



Annual Report 2012

Contents

Chairmans Report.....	3
Project Report Back.....	4
Stop Crime Say Hello.....	4
The Baby House	5
Bright Stars Mentorship Programme	7
Cookie Jar	8
Finances.....	9
Financial Overview	9
Soul of Africa	9
Fundraisers.....	9

Annual Financial Statements

Statement of Trustees' Responsibility.....	11
Corporate Governance Statement	12
Report of The Accounting Officer.....	15
Report of the Trustees.....	16
Statement of Financial Position.....	18
Statement of Comprehensive Income	19
Statement of Changes in Equity.....	20
Cash Flow Statement.....	21
Notes to the Financial Statements.....	22

Chairmans Report

The first AGM of the recently constituted NPO, The Peace Agency was held on Saturday 31st March 2012.

When we started The Peace Agency we began with two initial projects, namely Stop Crime Say Hello and The Baby House.

Since registration a further two projects have been initiated, Bright Stars Mentorship Programme and The Cookie Jar.

On the 24th of March 2011 The Peace Agency was registered with the Department of Social Development and we have received our NPO certification.

The Peace Agency is also registered as a Public Benefit Organisation (PBO) with the South African Revenue Services. We have been assigned both PBO and Income Tax numbers.

We have had an amazing first year and I would like to thank everyone who has helped us, volunteered and contributed in some way to our success.


Chairman

Project Report Back



Stop Crime Say Hello

Justin Foxton reported on the general landscape of crime in South Africa which is down across most categories of crime including murder, robbery and hijacking. The past year has seen a proliferation of other civil society initiatives aimed at creating citizen activation and participation in order to create a lawful, peaceful and productive South Africa. This includes Primedia's initiative Lead SA amongst others. This continues the trend that has developed since the inception of SCSH – organisations and individuals becoming aware of the need to work together outside of the work of government, to reduce crime.

SCSH has established good working partnerships with the media and other NGO's. These include:

- Childline
- Awesome SA
- South Africa – The Good News
- Symphonia
- Forgood
- The Democracy Development Programme
- The Mercury
- The Witness
- Local press (including Mum's Mail, Northglen etc)

From a campaign perspective radio and print media are dominant. Justin has written The Flipside column in The Mercury for the past year and this has been amplified via other websites (SAGN etc), newsletters to the SCSH database and on radio (including SAFM, Radio 2000, and local community radio).

The daily SCSH radio minutes have been active on the SCSH site for the past two years. Some 30 radio stations have used the content.

Justin has done approximately 20 live presentations in the past year. These have been done at schools, churches, Rotary Clubs. Flipside Conversation events are sponsored by the DDP and are held every 3 months.

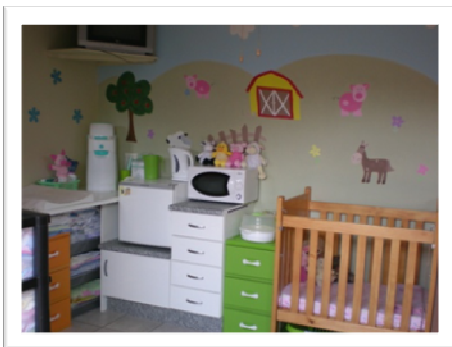
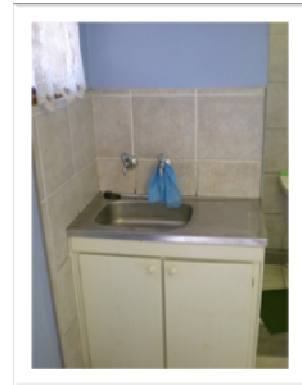
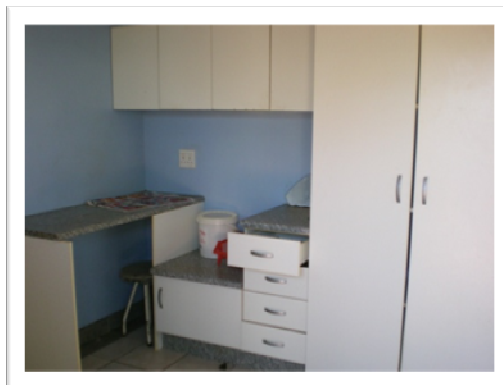
The challenge for this next year is to make more use of the content that Justin generates around the SCSH message.



The Baby House

The Baby House is a transition home for abandoned and orphaned infants, and babies given up for adoption. The home is run by Justin and Cathy Foxton and is based at their home, 28 Herrwood Drive, Umhlanga Rocks. The Baby House cares for 4 babies at any one time. Since opening its doors in June 2010 TBH has facilitated 10 adoptions and cared for 14 babies.

