



The Peace Agency

Annual Report
2013

Contents

Contents	2
Chairman’s Report	3
General Report Back	4
Project Report Back	5
Stop Crime Say Hello	5
The Baby House	6
Finances	12
Financial Overview	12
Fundraising	12
Soul of Africa	13
Annual Financial Statements	14

Chairman's Report

The second AGM of the NPO The Peace Agency was held at the registered address 28 Herrwood Drive, Umhlanga Rocks on Saturday 4th May 2013.

The Peace Agency began with two initial projects, namely Stop Crime Say Hello and The Baby House and last year initiated two further projects, Bright Stars Mentorship Programme and The Cookie Jar.

This year two new services have been initiated and added to the offering of The Baby House; a baby safe which will open in June 2013 offering a safe alternative to the abandonment of babies, and Baby Talk, an advisory service to prospective adoptive parents.

The Peace Agency was registered on the 24th March 2011 as an NPO with the Department of Social Development. Since that time it has maintained a high standard of operations and reporting in terms of projects and financial management. TPA is registered as a Public Benefit Organisation (PBO) with the South African Revenue Services. TPA has been assigned both PBO and Income Tax numbers.

In its second year of operation, TPA grew significantly in terms of its reach and the services it provides to the surrounding community and the brand was launched to the public with a new website. This profiles TPA as the umbrella brand under which all related projects fall. All articles and releases now go out under the TPA brand.

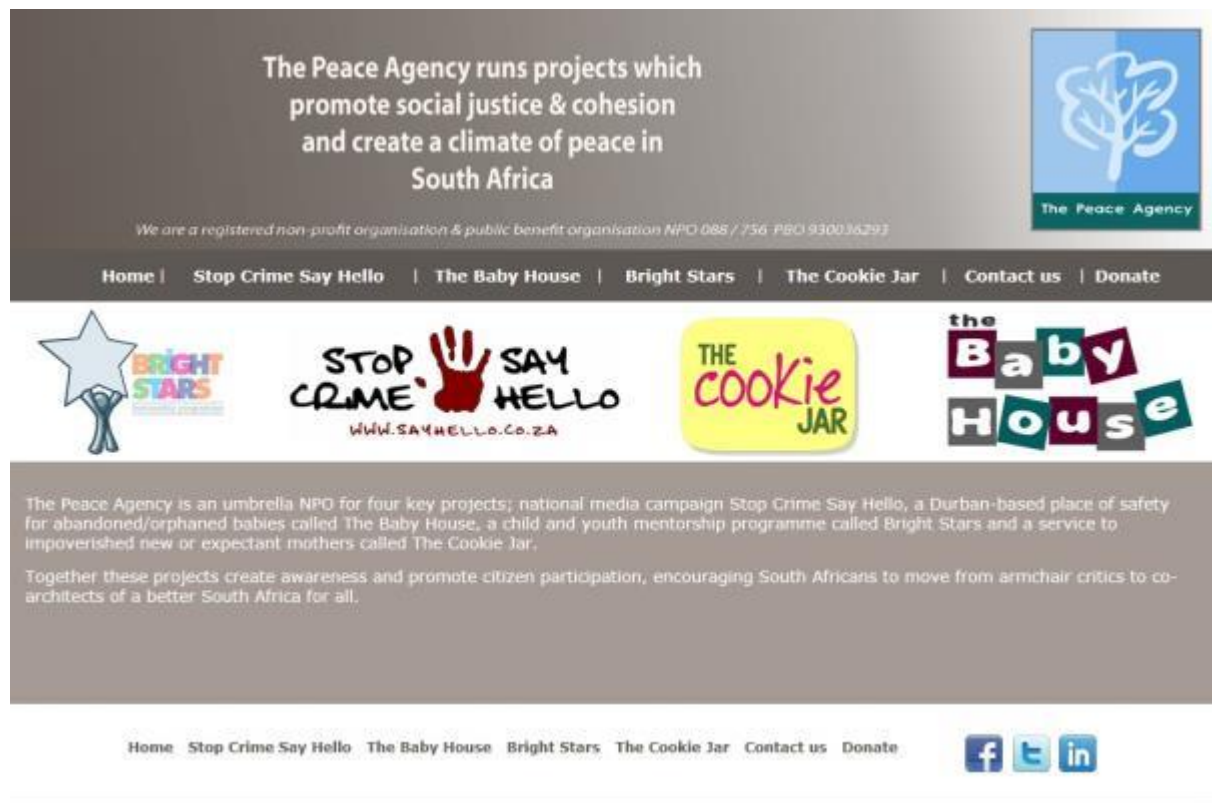
I would like to take this opportunity to thank everyone who has helped us, volunteered and contributed in some way to the continued success of TPA – especially members of our board. We would like to thank them for contributing to TPA being fully compliant with the Department of Social Development (DSD).



