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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 2015**

StreetSmart Homeless Children's Charity South Africa

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

Annual Financial Statements for the year ended 31 December 2015

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	CA Bagley MA Biggs SM Birch B J Bordiss M A Burke A M D Cockburn R N E Heckscher L M Hersch S T Mzanywa NE Warner
Registered office	Unit 314, The Foundry Prestwich Street Greenpoint 8005
Business address	Unit 314, The Foundry Prestwich Street Greenpoint 8005
Postal address	P O Box 49 Green Point 8051
Bankers	Nedbank Limited
Auditors	Grant Thornton Cape Incorporated Chartered Accountants (S.A.) Registered Auditors A South African member 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	15 April 2016

StreetSmart Homeless Children's Charity South Africa

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StreetSmart Homeless Children's Charity South Africa

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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.

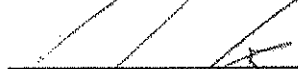
The directors have reviewed the company's cash flow forecast for the year to 31 December 2016 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

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 5 to 6.

The annual financial statements set out on pages 7 to 15, which have been prepared on the going concern basis, were approved by the board of directors on 15 April 2016 and were signed on its behalf by:


M A Burke


R N E Hackscher

Cape Town
15 April 2016

StreetSmart Homeless Children's Charity South Africa

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

Annual Financial Statements for the year ended 31 December 2015

Directors' Report

The directors submit their report for the year ended 31 December 2015.

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 2015, total surplus of R 429 194 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:

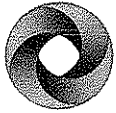
Name	Nationality
CA Bagley	South African
MA Biggs	South African
SM Birch	South African
B J Bordiss	South African
M A Burke	South African
A M D Cockburn	South African
R N E Heckscher	German
L M Hersch	South African
S T Mzanywa	South African
NE Warner	South African

6. Secretary

The secretary of the company is M A Burke.

7. Auditors

Grant Thornton Cape Incorporated will continue in office in accordance with section 90 of the Companies Act of South Africa.



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Chartered Accountants (SA)

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Independent Auditor's Report To the Members of StreetSmart Homeless Children's Charity South Africa

Report on the Financial Statements

We have audited the financial statements of StreetSmart Homeless Children's Charity South Africa set out on pages 7 to 14, which comprise the statement of financial position as at 31 December 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

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 possible effects of the matter described in Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of StreetSmart Homeless Children's Charity South Africa at 31 December 2015, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, and the requirements of the Companies Act of South Africa.

Supplementary Information

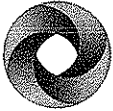
Without qualifying our opinion, we draw attention to the fact that supplementary information set out on page 15 does not form part of the financial statements and is presented as additional information. We have not audited this schedule and accordingly we do not express an opinion on it.

Directors
M.H. Abbas
K.M. Bowman
S. F. Cillie
J.G. Glass
M. Hanekom (PE)
I. Hashim
D. Honeyball (PE)
B. Jackson
H.C. Kilian (PE)
B.J. Lodevyk
F. Mohamed
J. M. Nield
H.J. Salmon
I.M. Scott (Managing)
N. I. Strybis
B. van der Walt
Y. Weaver-Sasman
M.S. Willmott (PE)

Associate Directors
D. Forbes
M. Fourie
F. Rhoda

Audit - Tax - Advisory

Grant Thornton Cape Incorporated Registration No. 2010/016204/21 is a member of Grant Thornton South Africa which in turn is a member of Grant Thornton International Ltd.



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Other Reports Required by the Companies Act

As part of our audit of the financial statements for the year ended 31 December 2015, we have read the Director's Report for the purpose of identifying whether there are material inconsistencies between the Directors' Report and the audited financial statements. The Director's Report is the responsibility of the directors. Based on reading the Director's Report we have not identified material inconsistencies between the report and the audited financial statements. However, we have not audited this report and accordingly do not express an opinion thereon.

GRANT THORNTON CAPE INC.
Chartered Accountants (SA)
Registered Auditors

I Hashim
Partner
Chartered Accountant (SA)
Registered Auditor

15 April 2016

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 2015

Statement of Financial Position

Figures in Rand	Notes	2015	2014 Restated
Assets			
Current Assets			
Cash and cash equivalents	4	1 781 243	1 345 779
Equity and Liabilities			
Equity			
Surplus		1 681 240	1 252 046
Liabilities			
Current Liabilities			
Trade and other payables	5	100 003	93 733
Total Equity and Liabilities		1 781 243	1 345 779

StreetSmart Homeless Children's Charity South Africa

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Annual Financial Statements for the year ended 31 December 2015

Statement of Comprehensive Income

Figures in Rand	Notes	2015	2014 Restated
Donations received		2 071 799	1 601 856
Operating expenses		(674 432)	(657 175)
Distributions to charities		(1 065 000)	(1 040 000)
Operating surplus / (loss)		332 367	(95 319)
Investment revenue	7	96 827	90 784
Surplus for the year		429 194	(4 535)