Before



The secondary objective of the home is to create a best practise example of this kind of 'family based care' for others to implement. To this end we are helping a young couple to open The Baby House Durban North. In the past year we have also helped a Prestondale couple to become registered as crisis parents. They care for one infant at a time.

Another key objective of The Baby House is to raise awareness of the orphan crisis and promote adoption. To this end this year Justin facilitated the start of the Kwa-Zulu Natal Adoption Coalition.

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 not one child has left TBH HIV+. We work with an NGO called Big Shoes. This organisation does all screening and medicals necessary for adoption.

The babies come from the following places:

1. Child Welfare Durban and Districts
2. Wandisa
3. The SAPS

We also encourage the movement of babies from state owned places of safety (such as Umlazi) to ours. This way we can help to free up the system and ensure that these babies get into adoptive homes.

The Baby House press both, local and national, has been 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 will also feature as part of the eTV heros campaign and will also be involved in a documentary following a baby from abandonment to adoption.

Finally, our aim is not to grow The Baby House but to help others start their own. We are excited at the prospect that one of our board members may be considering this one day.





Bright Stars Mentorship Programme

Bright Stars is headed up and driven by Georgina Steele and from a campaign point of view picks up where The Baby House leaves off. Our main aim as The Baby House is to get vulnerable and orphaned children into permanent homes through the ongoing promotion of adoption. For those children who have not been or can't be adopted (they are usually moved to larger homes/orphanages, or live within fairly unstable communities), the aim of Bright Stars is to recruit and train adult mentors to commit to one hour a week to mentor these children and help guide them through life.

Bright Stars is a similar program to Big Brother Big Sister which closed its doors last year. We are running Bright Stars in association with the DDP and Childline.

Bright Stars has been operating since July 2011 during which time we have been developing a training manual and training programme for prospective mentors. We have also been developing systems for screening mentors as well as setting up a structure to ensure that we are legally in line with legislation under the new Children's Act of 2010.

We have set up working relationships with St Thomas's Children's Home, the PMB Children's Home and Durban Children's Home into which we are now placing trained mentors.

We had our first training session in January 2012 and have just had our second session in March 2012. So far we have screened and matched 7 mentors and mentees.

Our aim is to have 100 mentors on our programme by the end of the year.





Cookie Jar

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. The idea behind this project is to package up starter packs for impoverished pregnant or new moms.

By helping these moms we are also hoping to counsel them on issues such as future 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 a fortunate first year in that we have raised enough funds & donations of baby goods to keep us comfortable. 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. Charlotte Symeonides from IB an Angel has linked us to some amazing corporate donors and continues to support us through her organisation.

Soul of Africa

We have been assisting 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 a Children's home where Soul of Africa used to be involved, but have since pulled out.

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.

Fundraisers

We have done 3 fundraising events in Johannesburg. These are lunches or high teas aimed at raising funds for The Baby House but also awareness of the issues surrounding abandonment, adoption and orphans. We will be continuing with these events and beginning them in Cape Town too.

We have also had two large product donations this year. A big thank you goes out to Cindy Houston who organised this through her previous company, and the other goes to Merchiston School in Pietermaritzburg. We have also hosted a number of corporate social responsibility days. The Baby House has also been open to schools for community outings as well as doing their community projects with us.



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

ANNUAL FINANCIAL STATEMENTS

As at 28 February 2012

Contents

STATEMENT OF TRUSTEES' RESPONSIBILITY	11
CORPORATE GOVERNANCE STATEMENT	12
REPORT OF THE ACCOUNTING OFFICER	15
REPORT OF THE TRUSTEES	16
STATEMENT OF FINANCIAL POSITION	18
STATEMENT OF COMPREHENSIVE INCOME	19
STATEMENT OF CHANGES IN EQUITY	20
CASH FLOW STATEMENT	21
NOTES TO THE FINANCIAL STATEMENTS	22

THE PEACE AGENCY

STATEMENT OF TRUSTEES' RESPONSIBILITY

for the year ended 28 February 2012

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.

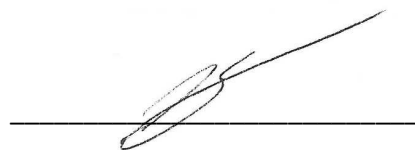
The financial statements have been prepared on the going-concern basis, since the Trustees have every reason to believe that the Entity has adequate resources in place to continue in operation for the foreseeable future.

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements set out on pages 9 to 17 were approved by the Board of Trustees on 14 September 2012 are signed on its behalf by :



Cathrine Foxton
Chairman



Kevin Meredith
Vice Chairman

THE PEACE AGENCY

CORPORATE GOVERNANCE STATEMENT

for the year ended 28 February 2012

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.