Chairman

General Report Back





In early 2013 we launched our new website (www.peaceagency.org.za) and also joined the world of social media. We are currently on Twitter, Facebook and LinkedIn. This service has been generously donated to us by national recruitment agency My Future Career.



The Peace Agency runs projects which promote social justice & cohesion and create a climate of peace in South Africa

We are a registered non-profit organisation & public benefit organisation NPO 085 / 756 PBO 930036293




Home | Stop Crime Say Hello | The Baby House | Bright Stars | The Cookie Jar | Contact us | Donate

The Peace Agency is an umbrella NPO for four key projects; national media campaign Stop Crime Say Hello, a Durban-based place of safety for abandoned/orphaned babies called The Baby House, a child and youth mentorship programme called Bright Stars and a service to impoverished new or expectant mothers called The Cookie Jar.

Together these projects create awareness and promote citizen participation, encouraging South Africans to move from armchair critics to co-architects of a better South Africa for all.

Home Stop Crime Say Hello The Baby House Bright Stars The Cookie Jar Contact us Donate

Project Report Back



Stop Crime Say Hello

Stop Crime Say Hello is a media driven campaign that puts out messages related to how citizens of South Africa can play a more active role in creating a safe and peaceful environment. It is driven by Justin Foxton – the campaign’s founder – and aims to create a more positive and proactive approach to life in South Africa.

Justin reported on the general landscape of crime in South Africa which continues to decline across most categories including murder, robbery and hijacking. There is a heightened awareness of the need for citizen participation which is one of the central messages of the campaign. This is evidenced in the continued success of civil society initiatives such as Lead SA and the Citizen’s Movement. There is a more positive sentiment regarding South Africa especially from outside the country. This is another key objective of the campaign – to counter the negative and create a more positive atmosphere - and can be evidenced by research that shows there are now more people arriving in South Africa than leaving.

In the past year, the following has been achieved in terms of disseminating key campaign messages:

1. 15 live talks done nationally
2. 60 live radio interviews/programmes done on local and national radio stations
3. Daily radio programmes used regularly on 4 community radio stations: Radio Veritas, Radio Pulpit, Bay FM, Radio Namaqualand and frequently on 26 others.
4. 75 -100 articles written and published by Justin (amongst the publishers are: The Mercury, The Star, IOL, various magazines, various websites including South Africa the Good News, The Pretoria News, various mailers and newsletters including Awesome South Africa)
5. 24 Stop Crime Say Hello mailers
6. Articles written by outside writers featuring the SCSH message
7. The campaign is now also on social media platforms Twitter, Facebook and LinkedIn. Messages go out on these platforms on a daily basis.

From a campaign perspective radio and print media are dominant. Justin continues to write The Flipside column in The Mercury and this continues to be amplified via other media platforms, newsletters to the SCSH database and on radio (including SAFM, Radio 2000, and local community radio). The daily SCSH radio minutes remain active on the SCSH website.

Justin’s live presentations have been done at schools, churches, Rotary Clubs and businesses.

The challenge for this next year is to make more use of the content that Justin generates around the SCSH message – especially using our fledgling social media sites.



The Baby House

The Baby House Umhlanga is a transition home for abandoned and orphaned infants, and infants given up for adoption. Opened in June 2010, the home is run by Justin and Cathy Foxton and is based at their home at 28 Herrwood Drive, Umhlanga Rocks. The Baby House cares for 4 babies at any one time. Since opening its doors TBH has cared for 20 infants and facilitated 14 adoptions.

As stated in last year's report, the secondary objective of The Baby House is to create a best practise example of this kind of 'family based care' for others to implement.

To this end we opened a second Baby House this past year in Durban North. They are now fully functional and able to care for up to 6 babies at any one time. They run under the name House of Love and Hope (HOLAH). A third home in Prestondale continues to run taking in one baby at a time. This runs independently of TPA. We are in the process of opening a fourth fully fledged Baby House in La Lucia with crisis parents Skip and Sheila Collins of Grace Family Church. This will fall under TPA and will be equipped to take in 6 babies at a time. A Ballito based couple is currently being screened to open a fifth Baby House.