StreetSmart Homeless Children's Charity South Africa

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Annual Financial Statements for the year ended 31 December 2015

Statement of Changes in Equity

Figures in Rand	Surplus	Total equity
Balance at 01 January 2014	1 256 581	1 256 581
Changes in equity		
Total comprehensive loss for the year	(4 535)	(4 535)
Total changes	(4 535)	(4 535)
Opening balance as previously reported	1 337 046	1 337 046
Adjustments		
Prior period errors	(85 000)	(85 000)
Balance at 01 January 2015 as restated	1 252 046	1 252 046
Changes in equity		
Total comprehensive surplus for the year	429 194	429 194
Total changes	429 194	429 194
Balance at 31 December 2015	1 681 240	1 681 240

StreetSmart Homeless Children's Charity South Africa

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Annual Financial Statements for the year ended 31 December 2015

Statement of Cash Flows

Figures in Rand	Notes	2015	2014 Restated
Cash flows from operating activities			
Cash generated from operations	9	338 637	(1 586)
Interest income		96 827	90 784
Net cash from operating activities		435 464	89 198
Total cash movement for the year			
Cash at the beginning of the year		1 345 779	1 256 581
Total cash at end of the year	4	1 781 243	1 345 779

StreetSmart Homeless Children's Charity South Africa

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Annual Financial Statements for the year ended 31 December 2015

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.

1.1 Financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

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

Annual Financial Statements for the year ended 31 December 2015

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.

3. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below. The carrying amounts of the financial assets in each category are as follows:

2015

	Loans and receivables	Total
Cash and cash equivalents	1 781 243	1 781 243

2014

	Loans and receivables	Total
Cash and cash equivalents	1 345 779	1 345 779

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	10 970	7 464
Bank balances	1 770 273	1 338 315
	1 781 243	1 345 779

5. Trade and other payables

Employee taxes	-	8 733
Beneficiary disbursements payable	100 003	85 000
	100 003	93 733

6. Financial liabilities by category

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

2015

	Financial liabilities at amortised cost	Total
Beneficiary disbursements payable	100 000	100 000

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Annual Financial Statements for the year ended 31 December 2015

Notes to the Annual Financial Statements

Figures in Rand	2015	2014
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6. Financial liabilities by category (continued)

2014

	Financial liabilities at amortised cost	Total
Employee taxes	8 731	8 731
Beneficiary disbursements payable	85 000	85 000
	<u>93 731</u>	<u>93 731</u>

7. Investment revenue

Interest revenue

Bank	<u>96 827</u>	<u>90 784</u>
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8. 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.

9. Cash generated from operations

Profit before taxation	429 194	(4 535)
Adjustments for:		
Interest received	(96 827)	(90 784)
Changes in working capital:		
Trade and other payables	6 270	93 733
	<u>338 637</u>	<u>(1 586)</u>

10. Prior period errors

In the prior year, beneficiary disbursements were declared amounting to R85 000. These disbursements were only paid in the current financial year. An obligation to pay the beneficiaries existed in the prior year however this obligation was not recognised and the expense was also not raised.

The correction of the error(s) results in adjustments as follows:

Statement of Financial Position

Increase in liabilities	<u>-</u>	<u>(85 000)</u>
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Profit or Loss

Decrease in Retained surplus due to increase in operating expenses	<u>-</u>	<u>85 000</u>
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11. 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 and credit facilities.

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Notes to the Annual Financial Statements

Figures in Rand	2015	2014
11. Risk management (continued)		
Interest rate risk		
The company's interest rate risk arises from investments in interest bearing instruments.		
At 31 December 2015, 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 R16 750 (2014: R12 682) 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:		
Financial instrument	2015	2014
Nedbank Limited	1 770 273	1 338 315

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Annual Financial Statements for the year ended 31 December 2015

Detailed Statement of Comprehensive Income

Figures in Rand	Notes	2015	2014 Restated
Investment revenue	7	96 827	90 784
Donations received		2 071 799	1 601 856
		2 168 626	1 692 640
Operating expenses			
Advertising		(48 055)	(143 282)
Bank charges		(4 971)	(4 957)
Computer expenses		-	(30 212)
Distributions		(1 065 000)	(1 040 000)
Employee costs		(413 480)	(314 251)
General expenses		(61 360)	(64 987)
Furniture & Fittings		(21 494)	-
Catering		(2 845)	-
Lease rentals on operating lease		(33 970)	(18 429)
Petrol and oil		(24 801)	(12 579)
Postage		(1 172)	(556)
Printing and stationery		(50 097)	(53 152)
Telephone and fax		(12 187)	(14 770)
		(1 739 432)	(1 697 175)
Surplus for the year		429 194	(4 535)