

annual report

2004/ 2005

giving street kids everywhere a chance



letter from our executive director.

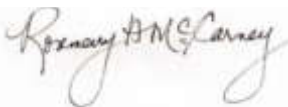
As we close our 16th year at Street Kids International, we are seeing the culmination of projects resulting from the tremendous efforts of many people and organizations over the recently completed three-year planning cycle.

- Programs and partnerships that we've developed based on our philosophies of open-source code, exponential growth and multi-sector engagement are flourishing.
- We are in new office space generously donated by BMO.
- We have a compelling photo exhibit that has been seen by many people in Montreal, Toronto and Calgary thanks to the generous support of Air Canada, Talisman Energy and McKinsey & Co.
- We have developed and launched a powerful new livelihood tool, centered on microfinance and savings for street kids called the Street Banking Toolkit.
- And, many new supporters and advocates of our work with street kids have come on board.

The past year has seen us introduce new programs, develop new partnerships and establish our presence in new countries.

There have also been challenges thrown at all of us committed to international development and assistance. The Government of Canada began a significant review process of funding in the not-for-profit sector that left many international development organizations and their partners in Africa, Asia and Latin America in short term financial difficulty and put program continuity at risk. Natural disasters and other crises are hitting our countries of operation in rapid succession and the need for massive, emergency responses challenge all of us involved in the longer term, sustainable work that builds communities to withstand these crises. Street Kids International has faced these challenges and thanks to our many supporters stepping up in these challenging times has continued to build on its global network and focus on the most vulnerable, yet entrepreneurial, youth.

It is a time of change and challenge for the entire not-for-profit sector in Canada. As Street Kids International begins an important new phase of planning and direction setting, it seemed an appropriate time for me to also take stock and let new leadership set the course. The Board of Directors and team at Street Kids International have always been the crown jewels of the organization. I will remain a big supporter and champion of the work of Street Kids International and look forward to watching its continued success and impact abroad and at home. Thank you all for your support to us during my tenure.



survivor to innovator

Grover is 18 years old and had been earning his living on the streets of Bolivia for 9 years. In 2003, Street Kids International's Street Business Toolkit taught Grover about operational costs, savings and provided start up materials for his business. Today, Grover successfully runs a small design business where he creates patterns for clothes and cards by client request. Grover is now off the streets, has weekly earnings of \$20-25 and has more than repaid for the investment. Grover is now an advocate for the Street Business Toolkit and with support from a local organization has submitted a proposal to begin a tourism business with a few other street kids. He figures, who better to market his city and what it has to offer than those who know it inside and out.

letter from our chair.

Innovation and entrepreneurship are the core elements of Street Kids International that first attracted me to the organization and continue to compel me to invest my time and support. After five years of involvement, I continue to believe in our core



Robert Barnard, 3rd from left, in-coming Chair of the Board enjoys our 4th Annual Golf Tournament at King's Riding.

philosophies. Our global partnership approach to developing programs allows stakeholders from around the world to take ownership and ultimately improve the programs. Our train-the-trainer model enables us to quickly multiply our exposure to youth workers so that we can work together to reach the exponentially rising number of the world's most vulnerable - yet resilient - kids. I remain impressed by the organization's continual development and evolution of products and programs that respond to the needs of these kids in a

sustainable way.

I've recently had an opportunity to visit Quito, Ecuador and to meet some of the young entrepreneurs we've supported with our Street Business Toolkit program. It was a great opportunity to also check on the effectiveness of our program in a local context. While I was there Street Kids International co-facilitated a conference bringing together government and youth organizations aimed at fostering more synergy around street kid issues. Although this kind of meeting is quite normal in Canada, it was the first of its kind in Ecuador.

I was also able to meet lots of kids - great kids. They were full of ideas and enthusiasm, despite their living conditions. I met Karina who used our Toolkit to help her mom set up a small bakery in a shack on the hillside. At 14, she was the family accountant and business strategist. Then there was Eduardo a 12 year old who lived on the street. Someone had shown him how to embroider. He was committed to setting up an embroidery stand in the local market. They were just two of the hundreds of kids I met each one with a different story and each one underlining our belief that they are true survivors. Traveling to Ecuador and meeting the kids that we serve like Karina and Eduardo has reinforced my commitment and inspired me to attract more and more supporters to Street Kids International.

With a new year ahead of us and exciting developments on the horizon, I also want to take this opportunity to extend the appreciation of the Board of Directors to

Rosemary McCarney as she steps down from her role as Executive Director. It has been our pleasure to have Rosemary work so tirelessly for Street Kids International and our global network. She has built many important relationships and connected many new supporters to Street Kids International, important steps in our continued success.

In this time of leadership renewal we have initiated a search for our next Executive Director. We expect to announce the successful candidate shortly. Until then our amazing and dedicated staff continue to move the organization forward as we remain focused on our mission of giving street kids everywhere a chance.

