



The Peace Agency

Annual Report
2014

Contents

Chairman's Report	4
Project Report Back	6
Stop Crime Say Hello.....	6
The Baby House	7
The Adoption Companion.....	11
Adoption 101 Workshops	11
Impact	13
Numbers.....	15
What's Next?.....	15
Bright Stars Mentorship Programme.....	17
Summary	17
Need for Mentorship	18
Goals 2014 - 2017	20
Programme Elements	22
Recruitment	23
Training	23
Screening.....	24
Approval.....	24
Matching	24
Child and Care-Giver Preparation	26
Monitoring and Evaluation	26
Beneficiaries.....	27
Funding	28
Conclusion.....	29
Cookie Jar.....	30
Finances	31
Financial Overview	31
Donors.....	31
Fundraising.....	31
Annual Financial Statements	32
Statement of Trustees' Responsibility	33
Corporate Governance Statement.....	34
Report of the Accounting Officer.....	37

Report of the Trustees	38
Statement of Financial Position	40
Statement of Comprehensive Income	41
Statement of Changes In Equity.....	43
Cash Flow Statement	44
Notes to the Financial Statements.....	45



Chairman's Report

Report by Cathy Foxton

2013 was a year of change, growth and expansion for The Peace Agency. New staff members joined our ranks, new projects and initiatives were launched in-line with our core objectives and areas of focus and brands under the Peace Agency umbrella were revamped or added to.

On the Baby House front, the Umhlanga Baby House was relocated to a larger and more user-friendly space in La Lucia. This freed up the space being utilized for a Baby House at 28 Herrwood Drive to be converted into a head office for The Peace Agency. The La Lucia Baby House is now the flagship Baby House and is run by new crisis parents Skip and Sheila Collins.

They have been a great addition to the team as they come with wisdom, experience and a support base of contacts from the church they work for - Grace Family Church. The Baby House is located at 43 Ronan Road La Lucia and is able to take in up to 6 infants at any one time versus the 4 we were able to care for at the Herrwood Drive property. We now have a caring staff of 7 carers; 6 full-time and 1 part-time. This is very much in keeping with our broader vision; to set up exceptionally run, well-staffed Baby Houses which also provide employment and empowerment for women.

To this end we are assisting one of our ladies to start her own Baby House on her property in Hammarsdale, we have helped another to rebuild her house after it burnt down and we have assisted all of them with interest free short term loans to help pay school fees etc.

The volunteer programme has become more structured since the appointment of key volunteer Michele McIntosh as our Volunteer Coordinator. We now have a small but very committed group of volunteers who are in place for daily visits, clinic and doctors runs and to man the Baby House during staff meetings.

The Baby House continues to provide impetus to our campaign promoting local adoption. We use three avenues to do this: the local and national press (radio, TV, print and social media), adoption workshops and a new service called The Adoption Companion.

The adoption workshops – called Adoption 101 – have been a very exciting addition to our range of initiatives. We hosted the inaugural event at Grace Family Church towards the end of 2013 and this attracted over 150 people clearly signalling the need for such an initiative. The second was held at Hillside Church in Hillcrest and the third at Olive Tree church in Morningside. The 3 workshops combined have spoken to approximately 250 new prospective adoptive parents. Our aim is to host 6 a year and speak to 1000 people.

We have been delighted to be able to bring adoption and OVC (orphans & vulnerable children) specialist Ruth Stapleton on board in a full-time capacity. She comes to us from a child protection organization specializing in adoption. She has two main areas of focus within TPA: she has taken over from Georgina Steele heading up the Bright Stars Mentorship programme and she also heads up our new adoption knowledge and information resource The Adoption Companion. This is an extension of the work of The Baby House and works in conjunction with the Adoption 101 workshops to help people get clarity on their adoption journey. It is offered as a free service.

Bright Stars took a series of major steps forward in 2013. Under Ruth's management we rebranded the campaign and this included putting systems and procedures in place for evaluation and monitoring. This will now enable us to approach trusts and corporates for funding which we have already begun to do. We now serve three CYCC's in the Greater Durban area; Durban Children's Home in Glenwood, Khulani in Durban North and Philakahle in Embo Hillcrest. Between these we now have 43 vulnerable children being mentored on a weekly basis.

We have a number of exciting new projects in the pipeline for 2014 including the two potential new Baby Houses and we look forward to these new challenges with anticipation.

A handwritten signature in black ink, appearing to read 'Cathy Foxton'.

Cathy Foxton - Chairman

Project Report Back



Stop Crime Say Hello *Report by Justin Foxton*

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. It does this through the use of radio, print media, social media and television.

It is a generally held view that South Africa – 20 years into the new dispensation – is a healthy, thriving democracy. We clearly have a tremendous amount of work to do, but campaigns like SCSH, Lead SA and others are acting as catalysts for new conversations around the role of the citizen in a constitutional democracy and what this role should look like. It is gratifying to note that crime in most categories has declined steadily over the past 20 years and indicators such as stability around elections are healthy. The 2012 local government elections and the 2014 General Elections speak to the fact that democracy is now well entrenched in SA.

Unlike other similar campaigns, SCSH continues to be self-funded and to that extent punches well above its weight in terms of reach/impact.

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

1. 15 live talks done nationally (this includes the message of SCSH given through alternative platforms such as our Adoption 101 presentations, talks at conferences such as the Africa Cares 4 Life conference and the Global Leadership Summit).
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/or 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 (South Africa the Good News, Awesome South Africa, TGIF etc).
7. The campaign is now also on social media platforms Twitter, Facebook and LinkedIn. Messages go out on these platforms on a daily basis.

8. On a local level the campaign hired a part-time employee to collect litter in the community in which The Peace Agency is based. This enables us to amplify the importance of job creation and how important it is for local communities to be neat, tidy and litter-free.

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 are 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 and Justin's new blog www.foxtonsflipside.wordpress.com.

The ethos and messaging of the SCSH campaign feed directly into the other projects associated with The Peace Agency. In other words the other projects are a practical manifestation of the thought process inherent in SCSH; the other programmes – particularly Bright Stars, The Baby House and Adoption 101 provide ideal opportunities for citizen participation.

This year Justin was awarded The Democracy Development Programme award for excellence in service to the community for the SCSH campaign and for the work of The Peace Agency.



Justin receiving his award at the DDP 20 Years Celebration dinner held in October 2013



The Baby House

Report by Skip & Sheila Collins

The uMhlanga Baby House that was opened and run by Cathy and Justin Foxton in June 2010 moved to a new site in La Lucia in June 2013. This decision was taken for the following reasons:

1. A bigger space became available allowing us to go from 4 to 6 babies at any one time
2. The space also allowed for better working conditions for our staff
3. The site is on the property of Skip and Sheila Collins who would take over the crisis parent role whereby freeing Justin and Cathy up to administer and grow The Peace Agency
4. The site of the old Baby House could be converted into an office for The Peace Agency



What follows is an annual report from crisis parent Skip Collins:

The La Lucia Baby House officially opened on 17 June 2013. It is in the home of Skip and Sheila Collins at 43 Ronan Road. It can care for six babies at a time with two care workers on duty during the day and one at night.

