCS during their 3-month closure and declined revenue

during the slow recovery period thereafter meant that our income generation activities realized less than 50% of the budgeted revenue. Amazingly, donation income, when compared to the previous financial year, increased by 109% to make up that shortfall. This type of remarkable support further encouraged us to remain focused on our mission.

**The Hope Exchange helps the homeless to help themselves. We improve the lives of those who have no choice**

**but to live on the streets – restoring dignity and facilitating personal growth.**

**Our aim is to reintegrate clients back into society or reunify them with family by providing holistic social care and driving awareness for the cause.**

Following an announcement from the City of Cape Town that it “...will work with partners to help guide a broad stakeholder consultation process in the review of its Street People Policy, which has been in place since 2013...”, during the second half of last year, we were fortunate to participate in the Inkathalo Conversations on homelessness, that included multiple stakeholders from different sectors, amongst others, academia,

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**Estimated 14,357 homeless  
Only 2,000 shelter beds  
+12,000 sleeping rough daily**

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legal, business, government, PBO's, NPO's and CBO's. This was a public participation process designed to value humility, justice and inclusivity, uphold human rights and be non-judgemental. Amongst the key role players and participants in the review process were people with lived experience of homelessness. Although we have not yet received the Inkathalo Conversations Phase One Report, this was a significant and historic process and the report will serve as a valuable reference, resource, and tool for future engagement.

There was increased litigation and homelessness has also received more media attention during the past year – much was negative or highlighted the continued, harassment, unfair treatment and cruelty from law enforcement agencies towards people living on the street. We have also seen a rise in divisive actions, disapproval, disparagement and nefarious actions against people who help the homeless.

While we continue with our mission of care and support to our clients, we cannot ignore the increased injustices they suffer. We have been challenged to strengthen our advocacy, to seek to uphold the right of our clients, pursue greater understanding

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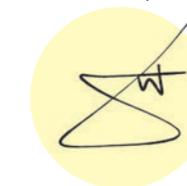
**Homeless people are generally ostracised, stigmatised, marginalised and misunderstood.**

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and a better future for people who have no option but to live on the streets. We need to take a dialogical approach. We need to have more robust conversations about how to engrave dignity and respect and challenge the stigmas so embedded into our society. We need to question how it is that our City can reportedly spend R53m on a temporary shelter for 1,500 homeless people for two months, compared to the annual R121.9m\*\* on social development programmes for the homeless and R335.2m\*\* on law enforcement and punitive measures against the homeless?

Why is it that homelessness is still largely regarded as the work of underfunded NGO's? No one should have to live on the streets. Let's continue to work towards ending the suffering and alleviating the

extreme deprivation faced by this vulnerable group.



**PETER SOLOMON** – Director

\* source: City of Cape Town Street People Research Survey (2015)

\*\*source: U-Turn Cost of Homelessness Report (2020)



## SOCIAL CARE REPORT

*“It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of light, it was the season of darkness, it was the spring of hope, it was the winter of despair...”*

The above quotation from the *Tale of Two Cities* by Charles Dickens best describes the Social Care Department’s experiences this past year. The year 2020 was a year unlike any other, with the COVID-19 pandemic bringing incomparable health and economic devastation and shining a spotlight on socio-economic inequality in our country. Both staff members and clients had to unlearn some old habits and learn new habits to survive.

The COVID-19 pandemic and the subsequent lockdown brought many challenges to us as a department on various levels. We were forced to temporarily suspend our social care services to the ablution clients for four months to meet lockdown level 5 and 4 rules and regulations. Nevertheless, at the heart of what we do is the conviction that hope allows people to approach problems with a mindset and strategy-set suitable to improve growth and development.

In the past year, the Social Care Team continued to provide an integrated continuum of psychosocial services to homeless individuals living on the streets in the Cape Town CBD and employed men in Geoff Burton House (GBH) who were at risk of becoming homeless. The team remained committed to the organisation’s core objective, which is to improve the lives of those with no other choice but to live on the

streets, restoring dignity and facilitating personal growth. Our aim is not to exacerbate homelessness, but rather to reintegrate homeless clients back into the society or reunify them with family by providing holistic social care and driving awareness for the cause.