A handwritten signature in black ink, appearing to read 'Rosemary McCarney'.



youth on youth agenda

Two students from the York Region District School Board, Maryam Toson and Shinars Hoossein, shared their views at the National Children's Alliance Symposium "Towards a National Youth Agenda". They reflected on their experiences managing school while keeping jobs to support their families who have recently moved to Canada. The highlight of the Symposium for them was the opportunity to meet Senator Landon Pearson. This leadership opportunity was directly supported by Street Kids International's on-going work in York Region to bring a youth voice to addressing issues connected to youth poverty and homelessness.

Street Kids International would like to congratulate Senator Pearson on her upcoming retirement and acknowledge her tremendous contribution towards the rights of children.

financial highlights 2004/2005

Complete financial statements for the year ended June 30, 2005, audited by Marinucci & Company, Chartered Accountants, are available upon request.

summarized statement of financial position

as at June 30, 2005 with comparative figures for 2004

	2005	2004
	\$	\$
assets		
Current		
Cash	45,445	68,358
Accounts receivable	96,488	27,101
Prepaid expenses	13,170	10,116
	<u>155,103</u>	<u>105,575</u>
Investment in common shares	8,285	-
Capital assets	<u>10,884</u>	<u>20,149</u>
Total Assets	174,272	125,724
liabilities		
Current		
Bank indebtedness	32,698	60,202
Accounts payable and accrued liabilities	89,953	75,951
Loans payable to directors, non-interest bearing	8,000	13,000
	<u>130,651</u>	<u>149,153</u>
Deferred contributions	<u>23,540</u>	<u>61,731</u>
	<u>154,191</u>	<u>210,884</u>
net assets (liabilities)		
Invested in capital assets	10,884	20,149
Unrestricted net assets (liabilities)	<u>9,197</u>	<u>(105,309)</u>
	<u>20,081</u>	<u>(85,160)</u>

summarized statement of operations and changes in net assets

year ended June 30, 2005, with comparative figures for 2004

	2005	2004
	\$	\$
revenues		
Grants and contributions		
Canadian government	475,134	500,345
Foundations and corporations	151,402	251,506
Donations	452,532	323,409
Fundraising events	181,850	191,648
Other	4,052	13,058
	<u>1,264,970</u>	<u>1,279,966</u>
expenses		
International program	787,622	790,507
Administrative staff salaries and benefits	114,308	44,855
Fundraising costs	163,341	197,260
Office and general	51,258	80,492
Accounting, audit and legal	9,875	21,820
Rent	22,737	34,127
Amortization of capital assets	10,588	21,435
	<u>1,159,729</u>	<u>1,190,496</u>
excess of revenues over expenses	105,241	89,470
net assets (liabilities) beginning of year	(85,160)	(174,630)
net assets (liabilities) end of year	20,081	(85,160)

officers.

Chair - Jeff Baikowitz
President of Microban Canada Inc.

Vice Chair - Robert Barnard
President, D-Code

Treasurer - Stephen Yuzpe
Chief Financial Officer of Points International

Secretary - Bindu Dhaliwal
Lawyer, Gowlings LLP.

Past Chair - Jane Brenneman Gibson
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Ted Matthews
Instinct Brand Equity Coaches inc.

David Pell
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Paul Pathak
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Christine Remme
Director of Marketing and Product Development
Super Electric Corporation

William Richardson
Partner, McCarthy Tetrault

Gerrard Schmid

Bruce Simpson
Managing Partner, McKinsey and Company

ex-officios.

Dr. John Frid
Retired Rheumatologist and Fellow of the Royal
College Of Physicians and Surgeons of Canada

Michael Howe
Partner and Senior Consultant
National office KPMG

Chris Snyder
Co-founder, President and Owner
ECC Financial Planning

US board.

Chair - Elizabeth Stikeman Merry
Liz Stickman Rose, LLC

Pamela Thye
Founding Director

Auditors' Report on Summarized Financial Statements to the Board of Directors of Street Kids International

The accompanying summarized statements of financial position and summarized statement of operations and changes in net assets are derived from the complete financial statements of Street Kids International as at June 30, 2005 and for the year then ended on which we expressed an opinion without reservation in our report dated September 13, 2004. The fair summarization of the complete financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of the Canadian Institute of Chartered Accountants, is to report on the summarized financial statements. In our opinion, the accompanying summarized financial statements fairly summarize, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above. These summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these summarized financial statements may not be appropriate for their purposes. For more information on the entity's financial position, results of operations and cash flows, reference should be made to the related complete financial statements.

Marinucci & Company, Chartered Accountants
September 23, 2005



sara's clothes.

