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**StreetSmart Homeless Children's Charity South Africa
(Association incorporated under section 21)
Annual Financial Statements
for the year ended 31 December 2013**

StreetSmart Homeless Children's Charity South Africa

(Registration number 2004/036117/08 (NPO 051-449))

Annual Financial Statements for the year ended 31 December 2013

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Conduit fundraising organisation that distributes funds to existing charities working with street children
Directors	B J Bordiss M A Burke A M D Cockburn R N E Heckscher L M Hersch ST Mzanywa
Registered office	411 MSK House Cnr Buitengracht & Riebeeck Street Cape Town 8001
Business address	411 MSK House Cnr Buitengracht & Riebeeck Street Cape Town 8001
Postal address	P O Box 49 Green Point 8051
Bankers	Nedbank Limited
Auditors	Grant Thornton Cape Incorporated Chartered Accountants (S.A.) Registered Auditors Grant Thornton South Africa is a member firm of Grant Thornton International Ltd
Secretary	M A Burke
Company registration number	2004/036117/08 (NPO 051-449)
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The annual financial statements were independently compiled by: I Hashim Chartered Accountant (S.A.) Registered Auditor
Published	28 February 2014

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The reports and statements set out below comprise the annual financial statements presented to the members:

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Chartered Accountants (SA)

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Report of the Independent Auditors

To the members of StreetSmart Homeless Children's Charity South Africa

We have audited the accompanying annual financial statements of StreetSmart Homeless Children's Charity South Africa, which comprise the statement of financial position as at 31 December 2013, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 7 to 13.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditors' considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Qualification

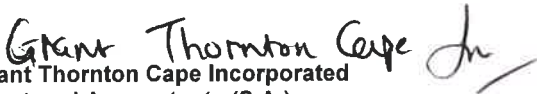
In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections from donations prior to initial entry of collections and bequests in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts actually recorded.

Qualified Opinion

In our opinion, except for the effects of the matter described in the preceding paragraph, the annual financial statements present fairly, in all material respects, the financial position of the company as of 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Supplementary Information

The supplementary information set out on page 14 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.


Grant Thornton Cape Incorporated
Chartered Accountants (S.A.)
Registered Auditors

Per: I Hashim
Chartered Accountant (S.A.)
Registered Auditor

28 February 2014

Cape Town

StreetSmart Homeless Children's Charity South Africa

(Registration number 2004/036117/08 (NPO 051-449))

Annual Financial Statements for the year ended 31 December 2013

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

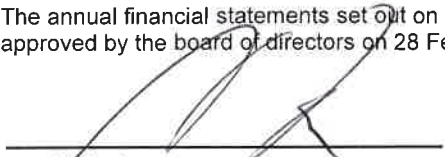
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2014 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The board of directors are responsible for the financial affairs of the company.

The external auditors are responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 3 to 4.

The annual financial statements set out on pages 6 to 14, which have been prepared on the going concern basis, were approved by the board of directors on 28 February 2014 and were signed on its behalf by:


R N E Heckscher


M A Burke

Cape Town

28 February 2014

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Directors' Report

The directors submit their report for the year ended 31 December 2013.

1. Incorporation

The company was incorporated on 20 December 2004 and obtained its certificate to commence business on the same day.

2. Review of activities

Main business and operations

The company is a conduit fundraising organisation that distributes funds to existing charities working with street children and operates in South Africa.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

3. Surplus

As at 31 December 2013, total surplus of R42 287 which relates to funds received from restaurant patrons will be distributed in the next financial year to the selected beneficiaries of StreetSmart Homeless Children's Charity South Africa.

4. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year.

5. Directors

The directors of the company during the year and to the date of this report are as follows:

Name	Nationality	Changes
M A Biggs	South African	Resigned 31 May 2013
M A Burke	South African	
A M D Cockburn	South African	
R N E Heckscher	German	
L M Hersch	South African	
B J Bordiss	South African	Appointed 10 September 2013
ST Mzanywa	South African	Appointed 29 January 2013
L Mkumatela	South African	Resigned 10 January 2013

6. Secretary

The secretary of the company is M A Burke.

7. Auditors

Grant Thornton Cape Incorporated will continue in office.