Dr Karamon & Cathy during one of the monthly medical assessment clinics



Skip & Sheila Collins

A third key objective of The Baby House is to raise awareness of the orphan crisis and promote adoption. To this end this year Justin has continued to write articles and comment in this area. It is estimated that approximately 60 articles have been written by Justin or quoted him in the local, national and international media. Grace Family Church – a local Durban based congregation with around 4000 members – has given their support to The Baby House and to promoting adoption, as has national NGO Focus on the Family. It is envisaged that these two organisations will become key partners of The Baby House and the Peace Agency in the coming months.

This year the service Baby Talk was launched. This sees Justin hosting conversations either face-to-face, telephonically or via e-mail helping prospective adoptive parents gain clarity and direction on their adoption process. The service has helped approximately 50 couples and individuals in the past 12 months.

TBH is a key tool in citizen participation as amplified by the SCSH media campaign – getting people involved in the short and long term care of our nation’s approximately 2.5 million orphans. As part of this it is important to note that whilst several of our babies have arrived HIV exposed, ARV therapy and regular testing has meant that 100% have left The Baby House HIV negative. We work closely with doctors, welfare organisations, blood testing services and other NGO’s to ensure that all screening and medicals necessary for adoption are completed.

The babies continue to come to us from the following places:

1. Child Welfare Durban and Districts
2. Wandisa Adoption Agency

We continue to encourage the movement of babies from state owned places of safety (such as Umhlazi) to The Baby House. This way we can help to free up state facilities and ensure that these babies get into adoptive homes.

The Baby House press local, national and international continues to be extensive resulting in widespread awareness of the issues and the work itself. Many people come visiting as a result: schools, churches, companies, individual and volunteers. This has ensured a steady stream of support in terms of donations of time, products and money. The Baby House featured as part of the eTV hero’s campaign. This programme ran multiple times a day for 40 days and significantly raised the profile of adoption in South Africa.

We recently announced the installation and launch of a ‘baby safe’ at The Baby House in Umhlanga. This device was donated to TBH (R10,500). Installation is scheduled to take place in June 2013. The baby safe is a device into which a desperate parent can safely and anonymously leave their baby to be retrieved and cared for by staff at The Baby House.



The baby safe

The baby is adopted via the correct channels of a registered Child Protection Organisation.

We plan to run an extensive grassroots communication campaign in the surrounding communities alerting parents to the available options should they be unable to care for their child. This will be aimed at reducing abandonment and resultant infanticide.



Advert



Bright Stars Mentorship Programme

Since our inception, we have matched eighteen mentors with children (twenty if you include Justin and I). Of those eighteen:-

Twelve are still actively mentoring their Little Stars;

- One mentor did the one year that she committed to but could not continue due to work commitments (Jayshree);
- One child was removed from Durban Children's Home under very confidential circumstances and the social worker could not tell the mentor where she had gone. The mentor was devastated. She has since been diagnosed with cancer and is in fact not well enough to mentor a child;
- One mentor really let us down as her child was very ill and she only managed to visit her little Star three times. This was a problem for us as the mentor knew that her child was ill at the time she undertook the training and when she made the commitment to mentor the young girl for one year. The young girl was very disappointed but we explained the situation to her as carefully as we could. She has now left Durban Children's Home as she turned eighteen last year;
- Two other mentors also really let us down. They both only visited their Little Star once and then moved to Richards Bay and Pietermaritzburg respectively. I arranged a replacement mentor for the one young girl and that relationship is progressing well;
- One young child from St. Thomas Children's Home has left the home and been placed in foster care. The mentor, however, still keeps in touch with her and sees her once a month or so.



The Children's Homes are:-

- St. Thomas Children's Home – 6 mentors
- Durban Children's Home – 4 mentors
- Pietermaritzburg Children's Home – 1 mentor
- Embo Children's Home – 1 mentor

At the end of 2012, Justin and I were discussing our own mentorship relationships and we questioned what impact we were actually having on the lives of Paul and Faith. We decided to ask them for feedback about their mentorship relationships with us. The four of us went to Wimpy for lunch and what emerged out of that discussion was utterly heart-warming. Both Paul and Faith gave very emotional accounts of the impact that we had had on their lives and what a difference it had made to know that someone really cared about them. There were many tears and it was very encouraging to know that, in as little as an hour a week, an adult companion really can have an enormous impact on the life of a vulnerable child.