Sara is a 17 year old Zambian. Since 1997, she and her younger brother have lived at a local orphaned children's shelter, and Street Kids International partner. When she failed grade 9 last year, Sara participated in Street Kids International's Street Business Toolkit. Sara speaks of the Toolkit as helping her to define her goal of starting a business selling the clothes she makes. She now sews and tie-dyes clothing and kitchen items such as oven mitts and aprons. She sells dresses for \$20 and shirts for \$7. Sara earns about 20-25% profit and the rest pays for tailoring facilities and materials. She has saved \$50 that she keeps in a savings account and intends to put it to grow her business.

what's new?

street business toolkit launched in Nepal

The South Asia launch of the Street Business Toolkit was held in Katmandu, Nepal in early September. There are more than 5,000 street kids in Nepal and many more vulnerable children who face uncertainty in the current political and economic situation. In collaboration with UNICEF Nepal and Sath Sath, a national organization working with street based youth, Street Kids International trained 15 youth workers and 30 youth from 12 organizations. One youth participant called the Toolkit the roots that would help him grow his business. The Toolkit has now been translated into Nepali and two other Toolkits are scheduled for delivery in the coming months.

new program using sports!

In the fall of 2004, Street Kids was invited by United Nations Volunteers (UNV), a division of the United Nations Development Project, to formulate a streets sports program in South Africa. A new program area for Street Kids International, Street Sports is a two-pronged program that will combine life skills and mentoring with the hard facilitation skills required for community sport management and leadership. This new initiative will tap into local resources and training and is set to be launched before the end of 2005, the International Year of Sport.



Youth in Bolivia participate in an interactive activity called "nuno market" where they explore business concepts such as profit, loss, and loans.

how to save money on the street!

Street Kids International recently received a commitment from CIDA's Innovation Fund to support the translation and launch of the Street Banking Toolkit in Africa. Partner agencies in Tanzania have been looking for complementary programming to the successful Street Business Toolkit in order to support youth in accessing seed financing to start their businesses. The Street Banking Toolkit will be launched in Tanzania in 2006 and will give them the necessary tools not only to ensure the financing for their business, but to give them control over their lives.

community mapping with youth

We are launching a youth community mapping initiative sponsored by the Laidlaw Foundation and the York Region District School Board. Youth will lead a hands-on investigation in health, recreation and adult-youth relationships in order to bring their voice to addressing youth poverty and homelessness.

highlights of 2004/05.

street banking toolkit is complete!

In June 2005, together with Bolivian partner organization CDEA (Centro de Desarrollo para la Educacion Alternativa), Street Kids International completed the development of the Street Banking Toolkit. As a complementary program to the Street Business Toolkit, this new Toolkit responds to the challenges street youth face in trying to save money and access loans. Through the creation of lending circles, a method used very successfully with women's organizations, there is now a mechanism in place so that Street Business Toolkit participants can grow their businesses, start new businesses and mentor other kids.

This new program has already seen success in Bolivia, Ecuador and Peru. In only a few months, six groups have completed the Street Banking Toolkit and 63 youth have successfully generated enough money to further develop their businesses and increase their joint savings. This success further supports the fact that peer-to-peer mentoring is an effective method of ensuring loan repayment. In this same time, 30 youth workers now have the skills to use the Street Banking Toolkit. We look forward to launching this new Toolkit in Tanzania in early 2006.

street kids launches in Haiti with US partner.

Together with the USAID funded organization Education Development Centre Inc., Street Kids International launched work in Haiti in 2005. Starting with our solid Street Health program, trainers focused much of their work on demonstrating non-formal education methods for low literacy groups. A highlight of this training was sharing techniques of how to access vulnerable youth. Based on this training, we will develop a new training program connecting literacy and health education to supplement our Street Health programming.

**Thank you to all of our corporate, foundation and individual supporters.
Without you, we would not be able to give street kids everywhere a chance!**

street health training South East Asia

In January 2005, Street Kids International laid the ground work for re-engagement in the region of South East Asia. Together with the support of Foster Parents Plan, we delivered the Street Health workshop to 60 practitioners representing several organizations in Bangladesh. We will be back in Bangladesh in 2006 to continue the next phase of this work now being funded through the Canadian International Development Agency.

exponential growth in Central Asia

In April, 2005 Street Kids International and Akkord, our partner in Tajikistan, delivered the Street Business Toolkit. The goal was to increase the ability of youth in Tajikistan to connect with various training and skill development options available to them as well as offering a practical income-generation alternative. One student, Mustafo, a sixteen year old and his sister were taking the Street Business Toolkit for the second time. With a small loan of \$20 they started their business and they now earn \$300 per month. No small feat given that university professors earn \$20 per month! Street Kids International also ran a session on Street Health with educational specialists where it was decided to integrate components of our materials into school curriculum reaching 30,000 teachers.

Street Kids International's capacity-building of youth-serving professionals in FSU has effectively addressed the drug-use and sexual health concerns of street-involved and other marginalized youth. Over the past 18 months, over 1,200 teachers, social workers and public health staff drawn from more than 450 government and non-government institutions have participated in intensive capacity building activities.



302 bay st. 5th floor
toronto, on., canada m5x 1a1
tel 416 504 8994 / 1 800 387 5326
fax 416 504 8977

www.streetkids.org