New ways of working enhanced the lives of our homeless clients as shown by the numbers reported on page 9. Moreover,

- our ablutions clients taking chronic medication were able to continue storing their medication, medical records and clinic cards safely in our medical lockers. They could access clean drinking water, a small snack and medication, which improved their health daily.
- monthly clinics by St John Ambulance continued to improve the health and knowledge of our homeless clients as they received basic medical screenings and check-ups, medication, health education and referrals to hospitals for further medical intervention.
- a hand sanitizing and water station was opened where about 80 homeless clients could safely sanitize their hands and get fresh clean water daily.
- weekly life skills education groups were facilitated and our clients’ knowledge and skills in various social aspects including job readiness and financial planning were improved.
- psychosocial support services continued to be rendered to the employed men in GBH, with the goal of successfully

reunifying and reintegrating them with their families and communities.

- weekly Bible studies and spiritual counselling provided in partnership with the Joshua Generation (JoshGen) Church enhanced the social and spiritual functioning of many of our ablutions and GBH clients.
- new relationships formed with the JoshGen Church, Sonke Gender Justice and Gardens Neighbourhood Watch (GNW) and already existing ones with the broader sector were strengthened, complimenting the social care services provided to clients during the year.

Challenges also continued in the daily operations of the ablutions and GBH facilities.

- There was an increase in cases of alcohol and drug abuse disorders, suicidal ideation and mental illnesses that required referrals to specialised treatment facilities including rehabilitation services, recovery programmes and support groups.
- Pay cuts and job losses for GBH residents due to the lockdown aggravated food insecurity and impacted negatively on their progress towards reintegration back into the society.
- Shortage of space in shelters made it difficult for homeless clients to access shelters, especially in winter.

- The absence of storage facilities continue to be a challenge as our homeless clients endlessly lose their identity documents and other valuables on the streets, impacting negatively on their access to social grants and employment opportunities.
- The majority of our GBH residents were food insecure and struggled to pay their monthly service fees. Food parcels, toiletries and cleaning detergents were provided to residents monthly.
- Many GBH residents overstayed in the shelter due to the adverse effects of lockdown which slowed down their progress towards reintegration into society and reunification with family.

The Social Care Team remains passionate and devoted to helping the homeless. We continue to be a part of the Street People's Forum and a site of learning for social service professionals from institutions local and abroad.

Our sincere gratitude goes to all our partners, donors, funders and everyone who made it possible for us to restore dignity and hope, and positively impact the lives of our homeless clients.



CHARITY POTE – Social Work Manager



## SOCIAL CARE IN NUMBERS

### Social Care

8,186	Ablution visits
286	Clothing assistance
56	Ablution clients receiving additional social care
2	Social work interns and students

### #Feed5000

(13 Dec 2020 – 15 Jan 2021)

11,516	#Feed5000 meals served
143	#Feed5000 volunteers

### Geoff Burton House (Second Phase Shelter)

74	Residents stayed longer than three months
413	Care bags distributed
325	COVID-19 relief food hampers distributed
235	Pre-packed meals provided
90	Personal development plans compiled and reviewed
17	Monthly life skills programme participants
27	Reintegrations
9	Reunifications

## FINANCIAL REPORT

Despite the very severe impact that the COVID-19 pandemic has had on our community, our financial position has remained stable when compared to the prior financial year-end. The surplus of R81,691 (2020: R16,791) for the year increased our reserves by 4.7% to R1,797,549.

A significant decrease in our car wash service revenue from R1,000,464 in 2020 to R539,895 in 2021 and a decrease of R247,739 in accommodation fees from Geoff Burton House were offset to a large degree by a very pleasing increase in donations income of R759,960. This increase includes a few large donations, but also comes from an increase in the donations from our regular donors, which provides ongoing liquidity. Other income streams remained satisfactory and at much the same levels as in the prior year.

