

STARFISH GREATHEARTS FOUNDATION
Non-Profit Company
2003/002865/08

SUMMARISED ANNUAL FINANCIAL STATEMENTS

31 MARCH 2016

STARFISH GREATHEARTS FOUNDATION

Non-Profit Company

2003/002865/08

SUMMARISED FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2016

The attached financial statements were prepared in accordance with the requirements of the Companies Act of South Africa, 2008.

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These summarised annual financial statements have been reviewed in terms of the Companies Act No 71 of 2008 of South Africa.

The summarised annual financial statements have been prepared under the supervision of Elizabeth Frederick (BCom Accounting).

Directors approval of annual financial statements

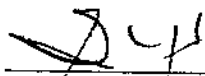
The summarised financial statements as set out on pages 7 to 10 are the responsibility of the directors.

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The auditor is responsible for the fair representation of the annual financial statements. The annual financial statements have been prepared in accordance with International Financial Reporting Standards and Companies Act of South Africa.

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

The summarised annual financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation in the foreseeable future.

The summarised financial statements set out on pages 7 to 10 were approved by the board of directors and signed on 28 September 2016.



S MANQELE



B TEBELE



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INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE DIRECTORS OF STARFISH GREATHEARTS FOUNDATION

The accompanying summary financial statements, which comprise the summary statement of financial position as at 31 March 2016, the summary statements of comprehensive income, changes in equity and cash flows for the year then ended, are derived from the audited annual financial statements of Starfish Greathearts Foundation for the year ended 31 March 2016. We expressed a qualified audit opinion on those annual financial statements in our report dated 30 September 2015. Our auditor's report on the audited annual financial statements contained an Other Matter paragraph "Other reports required by the Companies Act" (included below).

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary financial statements, therefore, is not a substitute for reading the audited annual financial statements of Starfish Greathearts Foundation.

Directors' Responsibility for the Summary Financial Statements

The directors are responsible for the preparation of the summary 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 the summary financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, Engagements to Report on Summary Financial Statements.

Qualified Opinion

In our opinion, the summary financial statements derived from the audited annual financial statements of Starfish Greathearts Foundation for the year ended 31 March 2016 are consistent, in all material respects, with those annual financial statements, in accordance with the International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to summary financial statements. However, the summary financial statements are misstated to the equivalent extent as the audited annual financial statements of Starfish Greathearts Foundation for the year ended 31 March 2016.

Basis for qualified opinion

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

National Executive: *LL Bam Chief Executive Officer *TMM Jordan Deputy Chief Executive Officer *MJ Jarvis Chief Operating Officer
*GM Pinnock Audit *N Sing Risk Advisory *NB Kader Tax TP Pillay Consulting S Gwala SPaaS *K Black Clients & Industries
*JK Mazzocco Talent & Transformation *MJ Comber Reputation & Risk *TJ Brown Chairman of the Board

A full list of partners and directors is available on request

* Partner and Registered Auditor

B-BBEE rating: Level 2 contributor in terms of the Chartered Accountancy Profession Sector Code

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS (CONTINUED)
TO THE DIRECTORS OF STARFISH GREATHEARTS FOUNDATION

Other reports required by the Companies Act

As part of our audit of the annual financial statements for the year ended 31 March 2016, we have read the Directors' Report set out on page 5 for the purpose of identifying whether there are material inconsistencies between this report and the audited financial statements. This report is the responsibility of the respective preparers. Based on reading this report we have not identified material inconsistencies between this report and the audited financial statements. However, we have not audited this report and accordingly do not express an opinion on this report.

Deloitte & Touche

Deloitte & Touche

Registered Auditors

Per: S. Moolia

Partner

Wednesday, September 28, 2016

STARFISH GREATHEARTS FOUNDATION
Non-Profit Company
2003/002865/08

DIRECTORS' REPORT FOR THE YEAR ENDED
31 MARCH 2016

1 GENERAL REVIEW

The main object of the company is to carry on, in the Republic of South Africa, one or more of the public benefit activities as contemplated in terms of Section 30 of the Income Tax Act, 58 of 1962 (as amended from time to time) in a non-profit manner, thereby improving the human condition.

2 FINANCIAL RESULTS

The results for the year are adequately disclosed in the attached financial statements.

	2016	2015
	R	R
Net income for the year	127,871	564,896

3 DIRECTORS

The following persons were appointed and acted as directors during the period under review:

S. Manqele (Chairperson)	J. Roesch (resigned 31 March 2016)
B. te Riele	S. Zinn (resigned 31 March 2016)
T. Cohen	H. Salojee
C. Meyer	E. Frederick (appointed 26 May 2016)

4 SHARE CAPITAL AND DIVIDENDS

The company has no share capital. No dividends may be proposed or declared.