It was a journey that began 2-years prior when Sheila visited an orphan facility in Verulam. She became very concerned for the orphan crisis in South Africa but was not sure how she could be involved. In 2012 she visited HOLA in Durban North (a home also established by the Peace Agency) and was exposed to the Baby House model. She and Skip began conversations with Justin Foxton at the beginning of 2013 and in June The La Lucia Baby House became operational.

As the conversation unfolded in the early months of 2013 it became clear that the issue of adoption would be best served by the amalgamation of the Umhlanga Baby House at the Foxton's home and the La Lucia Baby House at the Collins' home. It would free Justin up to be the primary fundraiser for the Baby House, begin other Baby Houses under the Peace Agency, and start other initiatives such as Adoption 101 and The Adoption Companion. So on 17 June, four babies, the staff and a bakkie full

of gear moved from uMhlanga over to La Lucia. The Collins already had one baby in their care and so the La Lucia Baby House hit the ground running with 5 babies.

2013 was a slow year when it comes to adoptions. This was for a number of reasons that we can identify:

- The resignation of a Child Welfare Durban and Districts social worker who held the files of several of our babies
- The appointment of a relatively inexperienced social worker to take over the case load
- Ruth Stapleton's move from Wandisa (the majority of adoptions done in 2011/2012 were via Wandisa. In 2013/2014 we have had none)

We had 5 adoptions in the past year: Faith was adopted by a lovely Durban-based mother and her daughter – Bev and Jessica. Precious (now Zoe) is in a beautiful family in Durban North. Nosipho (now Elle) has gone to an incredible family in Denmark. Auntie Eunice, one of our caregivers, is fostering little Avo. Early in 2014 Dimpho also went to Denmark to a beautiful couple that owns a farm in the north part of the country.



Not long after the opening of the La Lucia Baby House, Justin and Skip began to talk about their passion for churches to engage in the adoption crisis in South Africa. Their feeling was that many Christian couples think about adoption but don't know where to begin or how to process the adoption in their own minds. It was out of that that Adoption 101 was born. It is an effort to create a culture of adoption amongst Christians in Durban.

Shortly after that, Ruth Stapleton was added to the Peace Agency team. With her expertise and input, the first Adoption 101 was held at Grace Family Church.

Of course there are difficult times as well as the good times at the Baby House. In December of 2013 Axole, a beautiful 3-month-old boy, died in his sleep of natural causes. Needless to say it was a difficult time for all of us. We had a memorial service at the Baby House with the staff, volunteers and friends of the Baby House. We still miss Axole but we know that he has experienced the best adoption of all, right into the very presence of God.

This year has brought about an addition to staff at the Baby House. With the ability to care for 6 babies at a time it was necessary to expand from 4 Care Workers to 6 with a part time relief worker

to fill in when necessary. We feel privileged to have a loving, caring, competent group of ladies that help us care for our babies.

The Baby House is a team effort. The Leadership Team consists of Justin and Cathy Foxton, Sally Foxton, Michelle McIntosh, and Skip and Sheila Collins. It is complimented with a great staff and numerous volunteers.

Our goal is to see babies through to their adoptive families. Our role is that middle time between abandonment and adoption. Yes the babies need to be fed and changed and taken to doctor appointments. But their greatest need by far is to be loved. That is what we attempt to do with every bit of energy that we have. If they know we love them, the transition of being loved by their adoptive families will be an easy one.

Three things will last forever—faith, hope, and love—and the greatest of these is love. 1 Corinthians 13:13



The Adoption Companion

Report by Ruth Stapleton

The Adoption Companion is a service that was conceived out of a desperate need for reliable, accurate and comprehensive information to be made available to the general public on all matters adoption.

The service was envisioned as a knowledge bank where interested parties can receive what they need in order to make informed decisions on the option of adoption, including referrals to those Adoption Agencies and Practitioners who render an excellent and efficient service.

The Adoption Companion is a service that aims to fill a gap in the adoption process by providing referrals to the best adoption practitioners and guidance in starting the adoption journey. Adoption resources for self-education are made available to assist families in learning more about all that adoption entails so that they are prepared for their journey. By making knowledgeable referrals that will satisfy the needs of each individual family, the adoption journey becomes as smooth and hassle-free as possible for parents, which means that they are able to really enjoy each milestone as it happens and truly celebrate the beauty of welcoming a child into their lives.

Families will be given several options for referral and the differences between them are explained to enable them to make an informed decision as to which route is best to follow. Families of The Adoption Companion are never left floundering in a sea of paperwork and unanswered phone calls - they always have someone to talk to in order to find out “who” in the adoption world can best assist them with their particular needs. Help is also available in making sure that families fully understand the administrative post-adoption processes, including registering the child’s adoption with the Registrar of Adoptions and Home Affairs, how to go about doing this, who to speak with at the Registrar of Adoption and at Home Affairs, what forms to fill in and the general timeframes. This will reduce the hassle of changing adoptive children’s names, getting new ID numbers, birth certificates and passports.

Families will have a companion on their adoption journey pointing them in the right direction so that adoption is a beautiful and memorable journey of love and a cause for celebration.



Adoption 101 Workshops

Adoption 101 is an aspect of The Adoption Companion that focuses on creating awareness around the topic of adoption and the need for more local families to adopt, and provides information on how to go about adopting: the dos and donts.

The workshops were born out of:

- a) A desire to create a culture of adoption with our society
- b) A great need within local communities to know more about adoption from a reliable source, and to provide a realistic but hopeful view on adoption

- c) A need to inform prospective adoptive parents regarding the current adoption landscape of South Africa in terms of the children that are available for adoption versus perceptions and expectations

The main focus of the workshop is to enlighten communities on God's heart for adoption and how adoption is His divine plan and one which He has implemented in adopting humanity into His family through salvation. Adoption is the ultimate redemption plan and one which offers a total solution to abandonment, rejection, orphanhood, abuse, neglect and pain. Adoption equals belonging, identity, freedom of expression, safety and unconditional love. This is the message that we wish to bring across through Adoption 101: God is calling us to provide loving families for those children who do not have families, just as He has provided a loving family for His earthly children.

Adoption 101 is usually hosted by a Church that has an ethos of adoption. The promotion of the event is shared between the host Church, The Adoption Companion and The Peace Agency where promotion of the event takes place through social media, emailers, databases of other NGO's and community organisations with whom there is a symbiotic relationship.

Part of the workshop involves panel discussions which include people and families who are active participants in the adoption world. Usually these panel members are local to the host Church/community where the workshop is being held as this encourages others to consider adoption if they are exposed to people within their church or community who have adopted. There is much fear that surrounds adoption and Adoption 101 aims to demystify not only the process, but also the horror stories that are usually rampant with adoption.

The panel may contain the following:

- Cross-racial infertile family
- Cross-racial blended family
- Cross-racial single adopter
- Cross-racial adult adoptee
- Foster parents who have adopted foster children
- Crisis Care Parents
- Adoption Social Workers

It's imperative that potential adopters be exposed to a spectrum of adoptive families so as give a bigger picture on adoption. It is to be considered as a community process; one that is not to be done in secret but in the open and with the support of other like-minded people and families. Potential adopters need to know that there are others who are going through similar experiences to them and who will support them and their adopted child once the adoption is complete. Adoption 101 links up the adoption community with those just entering, or considering entering the process.