THE PEACE AGENCY

CORPORATE GOVERNANCE STATEMENT

for the year ended 28 February 2012

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 2012, 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 2012

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

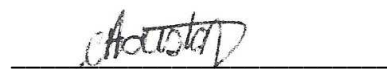
for the year ended 28 February 2012

We have performed the duties of accounting officer to THE PEACE AGENCY for the year ended 28 February 2012 as required. The annual financial statements set out on pages 9 to 17 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)

31 August 2012

PO Box 1208
Westville
3630

THE PEACE AGENCY

REPORT OF THE TRUSTEES

for the year ended 28 February 2012

The Trustees present their annual report, which forms part of the reviewed financial statements of the Entity for the year ended 28 February 2012.

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@sayhello.co.za

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

2. Financial results

Full details of the financial results are set out on pages 8 to 17 in the attached financial statements.

THE PEACE AGENCY

REPORT OF THE TRUSTEES

for the year ended 28 February 2012

3. Trustees

The following served as Trustees during the current year:

Cathrine Foxton - Chairman
Kevin Meredith - Vice Chairman
Cindy Houston - Treasurer
Nicola Nightingale - Secretary
Simphiwe Zuma - 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 2012

	Notes	February 2012
ASSETS		
Fixed Assets		
Computer Equipment		
Original Cost		10 155.78
Depreciation		(6 771.78)
Total Computer Equipment		3 384.00
Furniture & Fittings		
Original Cost		2 509.80
Depreciation		(982.80)
Total Furniture & Fittings		1 527.00
NON-CURRENT ASSETS		4 911.00
Current Assets		
Accounts Receivable		18 940.00
Cash and cash equivalents	6	82 914.05
CURRENT ASSETS		101 854.05
TOTAL ASSETS		106 765.05
EQUITY		
Opening Balance Equity		34 042.79
Net Income		72 722.26
TOTAL EQUITY		106 765.05

THE PEACE AGENCY

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 28 February 2012

	Notes	For the period ended 28 February 2012
Ordinary Income/Expense		
Income		
Total Donations Income		220 530.48
Total Fundraisers		30 220.51
Interest on Money Market	5	2 177.89
Total Merchandise		700.00
Soul of Africa		
Paul Gwala Holding account		3 089.00
Total Income		298 023.88
Expense		
Total Baby House		17 531.10
Bank Service Charges		1 929.59
Bright Stars Manuals & Material		508.27
Conferences		320.00
Total Consulting		135 780.00
Domain Names		300.00
Donated Goods		139.21
Donations Made		570.00
Electricity & Water		15 250.00
Gifts and Donations		234.99
Graphic Mail Mailing Credits		812.38
Magazines & Books		29.95
Paul Gwala Extra		550.00
Postage and Delivery		42.25
Printing		60.00
Total Professional Fees		190.00
Rent		24 400.00
Salaries		3 430.00
Staff Payments		980.00
Stationery		3 337.35
Telephone		8 359.99
Training		150.00
Travel & Entertainment		10 396.54
Total Expense		225 301.62
Net Ordinary Surplus		72 722.26
Surplus		72 722.26

THE PEACE AGENCY

STATEMENT OF CHANGES IN EQUITY

for the year ended 28 February 2012

	Capital	Accumulated surplus	Total Equity
Balance at 01 March 2011			
Changes in Equity			
Increase in capital	34 042.79		34 042.79
Surplus for the year		72 722.26	72 722.26
Balance at 28 February 2012	34 042.79	72 722.26	106 765.05

THE PEACE AGENCY

CASH FLOW STATEMENT

for the year ended 28 February 2012

	Notes	February 2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	7	51 604
Interest income		2 178
		<hr/>
Net cash flows from operating activities		53 782
		<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital introduced		34 043
Property, plant and equipment acquired		(4 911)
		<hr/>
Net cash flows from financing activities		29 132
		<hr/>
Total cash movement for the year		82 914
Cash at the beginning of the year		-
		<hr/>
Total cash at the end of the year	6	82 914
		<hr/>

THE PEACE AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2012

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.

THE PEACE AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2012

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 2012

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 2012

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:

	2012
Depreciation	-
Staff costs	3430

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	2 178
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6. Cash and cash equivalents

Current Account	8 127
Money Market Account	72 032
Petty Cash	2 754
	<hr/> 82 913

7. Cash generated from operations

Reconciliation of cash generated from operations

	2012
Net surplus	72 722.26
<i>Adjustments for:</i>	
Depreciation	-
Interest received	2 178
<i>Changes in working capital</i>	
Trade and other receivables	18 940
	<hr/>
	51 604.26
	<hr/>