5 GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding, monitor and limit expenditure costs for the ongoing operations for the company.

The company has secured sufficient funding from donors to cover their existing programme and operating costs for the next 12 months.

The annual financial statements do not include any adjustments relating to the valuation of assets and classification of liabilities that might be necessary if the company is unable to continue as a going concern.

6 RESERVES

It is the intention of management to create and maintain the following reserves in future:

Project reserves should approximate the outstanding balance of committed project funding for projects currently being supported by the Foundation.

The General reserve should approximate 6 months' forward operating costs of projects where there is a reasonable expectation of financial support from the Foundation.

The above project reserves should be created to ensure adequate funds exist to continue supporting projects for a period even if no additional funding were to be raised.

The Operational reserve represents the core funding required for Starfish's continued operational activities for a three-month period, should this prove necessary at any time in the future.

DIRECTORS' REPORT FOR THE YEAR ENDED
31 MARCH 2016

7 POST BALANCE SHEET EVENTS

No matter which is material to the financial affairs of the company has occurred between the balance sheet date and the date of approval of the financial statements.

8 OUTLOOK

The main sources of income for the organisation consist of South Africa fundraising, Starfish International office donations (UK and US) and reimbursive grants (Global Fund). The Global Fund grant contributed 75% (R17 million) to the total income for the 2016 financial year, and came to a close in March 2016. As a result, the forecasted 2017 income for the organisation will decrease by 44% to approximately R12,8 million. The decrease in funding does not adversely affect the continued operations of Starfish as only 6% of this decrease has a direct impact on operational income i.e. the balance of 38% was allocated to CBO programme activities. Starfish has secured reimbursive grant funding through Right to Care and Friends in Ireland for the next three years, which will contribute 48% to total income in the next financial year. In addition it is anticipated that donations from the Starfish International offices will increase by 68 % to a total of R5,206,440, a 40% contribution to total income. Based on the above, management is confident that Starfish is able to meet the income budget requirements for 2017 financial year.

9 REGISTERED AND POSTAL ADDRESS

Registered Address
Vunani Office Park
151 Katherine Street
Sandton, Johannesburg

Postal Address
P O Box 2664
Rivonia
2128

STARFISH GREATHEARTS FOUNDATION
 Non-Profit Company
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STATEMENT OF FINANCIAL POSITION
 31 MARCH 2016

	Notes	2016 R	2015 R
ASSETS			
Non-current assets			
Property, plant and equipment		467,495	443,818
Current assets			
Inventory		66,302	60,296
Accounts receivable		594,300	287,155
Cash and cash equivalents		4,467,876	7,688,743
Total assets		5,595,973	8,480,012
EQUITY AND LIABILITIES			
Capital and reserves			
Accumulated funds		3,393,593	3,265,722
Current liabilities			
Accounts payable		414,834	521,792
Deferred revenue		1,787,546	4,692,498
Total equity and liabilities		5,595,973	8,480,012

STARFISH GREATHEARTS FOUNDATION
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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31 MARCH 2016

	2016 R	2015 R
Funds earned	23,969,619	17,810,154
Interest received (bank)	164,845	119,434
Total income	24,134,464	17,929,588
Operating expenditure	(3,474,437)	(3,549,774)
Net funds before project disbursements	20,660,027	14,379,814
Project disbursements	(20,532,156)	(13,814,918)
Net surplus (deficit) for the year	127,871	564,896

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED
31 MARCH 2016

	Accumulated funds R	Total R
Balance as at 31 March 2014	2,700,826	2,700,826
Net deficit for the year	564,896	564,896
Balance as at 31 March 2015	3,265,722	3,265,722
Net surplus for the year	127,871	127,872
Balance as at 31 March 2016	3,393,593	3,393,594

STARFISH GREATHEARTS FOUNDATION
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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
 31 MARCH 2016

	2016 R	2015 R
CASH FLOWS FROM OPERATIONS		
Cash received from events and donations	23,662,474	20,272,460
Cash paid to suppliers and employees	(6,341,989)	(3,428,490)
Projects approved and financed	(20,532,156)	(13,814,918)
	(3,211,671)	3,029,052
Cash generated from operations	164,845	119,434
Interest received		
Net cash from operating activities	(3,046,826)	3,148,486
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment acquired	(174,041)	(276,490)
Proceeds on disposal of property, plant and equipment	-	-
Net cash from investing activities	(174,041)	(276,490)
Net change in cash and cash equivalents	(3,220,867)	2,871,996
Cash and cash equivalents - beginning of year	7,688,743	4,816,747
Cash and cash equivalents - end of year	4,467,876	7,688,743