Adoption 101 advocates for adoption to be part of Plan A in family planning, and not only as Plan B where couples are unable to conceive naturally.

Obstacles and challenges are discussed at the Workshop in an honest and open manner and Q&A sessions are encouraged where attendees can ask any adoption related questions that they have of the presenters or panel members.

An Adoption Social Worker is always present at the workshop to deal with any adoption screening specific questions, or statutory questions.

Partners of Adoption 101 include Focus on the Family Africa who provide a well-stocked resource table at the event with current literature on adoption that attendees can purchase. FOTF are firm supporters of adoption as being a Godly mechanism to provide for orphans and vulnerable children and their vision of supporting the concept and structure of family dovetails with the aims of Adoption 101 which is to build strong, loving families through adoption.

Attendees are provided with information and details on The Adoption Companion so that they can make contact post-event if they require a one-on-one consultation with regards to moving forward with adoption screening, or should they need further information and guidance in order to make a decision on the option of adoption. From these consultations and points of contact, families are referred to established and efficient adoption service providers to render adoption screening, matching and placement services.

The inaugural Adoption 101 was hosted at Grace Family Church in Umhlanga on 01 November 2013. 140 people attended this event.

The second Workshop was hosted at Hillside Church in Hillcrest on 15 March 2014. 60 people attended this event.

The third Workshop will be hosted at Olive Tree Church on 24 May 2014.

We aim to reach 1000 people annually through 5-6 Workshops in the greater Durban area and surrounds.

It is our hope to run workshops at the following Churches during the course of 2014:

- Westville Baptist Church (Westville)
- City Hill Church (Hillcrest)
- Glenridge Church (Durban)

Adoption 101 is an incredible platform from which to draw together all the adoption resources, service providers, Churches, community organisations and citizens in order to impact on the children who are desperately in need of adoption within South Africa.

Impact

The impact of The Adoption Companion can be measured by the amount of families and individuals who have received efficient and reliable information that has led to their being able to make an informed decision about adoption: either for or against.

Not every person who has requested assistance has made the decision to pursue adoption, but others have discovered alternate options that better suit their lifestyles, families and ability to help. One such option is crisis care or foster care. Ultimately these still affect the lives of adoptable children as there is a need for more private crisis care facilities, as well as for foster parents who can care for children outside of an institutionalized setting while investigations into permanent options are pending. Sometimes these investigations take upwards of 2 years and it is infinitely better for

children to be within a family environment during this time receiving care and one-on-one attention than in an institution where their needs will not be fully met.

Families wishing to open crisis care facilities will be assisted by The Peace Agency and introduced to the Baby House model. Resources will be put at their disposal that will aid them in registering and setting up their facility.

Others approach The Adoption Companion in desperation as they are already embroiled in a long, drawn-out and complicated adoption process of a child who is possibly not fully adoptable, or where the child's matter has not been dealt with efficiently by social workers and service providers. These families require urgent, emergency assistance and advise to either follow through with the process and how to do this in the most effective way, or to desist from engaging with that particular matter.

Prospective international adopters make use of the services rendered by The Adoption Companion as well from the perspective of understanding the intercountry adoption process. These families and individuals are referred on to their various Central Authorities and research is carried out to ensure that information given is accurate. If there is an active programme in the country where the inquiry originates referrals are made to the relevant SA Adoption Agencies facilitating adoptions to those countries.

Families requiring assistance and guidance with the Registrar of Adoptions and Home Affairs are given information and contact details on who to contact to follow up with the registration of Adoption Orders, as well as detailed instructions on how to proceed with the various applications for name changes and new documentation through Home Affairs. Some families require personal assistance at Home Affairs to complete the application process and ensure that the applications are dealt with by the correct departments and people.

Much of the information that is given through The Adoption Companion is purely to inform people of the reality of the adoption scene in South Africa. There are many families who want to adopt within their own racial group and it falls to this service to disabuse them of their expectations that it is easy to adopt a White, Indian or Coloured child. While not impossible, it's challenging, lengthy and without guarantee of success. In reality the large majority of children who are available for adoption are Black or of mixed/unknown racial origins but presumed Black. We seek families who are willing to adopt the children who are available and not the children that they wish were available. It's imperative that people are given realistic expectations of the process and the children who are available before they start the process.

All families and individuals are encouraged to educate themselves on adoption and all that it entails. Knowledge really is power and often times it is ignorance that creates insurmountable challenges for families in the adoption process. We firmly believe that a family cannot make an informed decision about issues such as older child or special needs adoption, as well as cross-racial adoption until they have educated themselves on the unique pros and cons of these situations and determined whether or not they are willing to cope with the potential risks, understanding that with the risks will also come unique and very special joys. A Resource List is provided to all new families and individuals listing online courses, webinars, books, movies, blogs and online support groups that they can engage in to learn more about adoption.

Where possible families thinking about adoption, or just entering the process will be put into contact with other families who have already adopted and come from a similar background or share similar challenges. In this way new families can be properly supported and assisted by those who have personal experience of what they are going through. This also tightens the community support network, those new families will in turn be able to influence and guide new families later down the line and so give back into the world of adoption long after their adoption is complete.

Numbers

To date 55 families have been assisted with information on adoption, referral to adoption practitioners, consultation, guidance and consultation.

Of the 55 families:

- 15 have entered the adoption process,
- 10 have been referred for services in other provinces (Gauteng, Western Cape, Mpumalaga and Limpopo),
- 4 have been referred to their Central Authorities and accredited Adoption Agencies within their country of residence to receive information on intercountry adoption from South Africa,
- 3 were referred to a practitioner in the Western Cape who specializes in same race adoption,
- 2 are receiving support services prior to making a decision with regards to adoption,
- 2 are opening a crisis care facility,
- 1 is fostering the child who is in her care already,
- 5 have received Home Affairs services and guidance,
- 13 were given information but there has been no feedback, and
- 10 of the 45 families have come through the Adoption 101 workshops.

What's Next?

It is our desire to register The Adoption Companion as a separate NGO and apply for designation as a Child Protection Organisation with accreditation in adoption.

We do not wish to render the full spectrum of child protection services, but rather to specialize where there is a clear need.

At present there are several CPO's and practitioners who are able to render adoption screening services, however it is apparent that families are being turned away due to lack of resources and capacity on behalf of the CPO's, or the level of service provision, information sharing and efficiency is particularly low. For this reason we feel that there is a need for an accredited CPO in KZN that will specialize in efficient and effective adoption screening, preparation, counselling and placement services.

We also envision that this CPO will be used as an advocacy tool within adoption circles to keep other CPO's accountable for poor adoption practices, inefficient service provision and general non-accountability. As an accredited CPO we would have access to the inner circle of the adoption world

in South Africa and will therefore be in the know on what is happening in adoption work from the Government down to private practitioners.

We will use this platform to expose poor practice and to ensure that other practitioners are following through with their adoptions in a timely manner with integrity and always with the best interests of children being served.