Expenditure was well managed and constantly compared to budgets, which were adjusted as necessary to reflect the changes in income flow during the year. Expenditure budgets were also redirected resulting in an increased spend in vital areas such as food relief, health and safety, client development and training.

In summary, total income increased by 2.1% from R3,408,936 to R3,481,687 and total expenses increased by 0.2% from R3,392,145 to R3,399,996 during the year.

We had budgeted for various necessary repairs and maintenance to be carried out on the buildings from which we provide our services to the homeless; however, these projects have been postponed until we have adequate financial reserves, or we obtain specific funding for the projects.

Fundraising remains a challenge and is a strategic focus area during the coming year.

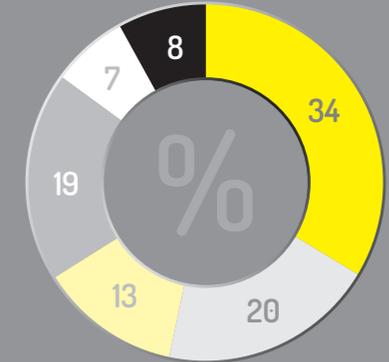
We would like to express our appreciation to our auditors, Moore Cape Town Inc, for their continuing support in completing the independent audit of our annual financial statements at reduced rates.



**ROLY HOFMEYR** – Treasurer

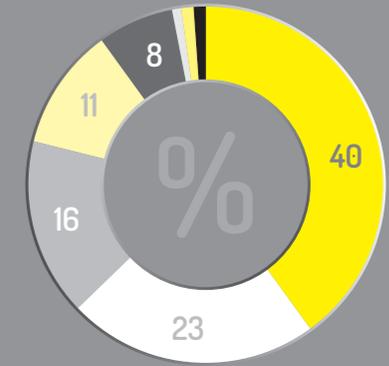
## EXPENSES APRIL 2020 – MARCH 2021

Administration	34%	<span style="color: yellow;">●</span>
Social work	20%	<span style="color: lightgrey;">●</span>
Shelter Residence (GBH)	13%	<span style="color: yellow;">●</span>
Social Enterprise (Car Wash)	19%	<span style="color: grey;">●</span>
Marketing and fundraising	7%	<span style="color: white;">●</span>
Reintegration and wellness	8%	<span style="color: black;">●</span>



## INCOME APRIL 2020 – MARCH 2021

Government (DSD + CoCT)	40%	<span style="color: yellow;">●</span>
Donations	23%	<span style="color: white;">●</span>
Social Enterprise (Car Wash)	16%	<span style="color: grey;">●</span>
Rental Income	11%	<span style="color: yellow;">●</span>
Shelter Fees (GBH)	7%	<span style="color: grey;">●</span>
Interest Received	1%	<span style="color: lightgrey;">●</span>
Trusts	1%	<span style="color: yellow;">●</span>
Social Enterprise (Shop)	1%	<span style="color: black;">●</span>





### The Carpenter's Shop NPC

(Registration number: 1979/006154/08)  
Financial Statements for the year ended 31 March 2021

#### Statement of Financial Position as at 31 March 2021

Figures in Rand	Notes	2021	2020
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	647 737	686 929
<b>Current Assets</b>			
Trade and other receivables	3	143 432	174 541
Cash and cash equivalents	4	1 147 835	1 256 834
		<b>1 291 267</b>	<b>1 431 375</b>
<b>Total Assets</b>		<b>1 939 004</b>	<b>2 118 304</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		1 797 549	1 715 858
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	141 455	402 446
<b>Total Equity and Liabilities</b>		<b>1 939 004</b>	<b>2 118 304</b>

### The Carpenter's Shop NPC

(Registration number: 1979/006154/08)  
Financial Statements for the year ended 31 March 2021

#### Statement of Comprehensive Income

Figures in Rand	Notes	2021	2020
Revenue	6	555 935	1 022 747
Cost of sales	7	(554 097)	(759 218)
<b>Gross profit</b>		<b>1 838</b>	<b>263 529</b>
Other income	8	2 876 002	2 320 981
Operating expenses		(2 844 003)	(2 632 927)
<b>Operating profit (loss)</b>	9	<b>33 837</b>	<b>(48 417)</b>
Investment revenue	10	49 750	65 208
Finance costs	11	(1 896)	-
<b>Profit for the year</b>		<b>81 691</b>	<b>16 791</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>81 691</b>	<b>16 791</b>