One of our mentees

The mentors have amazing stories. This is what one of our mentors has had to say about our mentorship programme:-

Fiona Furniss –

“I got involved with Bright Stars because I wanted to give something back. I have been enormously blessed in my life and my children have so much when others have so little that I

wanted to do something about it. My relationship with my little star has opened my eyes to seeing things differently, by spending time with a child who has known such hardship but who is still excited about what the future holds is very humbling. We have slowly got to know one another and I would like to think that she sees me as someone who is there for her and has her best interests at heart. We have a common love of dance and often have a good laugh about the day to day things. When I first met her she was quite closed off and I think suspicious of me but I am so pleased that she is more open about her opinions and is quite happy to tell me what she thinks. I encourage good manners and point out when I think she needs a nudge in the right direction. The hardest thing for her to grasp was that she is entitled to enjoy a treat for herself and that she didn't have to take things back to the home for the other kids to share. She has matured and relaxed in the year I have got to know her and I enjoy spending time with her. I look forward to seeing how she progresses through her teenage years although I have no doubt that there will be some bumps along the way. One funny incident that springs to mind is recently she ordered a cappuccino because I was having one – I told her she might not like it but let her go ahead – she hated it and put about 5 spoons of sugar in it before she could drink it!”



One of our matches

This is what Premie Pillay, one of the Social Workers at Durban Children’s Home has to say about our mentorship programme:-

“Durban Children’s Homes has always believed that for a child to be well adjusted, she or he has to have four functional components in their life. This is based on the Circle of Courage by Brokenleg, Bendtro and Bockern (1998) Reclaiming Youth at Risk. (A sense of Mastery, Independence, Generosity and Belonging).

One of the key components is a sense of Belonging. Many of our children are either orphaned, abandoned or due to family circumstances, cannot return home. There is no permanent father figure or maternal figure to identify with. These young children therefore need somebody whom they can rely on and receive support from. Somebody who will just listen and spend some quality time with them. It is for this reason that our partnership with Bright Stars has been welcomed.

We have observed the benefits in the children who have been fortunate enough to secure a mentor. The young people are happier and feel special with ‘their mentor’ visiting them or phoning them. It also allows for the opportunity for trusting relationship and attachment to develop.....something the child may not have experienced previously.

All human beings are gregarious and need to feel accepted and secure. For this very reason a sense of belonging is the most vital component of the Circle of courage and impacts on how the children perceive themselves. I have seen children develop confidence after they have been mentored. I have also had many children requesting that they have mentors too, as they can see the difference it makes to their peers.

Mentoring a child is not about bringing treats for them or taking them out all the time, it’s about making them feel special and important by just spending quality time with them!”



Some of our matches



Cookie Jar

The Cookie Jar is a project coordinated by Cathy Foxton. It has been set up to help make use of some of the extra baby products that are donated to The Baby House (baby clothes, toys, equipment such as baths, walkers, high-chairs). The idea behind this project is to package up starter packs for impoverished pregnant or new moms that would ordinarily not be able to afford such items. The secondary objective is to use the packages to lend encouragement to these often desperate women.

By helping these moms we are also able to talk to them about issues such as contraceptives, HIV testing and HIV treatments for them and their children. By easing some of the financial burden that comes with having a baby, we aim to reduce the number of babies that are abandoned.

Since the project began we have helped 15 desperate mothers.

Finances

Financial Overview

We have had a successful second year of operations in that we have raised enough funds & donations of baby goods to enable us to offer a high quality service to those individuals dependent on TPA. We ended the financial year in the green and are positive that we will be able to raise the necessary funds & goods in the coming year as well.

Fundraising

Aside from our usual fundraising activities we did several other fundraising events in the past year. A Golf Day was held for us at The Durban Country Club and a lunch was done at Beefcakes Restaurant in Cape Town. These events raised funds for The Baby House but also helped to create awareness of the issues surrounding abandonment, adoption and orphans.



Pink Lunch at Beefcakes

Justin also used his 2012 Comrades run to raise awareness & formula for The Baby House. He raised over R41,000 in financial & formula donations.

A very generous donation of R60,000 came from ColourField Liability Solutions in May 2012. We have also had a number of larger product donations this year. One of these was a donation of nappies from Kimberley Clarke.



We launched two fundraising initiatives namely the 100 club and adopt-a-cot. The 100 club is aiming to get 100 people to each

commit to a monthly donation of R100. We currently have 17 members. The adopt-a-cot initiative aims at getting people to commit to R1,000 a month. We currently have 7 members. We have contracted the services of a debit order company to process these as debit orders.