Conclusion

The Adoption Companion is a worthwhile and useful service that supports the aims of the Baby House and the values and objectives of The Peace Agency on a larger scale. As the reach of the service grows, we anticipate that the services we render will also expand to satisfy the need.

As this is a new project, we will evaluate the total impact after a full year and assess further growth from that point.

The Adoption Companion serves to walk the journey of adoption with any family or individual who is part of our service provision, we do not discriminate against any person for any reason and will do all that is within our power to see more children placed within loving families where possible. Adopting and adoptive families need support, encouragement, knowledge, wisdom and a helping hand; that is what The Adoption Companion aims for, to make every adoption a wonderful and fulfilling experience.

Bright Stars was started in 2011 in the Durban area to cater for the need for youth mentorship in light of the withdrawal of the Big Brother Big Sister programme from South Africa.

For two years the programme ran as a pilot with 15 mentors which was reduced to 8 mentors by the end of 2013.

In late 2013 new management of the programme was appointed and strategic planning was implemented to expand the programme in a more meaningful way, as well as to set in place structures and foundations upon which to grow the programme throughout the province and eventually nationally.

The recruitment drive for 2013 saw 140 people attend the mentorship training. The training has a two-fold purpose:

1. To provide adequate training for potential mentors on the purpose and practicalities of mentoring;
2. To provide information on the aims of the programme and encourage application from those parties who are serious about mentoring;

From the 140 attendees, 40 people made application. 38 were accepted and 2 withdrew for personal reasons. The total approved applicants for the 2014 mentorship year is 36.

31 of these mentors were matched with children from Durban Children's Home, 1 at Khulani Children's Shelter, 1 at Philakahle CYCC in Embo, and 3 with children in a private capacity (not part of a formal institutionalized setting).

Summary

We are each responsible for creating our own future where our hopes, aspirations and dreams can be lived out and realised.

Our actions, choices, level of determination and available opportunities often determine whether or not the future that we wish to live can become a reality. We also know the feeling of elation that arrives when our hard work pays off, our ambitions finally break through to the future that we have dreamed of and we begin to live the dream.

For 4 million South African children, there is the remotest possibility of them ever knowing such feelings. For them dreaming of the future is a futile and depressing exercise and accepting their present reality is easier because to hope equates to hurt.

Bright Stars is a mentorship programme which teaches children to dream again; to believe in themselves and to help them create the future they wish to live. The programme provides a trained adult mentor who can walk with each child on their journey and provide a solid support system where there is encouragement, advice, care, compassion, firmness, guidance and resources. This

enables each child to lift herself out of her current reality and into a better life. The programme enables and empowers the children so that in turn they will enable and empower those in their circles of influence and the future of South Africa is altered one child at a time, one family at a time.

Bright Stars provides a means through which each child can be the master of her own destiny by understanding that her choices, actions, behavior, attitudes, and opportunities missed or taken, are what will change her life.

A caring mentor providing support in terms of education, career orientation, employment and life skills is imperative to a child's success. Opportunities need to be provided or created and the child needs to be built up to believe in herself so that she has the confidence to make the right choices for her life.

This is the key aim of the Bright Stars Mentorship Programme.

Need for Mentorship

40% of South Africa's population is under the age of 18. Of this 40% 21 000 children are in residential care. There are 122 000 child-headed households with between 1-6 children per household. 500 000 children are in foster care and over 1 000 000 children are double orphans. One quarter of children do not live with either of their parents whether they be alive or deceased. 75% of children in rural areas have an absent father as opposed to 53% in urban areas.

Children in South Africa are growing up with a distinct lack of responsible adult role models and those who should be fulfilling this function are often either absent, deceased, working out of the home, unable to care or disinterested in the welfare of their children and face their own set of challenges.

Where does this leave our children and how does it affect the future of our country?

In terms of the definitions contained in the Children's Act 38 of 2005, **care** can be defined as follows:

- a. *Within available means, providing the child with –*
 - *A suitable place to live;*
 - *Living conditions that are conducive to the child's health, well-being and development;*
 - *The necessary financial support;*
- b. *Safeguarding and promoting the well-being of the child;*
- c. *Protecting the child from maltreatment, abuse, neglect, degradation, discrimination, exploitation, and any other physical, emotional or moral harm or hazards;*
- d. *Respecting, protecting, promoting and securing the fulfilment of, and guarding against any infringement of, the child's rights set out in the Bill of Rights...;*
- e. *Guiding, directing and securing the child's education and upbringing, including religious and cultural education and upbringing, in a manner appropriate to the child's age, maturity and stage of development;*
- f. *Guiding, advising and assisting the child in decisions to be taken by the child in a manner appropriate to the child's age, maturity and stage of development;*
- g. *Guiding the behavior of the child in a humane manner;*
- h. *Maintaining a sound relationship with the child;*

- i. Accommodating any special needs that the child may have; and*
- j. Generally, ensuring that the best interests of the child is of paramount concern in all matters affecting the child.*

Unfortunately the reality is that millions of South African children are not cared for in terms of the definition provided above, nor are their human rights satisfied. They are brought up in circumstances that do not provide for their most basic of physical needs which means that their emotional, educational and developmental needs are completely neglected.

Without the rudder of parental or adult guidance they are left to their own devices and their decision making processes are influenced by circumstance, peer pressure, emotional stress and poverty resulting in teenage pregnancy, infant abandonment, drug and alcohol addiction, high dropout rates at school, rape and exposure to HIV, violence and crime, depression and suicide, and increased unemployment due to lack of education, resources and inclination to find employment.

Children should not have to be solely responsible for their own care and future. They need to be taught self-love and love for others, this leads to healthy levels of responsibility and good decision making. However, this is an impossibility where children are not afforded their basic rights to care by a loving, responsible adult.

Breaking the Cycle

Parents of vulnerable children are often unable to fulfil the duty of care; they may have succumbed to illness, poverty, abuse, violence or the devastation of poor decision making. The reality is that they too were likely deprived of their right to care in their early years, and so the cycle continues.

This is not a new phenomenon. These cycles of social decay are heavily entrenched in our socio-political past and the roots of the decay run deep.

Many programmes, while well intentioned, place BandAids over these suppurating wounds.

Bright Stars aims to deal with the root issues in each child's life providing them with an opportunity to re-graft and re-root (reroute) a healthy life.

Bright Stars provides a structure in which children who have been prey to these cycles can make good decisions in their lives. Without mentorship they become exponentially more likely to enter into a world of crime, violence, drugs, prostitution and risky behavior.

Some of the children simply lack for opportunity, resources and self-belief in their ability to make a life for themselves that they consider worth living. Many of these children don't dream, or if they do it's a process that initiates depression because they cannot see how their dreams can ever become a reality.

Bright Stars is about helping our children to dream and have hope for their future. To do this we provide them with a trained adult mentor who enters into a relationship with that child with the express purpose of facilitating a change in their thought processes. The key to this relationship is the building of self-esteem and the realization of potential. The provision of resources and opportunities is also vital and every mentor is encouraged to use their circle of influence to broaden the child's exposure to all that life has to offer.