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Annual Financial Statements for the year ended 31 December 2013

Statement of Financial Position

Figures in Rand	Note	2013	2012
Assets			
Current Assets			
Cash and cash equivalents	3	1 256 581	983 561
Total Assets		1 256 581	983 561
Funds			
Surplus		1 256 581	983 561
Liabilities			
Total Funds		1 256 581	983 561

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Statement of Comprehensive Income

Figures in Rand	Note	2013	2012
Donations received		1 575 138	1 085 514
Operating expenses		(460 190)	(266 705)
Distributions to charities		(907 700)	(957 953)
Operating surplus/(loss)		207 248	(139 144)
Investment revenue	5	65 772	59 412
Surplus/(loss) for the year		273 020	(79 732)

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Statement of Changes in Equity

Figures in Rand	Surplus	Total equity
Balance at 01 January 2012	1 063 293	1 063 293
Changes in surplus	(79 732)	(79 732)
Total surplus for the year	(79 732)	(79 732)
Total changes	(79 732)	(79 732)
Balance at 01 January 2013	983 561	983 561
Changes in surplus	273 020	273 020
Total deficit for the year	273 020	273 020
Total changes	273 020	273 020
Balance at 31 December 2013	1 256 581	1 256 581

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Annual Financial Statements for the year ended 31 December 2013

Statement of Cash Flows

Figures in Rand	Notes	2013	2012
Cash flows from operating activities			
Cash (used in)/generated by operations	7	207 248	(139 144)
Interest income		65 772	59 412
Net cash from operating activities		273 020	(79 732)
Total cash movement for the year			
Cash at the beginning of the year		983 561	1 063 293
Total cash at end of the year	3	1 256 581	983 561

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Annual Financial Statements for the year ended 31 December 2013

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, except for the measurement of investment properties and certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, all of which is available for use by the company unless otherwise stated.

1.2 Revenue

Revenue comprises of donations received and interest earned.

Donations are recognised on the receipt thereof.

Interest is recognised, in profit or loss, using the effective interest rate method.

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Notes to the Annual Financial Statements

2. New Standards and Interpretations

At the date of approval of these annual financial statements, certain new accounting standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the entity.

Management anticipates that all of the pronouncements will be adopted in the entity's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the entity's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the entity's financial statements.

2.1 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the company's accounting periods beginning on or after 01 January 2014.

The impact of these standards is not relevant and not material to the fair presentation of the financial statements and as a consequence, none of these standards and interpretations are detailed here.

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	251	1 291
Bank balances	1 256 330	982 268
	1 256 581	983 559

4. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below.

2013

	Available-for-sale	Total
Cash and cash equivalents	1 256 581	1 256 581

2012

	Available-for-sale	Total
Cash and cash equivalents	983 559	983 559

5. Investment revenue

Interest revenue

Bank	65 772	59 412
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6. Taxation

Provision is not made for taxation as the company is exempt from taxation in terms of section 10(1)(cN) of the Income Tax Act.

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Notes to the Annual Financial Statements

Figures in Rand	2013	2012
7. Cash generated from operations		
Surplus before taxation	273 020	(79 732)
Adjustments for:		
Interest received	(65 772)	(59 412)
	207 248	(139 144)

8. Risk management

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to pay obligations when due.

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments. This is evidenced by the liquid resources on hand at year end.

Interest rate risk

The company's interest rate risk arises from investments in interest bearing instruments.

At 31 December 2013, if interest rates on Rand-denominated investments had been 1% higher/lower with all other variables held constant, post-tax profit for the year would have been R 11 201 (2012: R 10 234) lower/higher, mainly as a result of higher/lower interest income on floating rate investments.

Credit risk

Credit risk consists mainly of cash deposits. The company only deposits cash with major banks with high quality credit standing.

Financial assets exposed to credit risk at year end were as follows:

Nedbank Limited	1 256 581	983 559
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Detailed Statement of Comprehensive Income

Figures in Rand	Note	2013	2012
Investment revenue	5	65 772	59 412
Donations received		1 575 138	1 085 514
		1 640 910	1 144 926
Operating expenses			
Advertising		(9 944)	(875)
Bank charges		(5 403)	-
Casual wages		(14 652)	-
Catering		(16 158)	-
Computer expenses		(2 546)	(400)
Distributions		(907 700)	(957 962)
Fundraising		(76 050)	-
General expense		(5 560)	(20 572)
Lease rentals on operating lease		(17 517)	(18 659)
Postage		(616)	(488)
Printing and stationery		(25 423)	(12 147)
Project co-ordination		(215 712)	(200 320)
Restaurant recruitment		(23 968)	-
Telephone and fax		(14 084)	(13 235)
Travel expenses		(32 557)	-
		(1 367 890)	(1 224 658)
Surplus/(Deficit) for the year		273 020	(79 732)