This year we lost one of our regular monthly donors Rick Lloyd who was giving R5,000 per month. We are also soon to lose HABIT (Chris & Cheryl Greenham) who contribute just under R5,000 per month towards staff salaries. We are currently engaged in conversations with other sponsors to replace these incomes.



Justin raising funds & formula

We have hosted a number of corporate social responsibility days and school community outings as well as individuals doing their community projects.



Umhlanga Pre Primary School

Soul of Africa

We continue to assist another NPO - Soul of Africa - to administer money to a few vulnerable children they have been supporting for many years. These kids were staying at Khulani Children's home, but have since been pulled out and sent to stay with family.

We agreed to collect the money from Soul of Africa on behalf of these kids & then pay it over to them each month. This money is to cover their out-of-pocket expenses. We also administer extra lessons, savings, transport & a food allowance for one of the boys.

THE PEACE AGENCY

(Non-Profit Organisation No. NPO 088/756)

ANNUAL FINANCIAL STATEMENTS

As at 28 February 2013

Contents

STATEMENT OF TRUSTEES' RESPONSIBILITY	15
CORPORATE GOVERNANCE STATEMENT	16
REPORT OF THE ACCOUNTING OFFICER	19
REPORT OF THE TRUSTEES	20
STATEMENT OF FINANCIAL POSITION	22
STATEMENT OF COMPREHENSIVE INCOME	23
STATEMENT OF CHANGES IN EQUITY	25
CASH FLOW STATEMENT	26
NOTES TO THE FINANCIAL STATEMENTS	27

STATEMENT OF TRUSTEES' RESPONSIBILITY

for the year ended 28 February 2013

The Trustees are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The reviewers are responsible for reporting on the fair presentation of the financial statements. The financial statements have been prepared in accordance with the South African Statements of Generally Accepted Accounting Practices.

The Trustees are also responsible for the Entity's system of internal financial controls. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of the assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the Trustees to indicate that any material breakdown in the functioning of these controls, procedures and system has occurred during the year under review.

The financial statements have been prepared on the going-concern basis, since the Trustees have every reason to believe that the Entity has adequate resources in place to continue in operation for the foreseeable future.

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements set out on pages 22 to 31 were approved by the Board of Trustees on 15 October 2013 are signed on its behalf by :



Cathrine Foxton
Chairman



Kevin Meredith
Vice Chairman

CORPORATE GOVERNANCE STATEMENT

for the year ended 28 February 2013

Members of the Board of Trustees of THE PEACE AGENCY are ultimately accountable for the governance of the Entity and are fully cognisant of their collective and individual responsibility for promoting high standards of corporate governance.

The Entity confirms its commitment to the principles of openness, integrity and accountability.

Board of Trustees

Responsibilities

The Board was established according to the constitution of THE PEACE AGENCY. The Board meets regularly, and is responsible for oversight and ensuring proper accountability by the Executive Management. The Executive Management attends board meetings by invitation.

The Board has ultimate responsibility for the management and strategic direction of the Entity, as well as for attending to legislative, regulatory and best practice requirements. Accountability to stakeholders remains paramount in Board decisions, and this is balanced against the demands of the regulatory environment in which the Entity operates, and the concerns of its other stakeholders.

Executive Management

These officers are involved with the day-to-day business activities of the Entity and are responsible for ensuring that decisions, strategies and views of the Board are implemented.

Risk Management and the Internal Control Framework

Effective risk management is integral to the Entity's objective of consistently adding value to the organisation. Management is continuously developing and enhancing its risk and control procedures to improve the mechanisms for identifying and monitoring risks.

Operating risk is the potential for loss to occur through a breakdown in control information, business processes and compliance systems. Key policies and procedures are in place to manage operating risk and involve segregation of duties, transactions authorisation, supervision, monitoring and financial and managerial reporting.

CORPORATE GOVERNANCE STATEMENT

for the year ended 28 February 2013

To meet its responsibility with respect to providing reliable financial information, the Entity maintains financial and operational systems of internal control. These controls are designed to provide reasonable assurance that transactions are concluded in accordance with management's authority, that the assets are adequately protected against loss or unauthorised acquisition, use or disposal and that the transactions are properly authorised and recorded.

The system includes division of responsibility, established policies and procedures that are communicated throughout the Entity. All efforts are made to foster a strong, ethical environment. It also includes the careful selection, training and development of people.

There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention or overriding of controls.