The Results Speak for Themselves

A child in a one-on-one relationship with a trained adult mentor is*:

- 53% more likely to stay in school;
- 32% less likely to engage in violence; and
- 46% less likely to use drugs.

In the current social climate of South Africa, this would make an enormous difference to our country, and more so to each child's life where they are given the chance to succeed at living.

*This is based on the mentor spending one hour per week with the child for one year.

Based on the above statistics it becomes clear that mentorship is the critical missing element in South Africa's social transformation.

Goals 2014 - 2017

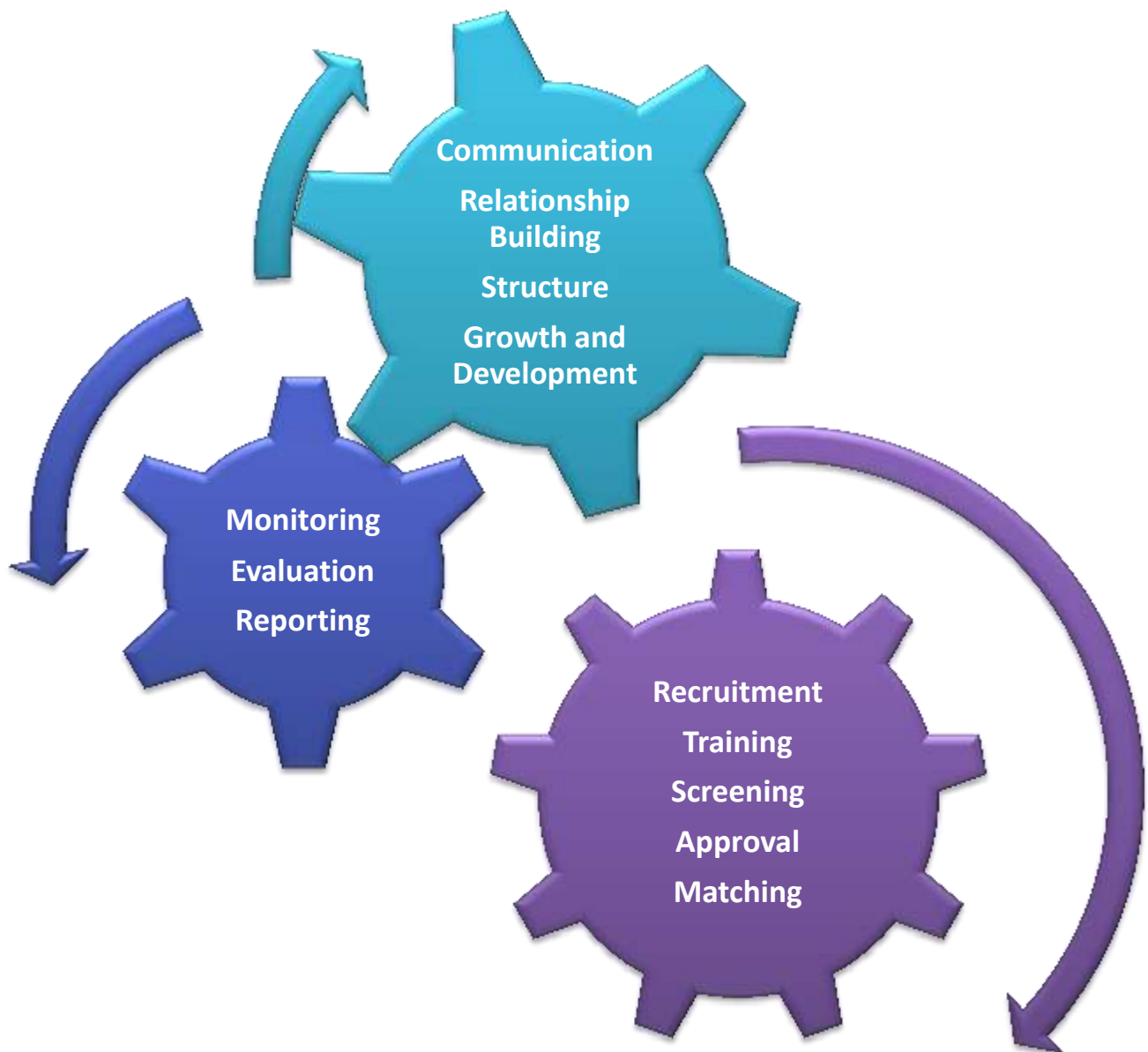
By design Bright Stars has to date been run as a pilot programme. This has been to establish key strategic partnerships, training practices and operating procedures. From February 2011 to July 2013 the programme has had a total of 15 mentors all within the greater Durban area mentoring children from 3 different Child and Youth Care Centres.

Having established the credentials of the programme on a small scale, strategic planning was put in motion in July 2013 to expand the programme and increase the number of mentors both provincially and nationally.

Phase 1 of this expansion has led to the programme growing to 44 mentors for 2014 which has satisfied approximately 80% of the need at Durban Child and Youth Care Centre. The full impact of the programme has been focused on one Child and Youth Care Centre to enable us to properly measure and evaluate the success of the programme.

<i>To develop and administrate a Bright Stars Chapter in each of the 9 provinces</i>
<ul style="list-style-type: none"> a. <i>Initially these Chapters will focus their efforts on at risk and vulnerable children within Child and Youth Care Centres</i>
<i>To provide trained adult mentors to vulnerable children and at risk youth</i>
<ul style="list-style-type: none"> a. <i>Recruit, train and screen mentors</i> b. <i>Identify, negotiate and partner with suitable Child and Youth Care Centres where the children are classified as being the most vulnerable</i> c. <i>Select those children from within the CYCC most in need of mentoring</i> d. <i>Match the trained mentors with the selected children</i> e. <i>Manage and evaluate the progress of each relationship</i>
<p><i>As the programme rolls out provincially, we will work with local community stakeholders to define the areas of greatest need and work into those areas, these will include:</i></p> <ul style="list-style-type: none"> <i>child-headed households</i> <i>drop-in centres</i> <i>shelters catering for street children</i> <i>at risk youth within an existing but struggling or failing family structure</i>
<i>Develop partnerships with corporates and other NGO's to provide infrastructure for career opportunities and employment for school leavers</i>
<i>To reach 4500 children between now and 2017</i>
<p><i>To increase year-on-year the impact of the programme on the educational success of the children participating, including tertiary education and further learning:</i></p> <ul style="list-style-type: none"> a. <i>Provide resources through partnerships with corporates and other NGO's for tertiary education and further learning for those children who have the aptitude for this</i>
<i>To increase year-on-year the impact of the programme in respect of employment opportunities and apprenticeships</i>
<i>To measure the impact of the programme on children engaging in risky behavior; teenage unprotected sex, drugs, alcohol, violence and gang activities, school drop-outs</i>
<p><i>To have previous Little Stars (mentees) who have completed the programme successfully join as mentors and share their experience and knowledge of the benefits of mentoring with a new generation of children requiring mentors:</i></p> <ul style="list-style-type: none"> <i>To absorb a portion of school leavers into a dedicated Bright Stars sub-programme offering each individual employment as a community coordinator responsible for facilitating a Bright Stars mini-Chapter within his/her community</i>
<i>To have the programme recognised and the model utilized at a government level by the National and Provincial Departments of Social Development</i>
<i>To have the programme form part of the practical aspect of all social science university degrees in South Africa</i>