## DONOR ACKNOWLEDGEMENT

Our client service operations were not the only function severely limited this year as our ability to raise much-needed funds and resources was also curtailed. We overcame the challenges thanks to the generosity and ongoing support of our supporters and donors. Without the assistance we received over the year we would not have been able to provide our services to our clients, pay our staff or re-open our doors following the lockdowns and restrictions of movement.

Our heartfelt gratitude goes out to all who donated time, money, food, clothing, blankets, toiletries, services and expertise, allowing us to keep providing the essential services our clients have come to rely upon us for. It is impossible to highlight every magic moment of hope that is given to us and our clients but a special thanks goes out to our donors.



40 years in service of the homeless

#### EDUCATION, GOVERNMENT, NPOS AND TRUSTS

AA, BWM Trust, CCID, City of Cape Town, FoodForwardSA, Giving Hope, JET Lee Will Trust, Ladles of Love, Relate Trust, RPJ Helping Hands, The Department of Social Development (Western Cape), The Service Dining Rooms, The Solstice Foundation, Waterfront Rotary Club

#### CHURCHES AND PARA-CHURCH

JoshGen (City Bowl), Parish of St Thomas, Mount View Baptist, Salisbury Cathedral, Southern Suburbs Discussion Group, St Mary's Cathedral, St Vincent de Paul

#### COMMERCIAL AND CORPORATE

Ackerman Family Foundation, Backbuddy, BG Services, Burnt Studios, Coca-Cola Peninsular Beverages, Combat Force, Connect 123, Dragons Sports, Dunns, Ergogor Marketing, King James Group, Lambs become Lions, Maserumule Attorneys, Moore Cape Town Inc., Popcorn Training, Schmidhauser Electrical and Plumbing, Spitzer Networks, Straughuan Inc., Whitesox

#### INDIVIDUALS AND IN-KIND DONORS

A Wills, Alan, Anetta Dryzek, Angus Sutherland, Anna Collard, AS Mcleod, Belinda West, Bridget Searle, Celeste Jonker, Claire, Claire Van den Heever, Colin Habberton, D Wormersley, David Giles, Debbie Lopes, Dee Wills, DL Gilmour, Drew Hoffmeyr, DV Lewis, E JV Rensburg, E Solomon, Emily Rudolph, Fabian Dearham, Freeth, Garine De Wet, Geoff Burton, Gill Lanham, H Diaz, HL Lambrecht, Ian Matheson, J Chadwick, JA Kent, JackMax, Jacqueline Kneale, James McMillan, Jana Kolodjief, Jane Gilbert, Jason Engledoe, JBW, Jen Herbert, Johann Maree, Jonathan Mort, K De Lorenzo, K Gilmour, Karen Fourie, Karin Henriques, Koogan Pillay, Krishnambal Naidoo, Kwena Semenya, Laura Carvahlo, Liza, Lizel Bignaut, Loretta Apostoli, Lucinda Jolly, Lynette and Simon Allen, M Jackson, Marie Joyce, Matthew Richardson, Maureen Kilroe, Michael Carbutt, Michael Graham James, MJ Bridgeman, ML Reid, Nicolette Smit, O Wills, Olivia van den Heever, Patricia Winter, Penny Andrews, R Solomon, Richard Burton, Robert Stuart, Roly Hofmeyr and CA Conversation Group, Ronald Forbes, Ross Stegmann, Roystan Romburgh, S Thomas, Sarah Hepburn, Solanki, Sophia van der Walt, Stefan Spitzer, Stephen Ferreira, Siham Boda, Steven Andrews, Tamsyn, Tailah Botha, Theula Teunis, Tiffany Rademeyer, TJ Fitzpatrick, TR Covit, V Wood, Vincent De Wet, W Conrad, Wenhold Family, Wynne Bredenkamp

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