Accordingly, even an effective internal control system can provide only reasonable assurance with respect to financial statement preparation and the safeguarding of assets. Furthermore, the effectiveness of an internal control system can change with circumstances.

The Entity assessed its internal control system as at 28 February 2012 in relation to the criteria for effective internal control over financial reporting. The internal control process has been in place up to the date of approval of the annual report and financial statements. Based on its assessment, the Entity believes that, as at 28 February 2013, its system of internal control over financial reporting and over safeguarding of assets against unauthorised acquisition, use or disposition, met those criteria.

Ethical Standards

The Entity has a culture of the highest standards of behaviour and professionalism. This culture requires that all Entity personnel act with the utmost integrity and objectivity and in compliance with the letter and spirit of both the law and Entity policies. Failure by employees to uphold this culture results in disciplinary action.

CORPORATE GOVERNANCE STATEMENT

for the year ended 28 February 2013

Accounting and Reviewing

The Board places strong emphasis on achieving the highest level of financial management, accounting and reporting to stakeholders. The Board is committed to compliance with the Statements of Generally Acceptable Accounting Practice in South Africa. In this regard,

Trustees shoulder responsibility for preparing financial statements that fairly present :

- The state of affairs as at the end of the financial year under review;
- Surplus or surplus for the period;
- Cash flows for the period; and
- Non-financial information.

We have considered the independence of the Accounting Officer and have concluded that their independence is not impaired in any way.

The accounting officer was given unrestricted access to all financial records and related data, including minutes of all meetings of Trustees, the Board of Trustees and committees of the Board. The Trustees believe that all representations made to the independent reviewers during their review are valid and appropriate.

The Accounting officer provides an independent assessment of systems of internal financial control to the extent necessary for the review, and expresses an independent opinion on whether the financial statements are fairly presented. The external review function offers reasonable, but not absolute assurance as to the accuracy of financial disclosures.

REPORT OF THE ACCOUNTING OFFICER

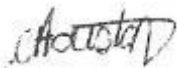
for the year ended 28 February 2013

We have performed the duties of accounting officer to THE PEACE AGENCY for the year ended 28 February 2013 as required. The annual financial statements set out on pages 9 to 18 are the responsibility of the trustees. No audit is required by the Act to be carried out and no audit was conducted.

Accordingly, we do not imply or express an opinion or any other form of assurance on the annual financial statements.

We have determined that the annual financial statements are in agreement with the accounting records, summarised in the manner required by section 58 (2) (d) of the Act, and have done so by adopting such procedures and conducting such enquiries in relation to the accounting records as we considered necessary in the circumstances.

We have also reviewed the accounting policies, which have been presented to us as having been applied in the preparation of the annual financial statements and we consider that they are appropriate to the operations.



Cindy Houston

Chartered Accountant (SA) (08076362)

13 October 2013

PO Box 184
Umdloti Beach
4350

REPORT OF THE TRUSTEES

for the year ended 28 February 2013

The Trustees present their annual report, which forms part of the reviewed financial statements of the Entity for the year ended 28 February 2013.

1. General review

The Peace Agency runs projects which promote social justice and cohesion and create a climate of peace in South Africa.

Registered as a not for profit organization, THE PEACE AGENCY is the official umbrella NGO for four key projects; national media campaign “Stop Crime Say Hello”, a place of safety for abandoned or orphaned babies called “The Baby House”, a child and youth mentorship programme called “Bright Stars” and a service to impoverished new or expectant mothers called “The Cookie Jar”.

Together, these projects create awareness and promote citizen participation, encouraging South Africans to move from armchair critics to co-architects of a better South Africa for all.

Contact details:

Tel: 031 561 4282

Email: justin@peaceagency.org.za

Website: <http://www.peaceagency.org.za/>

2. Financial results

Full details of the financial results are set out on pages 9 to 18 in the attached financial statements.

REPORT OF THE TRUSTEES

for the year ended 28 February 2013

3. Trustees

The following served as Trustees during the current year:

Cathrine Foxton - Chairman
Kevin Meredith - Vice Chairman
Cindy Houston - Treasurer
Nicola Nightingale - Secretary
Georgina Steele - Vice secretary

4. Material events after year end

There were no material events after year end.

5. Accounting Officer

Cindy Houston will continue in office.