Programme Elements



Recruitment

1. Mentors are recruited annually from July to September
2. Recruitment drives are carried out through local churches, schools, universities, radio, word-of-mouth, social media, editorial content in local newspapers, corporate partners and sponsors, other NGO's in the communities that we serve, and through our current mentors who provide referrals
3. The purpose of recruitment is to seek potential mentors and to promote mentorship as a viable volunteering option for people who want to volunteer

Training

1. Training takes place in 2 – 4 sessions at a central venue over the course of a day between October and November
2. People attending training do not have to be committed to the programme at that point, we utilize the training as a sifting tool so that all interested parties can have insight into what mentoring entails and make an informed decision as to whether or not they are willing to commit to the programme
3. Training covers the following areas:
 - a. True definition of a mentor
 - b. Role and responsibilities of a mentor
 - c. Relationship building and development
 - d. Commitment
 - e. Do's and Don'ts in mentorship
 - f. Positive communication skills
 - g. Negatives in communication
 - h. Improving communication skills
 - i. Skills building
 - j. Importance of tough conversations and being prepared
 - k. Why vulnerable and at risk youth need mentors
 - l. Tips for preventing pregnancy and STD's
 - m. Tips to be a great mentor
 - n. Values defined and clarified
 - o. Suggestions of activities to engage in
 - p. Expectations of mentoring a child who has been institutionalized and has experienced trauma and how to cope with the behavioural and other challenges that present themselves (covered by a qualified psychologist with experience in this field)
4. Each person attending is given a CD with the training material on it, as well as the application pack
5. Those wishing to submit an application have until 30 November to do so

Screening

1. The screening process is the most important process. Not all applications are accepted upon submission
2. Application involves completing the following:
 - a. Application Form
 - b. Mentor Contract
 - c. Mentor Indemnity
 - d. Criminal Record Clearance
 - e. Confidentiality Agreement and Protocols
 - f. Form 29 submission for Part B of the Sexual Offender's Register
 - g. Sexual Offender's Affidavit
 - h. Copy of ID
 - i. 2 References
 - j. Payment of annual administration fee (R 150)
3. Once full documentation has been submitted and checked, an interview will be set up with each person individually
4. The interview process is to allow us to have a personal interaction with each person so as to better understand what he/she has to offer in a mentor relationship, and to get a "feel" for whether or not his/her motivation to mentor is correct.
5. The interview is usually about 30 minutes in length and covers the following areas:
 - a. Motivation to mentor
 - b. Life experience (areas where each person has had personal experience which can be used in mentoring a child facing similar circumstances or challenges, including his/her personal background and history, educational and employment history)
 - c. Personality and interests
6. Participants are encouraged to be as open and honest as possible about their experiences, positive and negative, because any experience can be used to help a child

Approval

1. Once the interview is complete the selection and approval process takes place
2. Mentors are selected based on their motivation to mentor and what they have to offer, as well as their ability to maintain a relationship with a child for the course of a full school year
3. Mentors are notified if they have been approved or not

Matching

1. Once we have established the total number of mentors that have been approved, we can begin to divide these numbers between the CYCC's that we are working with
2. A matching summary is sent to the CYCC Management Team for their consideration and they respond with a list of children that they feel would be well matched with each mentor
3. Finalisation of the matches takes place with Bright Stars Management and the Management of the CYCC
4. A brief is compiled on the most basic facts for each child and each mentor is notified of their match and given the brief

5. A Match Day is then organized for each CYCC. The purpose of this event is to make the first meeting of each mentor couple as comfortable as possible and to lend an air of celebration and excitement to the beginning of each relationship
6. The Match Day includes a picnic lunch provided by Bright Stars, games and competitions, and a formal but fun introduction of each pair with a photo to commemorate the beginning of what we hope will be a special relationship.

Match Day 2014



Child and Care-Giver Preparation

1. All the selected children in each CYCC are prepared by Bright Stars Management for what the programme is about, what is expected of each child and children are given the opportunity to ask questions and to elect not to participate in the programme. No child will be forced to participate should he/she not want to
2. The full care giver team is then also prepared on a separate occasion in order to enlist each of their assistance in supporting the aims of the programme by ensuring that they know what mentorship is about, and by encouraging them to take an active role in ensuring that the children are ready and prepared for visits with their mentors

Monitoring and Evaluation

A programme like Bright Stars is defined through its solid and accurate monitoring and evaluation. Essentially the programme aims are to bring about change in areas of children's lives that are largely intangible. Due to the nature of the programme, the monitoring and evaluation aspect is imperative to ensure success.

Monitoring of the programme is a continuous process of observation and provision of care for each individual relationship within the programme. This requires daily communication and assessment and fulfillment of needs, problem solving and conflict resolution. Each mentor is required to complete a monthly assessment of their activities, progression, challenges faced, and quantity of visitation is monitored.

Evaluation is a more in-depth process and requires that the inputs for the evaluation of the programme, in terms of individual and overall impact on the children, mentors and institutions participating, is ascertained through information gathered from all participants: mentor, mentee, social workers, child-care workers and therapeutic professionals.

Information must be gathered using the same criteria with each participant.

Specific criteria have been selected based on which areas show the greatest evidence of change in the life of the mentee and the mentor, as well as those areas where change will be evident in the CYCC's.

In evaluating the overall impact of the programme as a whole, all the data and information will be collated to deliver an outcome that will speak to the average level of change measured across the spectrum of mentees, who are the primary beneficiaries of the programme, as well as the mentors. The outcome will then be interpreted to reflect the overall impact of the programme on the facility, staff, and institutional objectives bearing in mind the percentage of children within the institution who are part of the programme.

In order to make what are essentially intangible changes measurable, a model has been utilized that will convert the ratings specified in each category into numerical data that can be calculated to provide an end figure that will represent the total change and therefore the impact of the programme.

Criteria that will be evaluated for each child are:

1. Behaviour
2. Psychological and Emotional Health
3. Life Skills
4. Educational Improvement
5. Engagement in Risky Behaviour
6. Aspirations

Criteria that will be evaluated with each mentor are:

1. Communication efficiency and quality
2. Programme Functionality
3. Impact on Individual Lives

Criteria that will be evaluated with the CYCC's are:

1. Communication efficiency and quality
2. Programme Functionality
3. Impact on Facility

Criteria that will be evaluated with the children are:

1. Relationship Development
2. Support
3. Personal Impact of the Relationship on Each Child's Life

Evaluations on the progress of the children is carried out bi-annually, once 6-8 weeks into the programme and again at the end of the year once the final school reports of the children have been received. These evaluations are carried out by Bright Stars Management in conjunction with the CYCC Management utilizing all educational, therapeutic and experiential information at our disposal. The mentors will also complete these evaluations on the progress that is evident in the child he/she is mentoring.

Evaluations on the programme functionality and impact of the programme on the lives of the mentors and the CYCC are carried out annually at the end of the year by each mentor and by the CYCC Management.

The children are then given the opportunity to evaluate the programme from their perspective at the end of the year and will give input as to the progress that is evident to them. They will also be able to evaluate each mentor in terms of how effective they felt the mentor was in carrying out the responsibilities of a mentor as envisioned by the programme.

Beneficiaries

Direct beneficiaries are vulnerable and at risk youth between 6-22 years of age, primarily children who have been institutionalised. Children are placed into a CYCC because they are abandoned, removed from the care of parents, relations and care-givers due to abuse, neglect, exploitation,

orphaned, have parents or care-givers who are unable or unwilling to care, or need of permanent alternate placement.

We would like to expand the reach of the programme to also include:

1. child-headed households
2. drop-in centres
3. shelters catering for street children
4. at risk youth within an existing but struggling or failing family structure where the children still reside with these relatives or community members.

Indirect beneficiaries are the CYCC's themselves, the care-workers, social workers, management and most importantly the families, friends and communities of the children and mentors themselves.

As the children are empowered to make better decisions there will be a ripple effect in terms of those who will be indirectly influenced by the programme. All those who come into contact with the child who is in the process of mentorship are affected by the changes that the child makes in his/her decision making, behaviour, lifestyle and mindset. There are financial and social benefits to families of children who succeed in securing tertiary education degrees/diplomas and subsequent employment, as well as those who secure apprenticeships and learnerships and stable employment.

Funding

Funding to date has been sought from various sources in order to expand the programme over the 3 year period. Both corporate and private funding strategies are being implemented and this includes a sustainability strategy.

Funding is pending from DHL's new social responsibility foundation, as well as from the Anglo American Chairman's Fund.

In terms of sustainability at present 100% of the needs of the programme need to be covered by funding as this is a startup programme which has been in pilot form for 2 years, however, we are acutely aware of the need for a medium to long-term goal for sustainability.

We aim to have a 70-30% ratio of donor funding to sustainable income by the end of 2017 and a ratio of 50-50% within 5 years.

Due to the fact that the primary beneficiaries are minor children who are vulnerable and often in need of care and protection, sustainability within the project is challenging because of the nature of the work that Bright Stars does, our beneficiaries cannot contribute towards sustainability. Part of the programme aims is to empower the beneficiaries to be self-sustaining and sufficient and to pursue their own education and career goals and to provide them with opportunities and resources to do so.

Our best solution for partial sustainability is:

1. Growing a large and regular database for monthly debit orders and pledges - we are in the process of growing our database and garnering monthly donations and pledges through debit orders from community members who would like to invest in Bright Stars and who believe in the aims of the

programme, more specifically from people within those communities where the programme is active.

We have started a Bright Stars 100 Club and we aim to have 100 people donating R 100 per month to Bright Stars in each of the 4 provinces where we aim to be active. This will provide approximately 38% of our required income in year 2 which meets with our goal ratio of 70-30% donor funding to sustainable income.

Conclusion

The Bright Stars Mentorship Programme is steadily growing and gaining in stature. Goals and objectives have been set in place for the next three years and over that time it is our intention that the programme grow to have a national impact on at risk youth and vulnerable children to the extent that the programme be recognised and utilized by the Department of Social Development as part of their extensive youth programmes.

New avenues are being researched and negotiated for the 2015 mentorship year and recruitment is planned for July – September of 2014. The goal is to reach 220 new mentors for 2015 in both KZN and Gauteng, however, this hinges on whether or not funding is received from corporate sources as these increased mentor numbers will significantly increase the workload and additional staff will need to be sought.



Cookie Jar

Report by Cathy Foxton

The Cookie Jar 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). This year we have had an increase in donated goods and have been able to distribute our additional clothes and baby equipment to needy communities through Grace Aid.

Our staff have also become aid outlets into their communities as they are able to identify needs in their areas and feed back to us. Thando has been especially active in her community and has helped at least 5 new moms with clothes, blankets and toys.

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.

Finances

Financial Overview

We have had an amazing third year of operations in that we have again raised enough funds & donations 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 now able to start building up reserves to use as start-up funding for other projects and baby houses.

Our expenses have increased significantly this year as a result of us moving the Baby House to La Lucia, where we now have six babies to care for. The staff costs played a big part in this increase as we have hired extra carer givers.

Donors

We have many individuals and companies who have contributed to our work over the past year and we are incredibly grateful for each and every one. There are a number of our donors who have donated R20,000 or more over the last year and we would like to make special mention of them.

- AC Exports (Jens & Kate Reuning)
- Atlas Plastics
- ColourField Solutions
- Dick Foxton
- HABIT
- Lauren van Rooyen
- Louis Ceneviz
- Craig & Michelle McIntosh
- Anil & Rene Bhagwanjee

Fundraising

We have done a number of fundraisers this year, but some of our biggest donations have come from fundraisers that we have been beneficiaries of. Checkers had their Annual Golf Day and we were the recipients of R20,000 in Checkers Vouchers.

In July we were one of the selected charities to benefit from Spotlight Productions 'Salute to Stage & Screen' which was staged at the Seabrooke Theatre. Some of the performers visited The Baby House and spent time with the babies.

Grace Family Church hosted the Nick Wium & Friends Christmas Concert where a collection was taken on the night as well as formula donations. We got in an incredible amount of formula which kept us stocked up for most of the year.



We were very fortunate this year to secure funding from Grace Aid. They have committed to a fixed amount over three years.

THE PEACE AGENCY

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

ANNUAL FINANCIAL STATEMENTS

As at 28 February 2014

Contents

statement of Trustees' Responsibility	33
Corporate Governance Statement	34
Report of the Accounting Officer	37
Report of the Trustees	38
Statement of Financial Position	40
Statement of Comprehensive Income	41
Statement of Changes In Equity	43
Cash Flow Statement	44
Notes to the Financial Statements	45

THE PEACE AGENCY

STATEMENT OF TRUSTEES' RESPONSIBILITY

for the year ended 28 February 2014

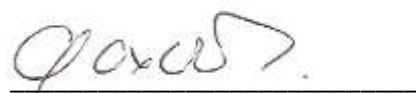
The Trustees are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The reviewers are responsible for reporting on the fair presentation of the financial statements. The financial statements have been prepared 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 40 to 49 were approved by the Board of Trustees on 28 October 2014 and signed on its behalf by :



Cathrine Foxton
Chairman



Kevin Meredith
Vice Chairman

THE PEACE AGENCY

CORPORATE GOVERNANCE STATEMENT

for the year ended 28 February 2014

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 is responsible for oversight and ensuring proper accountability by the Executive Management.

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.

THE PEACE AGENCY

CORPORATE GOVERNANCE STATEMENT

for the year ended 28 February 2014

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 2014, 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.

THE PEACE AGENCY

CORPORATE GOVERNANCE STATEMENT

for the year ended 28 February 2014

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.