STATEMENT OF FINANCIAL POSITION

as at 28 February 2013

	Notes	28 Feb 13	28 Feb 12
ASSETS			
Fixed Assets			
Computer Equipment			
Original Cost		15,965.78	10,155.78
Accum Depreciation		(7,691.18)	(6,771.78)
Total Computer Equipment		<u>8,274.60</u>	<u>3,384.00</u>
Furniture & Fittings			
Original Cost		2,509.80	2,509.80
Accum Depreciation		(1,135.50)	(982.80)
Total Furniture & Fittings		<u>1,374.30</u>	<u>1,527.00</u>
Total Fixed Assets		9,648.90	4,911.00
Current Assets			
Other Current Assets			
Staff Loans			
Lihle Loan		400.00	-
Thully Loan		400.00	-
Total Staff Loans		<u>800.00</u>	<u>-</u>
Total Other Current Assets		800.00	-
Total Accounts Receivable		20,965.00	18,940.00
Cash and cash equivalents	6	109,708.67	82,914.05
		<u>130,673.67</u>	<u>101,854.05</u>
Total Current Assets		131,473.67	101,854.05
Current Liabilities			
Accounts Payable		2,000.00	-
Total Current Liabilities		<u>2,000.00</u>	<u>-</u>
NET CURRENT ASSETS		<u>129,473.67</u>	<u>101,854.05</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>139,122.57</u>	<u>106,765.05</u>
NET ASSETS		139,122.57	106,765.05
EQUITY			
Opening Bal Equity		106,765.05	34,042.79
Net income		32,357.52	72,722.26
TOTAL EQUITY		<u>139,122.57</u>	<u>106,765.05</u>

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 28 February 2013

	Notes	Feb 13	Feb 12
Ordinary Income/Expense			
Income			
Total BRIGHT STARS		13,403.00	-
Total CHILD GRANTS		9,010.00	-
Total DONATIONS INCOME		339,542.05	220,530.48
Total DURBAN NORTH donations		69,727.13	-
Total FUNDRAISERS		47,143.56	30,220.51
GOODS DONATED		47,339.90	-
HOLAH Holding account		1,350.00	-
Interest on Money Market	5	3,499.42	2,177.89
Total LA LUCIA donations		10,000.00	-
Total MERCHANDISE		450.00	700.00
Total SOUL OF AFRICA		16,060.00	3,089.00
Total Income		557,525.06	298,023.88
Expense			
Total Account & Admin Fees		84,060.00	-
Total BABY HOUSE DURBAN NORTH		69,727.13	-
Total BABY HOUSE UMHLANGA		81,091.19	17,531.10
Bank Service Charges		3,060.71	1,929.59
Bright Stars Manuals & Material		1,040.36	508.27
Conferences		350.00	320.00
Depreciation Expense		1,072.10	-
Domain Names		600.00	300.00
Donated goods		-	139.21
Donations made		-	570.00
Durban North Management Fee		4,000.00	-
Electricity & Water		16,500.00	15,250.00
Equipment & Toys		500.00	-
Gifts and donations		-	234.99
Graphic Mail Mailing Credits		909.93	812.38
Total Marketing & PR Fees		131,250.00	135,780.00
Magazine & Books		-	29.95
Motor Expense		109.00	-
Paul Gwala Extra		-140.00	550.00
Po Box Renewal		320.00	-
Postage and Delivery		5.90	42.25
Printing		471.90	60.00
Professional fees		-	190.00
Rent		26,400.00	24,400.00
Total Repairs		2,929.74	-
Software Expense		2,999.95	-

STATEMENT OF COMPREHENSIVE INCOME (cont.)

for the year ended 28 February 2013

	Notes	Feb 13	Feb 12
Total Staff Costs		62,894.50	4,410.00
Stationery		1,969.30	3,337.35
Telephone		10,936.78	8,359.99
Training		350.00	150.00
Total Travel & Ent		19,203.83	10,396.54
UIF Payment		430.32	-
Website Design		2,000.00	-
Xmas Party		124.90	-
Total Expense		525,167.54	225,301.62
Net Ordinary Surplus		32,357.52	72,722.26
Surplus		32,357.52	72,722.26

STATEMENT OF CHANGES IN EQUITY

for the year ended 28 February 2013

	Capital	Accumulated surplus	Total Equity
Balance at 01 March 2011			
Increase in capital	34,042.79		34,042.79
Surplus for the year		72,722.26	72,722.26
Balance at 01 March 2012			106,765.05
Surplus for the year		32 357.52	32 357.52
Balance at 28 February 2013	34 042.79	32 357.52	139 122.57

CASH FLOW STATEMENT

for the year ended 28 February 2013

	Notes	February 2013	February 2012
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	7	29,105	51,604
Interest income		3,499	2,178
		<hr/>	<hr/>
Net cash flows from operating activities		32,604	53,782
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital introduced		-	34,043
Property, plant and equipment acquired		(5,809)	(4,911)
		<hr/>	<hr/>
Net cash flows from financing activities		(5,809)	29,132.00
		<hr/>	<hr/>
Total cash movement for the year		26,795.00	82,914.00
Cash at the beginning of the year		82,914.00	-
		<hr/>	<hr/>
Total cash at the end of the year	6	109,709.00	82,914.00
		<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2013

1. Basis for preparation

The financial statements are prepared on the historical cost basis modified by the revaluation of financial assets and financial liabilities. These annual financial statements comply with South African Statements of Generally Accepted Accounting Practice. The following are the principal accounting policies used by the Entity.

1.1 Property, plant and equipment

All property, plant and equipment are recognised at cost. Cost includes all costs directly attributed to bring the assets to working condition for their intended use.

Depreciation is calculated on a straight-line method to write off costs of the assets to their residual values over their expected useful lives. Land is not depreciated as it is deemed to have an indefinite life.

The expected useful lives are as follows:

Furniture and fittings 5 years

Computer equipment 3 years

Expected useful lives and residual values are assessed and adjusted, if necessary, annually.

1.2 Investments

Quoted investments are stated at the market value at year end. Revaluation surpluses are taken to the statement of changes in equity. Other investments are stated at cost and are written down only where there is impairment. Dividends are brought to account as at the last day of registration in respect of listed shares, and when declared in respect of unlisted shares.

On the disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement.

1.3 Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, and investments in money market instruments.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2013

1.4 Provisions

Provisions are recognised when the Entity has a present or legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, as and when a reliable estimate of the amount of the obligation can be made.

1.5 Revenue recognition

Grant income is recognised in terms of the conditions stated in individual donors' contracts, either when it becomes due or when it is receivable whichever is applicable. Unexpended funds are carried forward to subsequent periods. Other income is recognised upon delivery of products and customer acceptance, if any, or performance of services, net of value added tax and discounts.

1.6 Financial instruments

Investments in financial assets are initially recognised at cost. Subsequently, financial assets are re-measured at fair value, except fixed maturity investments, such as debt and loans. Financial liabilities are recognised at the original debt less principal repayments and amortisations, except for trade creditors, which are re-measured at fair value.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2013

1.7 Financial risk management

Financial Risk Factors

The Entity's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Entity's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Entity's financial performance. The Entity uses derivative financial instruments to cover certain risk exposures.

Risk management is carried out by management under guidelines issued by the board of Trustees.

i) Market risk

a) Foreign exchange risk

The Entity receives donations from international donors and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar and the Euro.

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Entity's functional currency. Managements' policy is to convert all foreign exchange received at spot as soon as it is received.

b) Cash flow interest rate risk

As the Entity has significant interest-bearing assets, the Entity's income and operating cash flows are substantially dependent on changes in market interest rates.

The Entity's interest rate risk arises from investments. These investments earn interest at variable rates and this exposes the Entity to cash flow interest rate risk.

ii) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. For banks and financial institutions, only major commercial banks are used.

Management has a credit policy in place and monitor the exposure to credit risk.

iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2013

2. Revenue

Revenue consists of grants receivable from donors, services rendered, contracts and consultancy, investment income and donations. When significant, bequests are separately disclosed.

3. Operating income

The following items have been charged in arriving at the operating income:

	2013	2012
Depreciation	1 072	-
Staff costs	62 895	3 430

4. Taxation

No taxation is payable as the organisation is exempt from income tax in terms of Section 10(1)(cN) of the Income Tax Act.

5. Finance income

Interest received

Money Market	3 499	2,178
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6. Cash and cash equivalents

Current Account	19 253	8 127
Money Market Account	88 004	72 032
Petty Cash	2 452	2 754
	<hr/>	
	109 709	82 913

7. Cash generated from operations

Reconciliation of cash generated from operations

	2013	2012
Net surplus	32 357.52	72 722.26
<i>Adjustments for:</i>		
Depreciation	1 072.10	-
Interest received	(3 499.42)	(2 178.00)
<i>Changes in working capital</i>		
Trade and other receivables	(2 825)	18 940.00
Trade and other payables	2 000	
	<hr/> 29 105.20	<hr/> 51 604.26