THE PEACE AGENCY

REPORT OF THE ACCOUNTING OFFICER

for the year ended 28 February 2014

We have performed the duties of accounting officer to THE PEACE AGENCY for the year ended 28 February 2014 as required. The annual financial statements set out on pages 40 to 49 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)

28 October 2014

PO Box 184
Umdloti Beach
4350

THE PEACE AGENCY

REPORT OF THE TRUSTEES

for the year ended 28 February 2014

The Trustees present their annual report, which forms part of the reviewed financial statements of the Entity for the year ended 28 February 2014.

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”, a free adoption information resource called “The Adoption Companion” 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: cathy@peaceagency.org.za

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

2. Financial results

Full details of the financial results are set out on pages 40 to 49 in the attached financial statements.

THE PEACE AGENCY

REPORT OF THE TRUSTEES

for the year ended 28 February 2014

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.

THE PEACE AGENCY

STATEMENT OF FINANCIAL POSITION

as at 28 February 2014

	Notes	28 Feb 14	28 Feb 13
ASSETS			
Fixed Assets			
Computer Equipment			
Original Cost		16,963.78	15,965.78
Accum Depreciation		-9,545.70	-7,691.18
Total Computer Equipment		7,418.08	8,274.60
Furniture & Fittings			
Original Cost		2,509.80	2,509.80
Accum Depreciation		-1,410.36	-1,135.50
Total Furniture & Fittings		1,099.44	1,374.30
Total Fixed Assets		8,517.52	9,648.90
Current Assets			
Other Current Assets			
Staff Loans			
Cormel Loan		400.00	0.00
Eunice Loan		700.00	0.00
Lihle Loan		0.00	400.00
Thully Loan		24,000.00	400.00
Zinhle Loan		400.00	0.00
Total Staff Loans		25,500.00	800.00
Total Other Current Assets		25,500.00	800.00
Accounts Receivable		5,000.00	20,965.00
Cash and cash equivalents	5	252,127.70	109,708.67
		257,127.70	130,673.67
Total Current Assets		282,627.70	131,473.67
Current Liabilities			
Accounts Payable		0.00	2,000.00
Total Current Liabilities		0.00	2,000.00
NET CURRENT ASSETS		282,627.70	129,473.67
TOTAL ASSETS LESS CURRENT LIABILITIES		291,145.22	139,122.57
NET ASSETS		291,145.22	139,122.57
EQUITY			
Opening Bal Equity		139,122.57	106,765.05
Net income		152,022.65	32,357.52
TOTAL EQUITY		291,145.22	139,122.57

THE PEACE AGENCY

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 28 February 2014

Ordinary Income/Expense	Notes	Feb 2014	Feb 2013
Income			
Total Bright Stars		7,495.75	13,403.00
Child Grants		18,432.00	9,010.00
Crisis Fund Staff		1,000.00	0.00
Donations Income		477,826.68	339,542.05
Restricted Income		302,321.47	0.00
Total DURBAN NORTH Donations		0.00	69,727.13
Total Fundraisers		69,271.70	47,143.56
Goods Donated		105,709.08	47,339.90
HOLAH Holding Account		-1,350.00	1,350.00
Interest on Money Market	4	5,406.16	3,499.42
Total La Lucia		37,100.00	10,000.00
Total MERCHANDISE & MATERIALS		1,408.00	450.00
Total SOUL OF AFRICA		-17,881.00	16,060.00
Total Income		1,006,739.84	557,525.06
Expense			
Total Account & Admin Fees		112,020.00	84,060.00
Total Adoption 101 Expenses		3,056.00	0.00
Total BABY HOUSE DURBAN NORTH		0.00	73,727.13
Total BABY HOUSE		187,071.98	81,591.19
Bank Service Charges		4,585.59	3,060.71
Books and Publications		199.00	0.00
Total Bright Stars Expenses		38,609.80	1,040.36
Conferences		1,472.00	350.00
Total Debit order expenses		5,421.95	0.00
Depreciation Expense		2,129.38	1,072.10
Domain Names		300.00	600.00
Donations Made		4,000.00	0.00
Electricity & Water		11,875.00	16,500.00
Gifts and Donations		687.50	0.00
Graphic Mail Mailing Credits		1,364.91	909.93
Total Marketing & PR Fees		145,670.00	131,250.00
Meeting Costs		1,716.56	0.00
Office Supplies		100.00	0.00
Parties (Babies & staff)		1,932.15	124.90
Paul Gwala Extra		100.00	-140.00
Postage and Delivery		101.00	325.90
Printing		1,412.90	471.90
Rent		30,550.90	26,400.00
Total Repairs		6,602.15	2,929.74
Total SARS \ UIF		2,496.46	430.32
Software Expenses		0.00	2,999.95

STATEMENT OF COMPREHENSIVE INCOME (cont.)

for the year ended 28 February 2014

	Notes	Feb 2014	Feb 2013
Total Staff Costs		243,202.05	62,894.50
Stationery		2,511.48	1,969.30
Telephone		17,608.32	10,936.78
Training		1,100.00	350.00
Total Travel & Ent		26,820.11	19,312.83
Web Design		0.00	2,000.00
Total Expense		854,717.19	525,167.54
Net Ordinary Income		152,022.65	32,357.52
Profit for the Year		152,022.65	32,357.52

THE PEACE AGENCY

STATEMENT OF CHANGES IN EQUITY

for the year ended 28 February 2014

	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			139,122.57
Surplus for the year		152,022.65	152,022.65
Balance at 28 February 2014	34,042.79	152,022.65	291,145.22

THE PEACE AGENCY

CASH FLOW STATEMENT

for the year ended 28 February 2014

	Notes	February 2014	February 2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	7	138,010.87	29,105.00
Interest income		5,406.00	3,499.00
Net cash flows from operating activities		143,416.87	32,604.00
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital introduced		0	0
Property, plant and equipment acquired		998.00	5,809.00
Net cash flows from financing activities		998.00	5,809.00
Total cash movement for the year		142,418.87	26,795.00
Cash at the beginning of the year		109,708.83	82,914.00
Total cash at the end of the year	6	252,127.70	109,709.00

THE PEACE AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2014

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 the reducing balance method with a depreciation rate of 20% per annum. Land is not depreciated as it is deemed to have an indefinite life.

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.

THE PEACE AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2014

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.

THE PEACE AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2014

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.

THE PEACE AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2014

1. Revenue

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

2. Operating income

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

	2014	2013
Depreciation	2 129	1 072
Staff costs	243 202	62 895

3. 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.

4. Finance income

	2014	2013
<i>Interest received</i>		
Money Market	5 406	3 499

5. Cash and cash equivalents

Current Account	21 802	19 253
Money Market Account	212 686	88 004
Gift Vouchers	16 349	0
Petty Cash	1 290	2 452
	<hr/>	<hr/>
	252 127	109 709

6. Cash generated from operations

Reconciliation of cash generated from operations

	2014	2013
Net surplus	29,105.20	32,357.52
<i>Adjustments for:</i>		
Depreciation	2,129.38	1,072.10
Interest received	(5,406.16)	(3,499.42)
<i>Changes in working capital</i>		
Trade and other receivables	(8,735.00)	(2,825.00)
Trade and other payables	0	2,000.00
	<hr/>	<hr/>
	17,093.42	29,105.20