

**Association for Water and Rural Development (RF) NPC
(Registration number 1998/003011/08)
Trading as AWARD
Annual financial statements
for the year ended 31 December 2016**

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General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To develop, test, inform and implement new and appropriate ways of managing water and other natural resources so as to contribute to sustainable futures that promote the dignity of all.
Directors	Sharon Pollard Matthew Prior Lephai Patrick Maunatlala
Registered office	Top Floor, Sunset Office Block Cnr. of Koedoe and Buffel Street Hoedspruit 1380
Business address	Top Floor, Sunset Office Block Cnr. of Koedoe and Buffel Street Hoedspruit 1380
Postal address	Private Bag X1919 Hoedspruit 1360
Bankers	First National Bank
Auditor's	PricewaterhouseCoopers Inc. Registered Auditors
Company registration number	1998/003011/08
Tax reference number	9383/387/84/3
Level of assurance	These annual financial statements have been audited voluntarily in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were independently compiled under the supervision of: E van Niekerk CA(SA)

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Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, 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 the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements 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 2017 and, in 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 external auditor's are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditor's and their report is presented on pages 6 to 8.

The annual financial statements and additional schedules set out on pages 9 to 22, which have been prepared on the going concern basis, were approved by the board of directors on 9 September 2017 and were signed on its behalf by:



Director



Director

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Association for Water and Rural Development (RF) NPC for the year ended 31 December 2016.

1. Nature of business

Association for Water and Rural Development (RF) NPC was incorporated in South Africa to develop, test, inform and implement new and appropriate ways of managing water and other natural resources so as to contribute to sustainable futures that promote the dignity of all. The company operates in Southern Africa.

On 1 December 2012, the USAID approved Cooperative Agreement No. AID-674-A-13-00008, which provided \$9,766,855 in grant funds to the Association for Water and Rural Development NPC (AWARD) for building improved transboundary governance and management of the Olifants Catchment of the Limpopo Basin for enhanced resiliency of its people and ecosystems to environmental change through systemic and participatory approaches. The project is known as Resilience in the Limpopo Basin Program (RESILIM). This project is currently the main focus of AWARD's operations.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

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.

Net surplus of the company was R 1 509 609 (2015: R 150 616).

3. 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.

4. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report that would have a material impact on these annual financial statements.

5. Directors

The directors in office at the date of this report are as follows:

Directors	Nationality
Sharon Pollard	South African
Matthew Prior	South African
Lephai Patrick Maunatlala	South African

6. Secretary

The company had no secretary during the year.

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Directors' Report (Continued)

7. Auditors

PricewaterhouseCoopers Inc. continued in office as auditors for the company for 2017.

At the AGM, the shareholder will be requested to reappoint PricewaterhouseCoopers Inc. as the independent external auditors of the company and to confirm Mr D Adriaans as the designated lead audit partner for the 2017 financial year.



Independent auditor's report

To the Members of Association for Water and Rural Development (RF) NPC

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Association for Water and Rural Development (RF) NPC (the Company) as at 31 December 2016, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

What we have audited

Association for Water and Rural Development (RF) NPC's financial statements set out on pages 9 to 20 comprise:

- the Statement of Financial Position as at 31 December 2016;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- the Statement of Cash Flows for the year then ended; and
- the Notes to the Annual Financial Statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of the Company in accordance with the *Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code)* and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Parts A and B).

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa and the Directors' Responsibilities and Approval and the Statement of Financial Performance set out on pages 21 to 22. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

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Chief Executive Officer: T D Shengo
Management Committee: S N Madikane, J S Masondo, P J Mothibe, C Richardson, F Tonelli, C Volschenk
The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection.
Reg. no. 1999/012055/21, VAT reg.no. 4950174682.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities 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 misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: D Adriaans

Registered Auditor

Stellenbosch

11 September 2017

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Statement of Financial Position as at 31 December 2016

	Notes	2016 R	2015 R
Assets			
Current Assets			
Trade and other receivables	2	198 507	274 360
Accrued income	5	3 352 051	674 315
Cash and cash equivalents	3	2 288 582	1 975 112
		<u>5 839 140</u>	<u>2 923 787</u>
Non-Current Assets			
Property, plant and equipment	4	1 346 587	1 105 882
Total Assets		<u>7 185 727</u>	<u>4 029 669</u>
Equity and Liabilities			
Liabilities			
Current Liabilities			
Deferred income	5	412 248	436 736
Trade and other payables	6	2 860 386	1 189 449
		<u>3 272 634</u>	<u>1 626 185</u>
Equity			
Reserves		1 228 478	948 459
Retained income		2 684 615	1 455 025
		<u>3 913 093</u>	<u>2 403 484</u>
Total Equity and Liabilities		<u>7 185 727</u>	<u>4 029 669</u>

The accounting policies on pages 13 to 16 and the notes on pages 17 to 20 form an integral part of the annual financial statements.

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Statement of Comprehensive Income

	Notes	2016 R	2015 R
Revenue	7	24 479 266	17 729 357
Other income	8	32 053	7 590
Operating expenses	9	(23 068 505)	(17 627 522)
Operating surplus		1 442 814	109 425
Investment revenue	10	66 795	41 520
Finance costs	11	-	(329)
Surplus for the year		1 509 609	150 616
Other comprehensive income		-	-
Total comprehensive income for the year		1 509 609	150 616
Surplus attributable to:			
Normal operations		1 229 590	277 460
Capital expenditures relating to the RESILIM project		280 019	(126 844)
		1 509 609	150 616

The accounting policies on pages 13 to 16 and the notes on pages 17 to 20 form an integral part of the annual financial statements.

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Statement of Changes in Equity

	RESILIM Capital fund R	Retained income R	Total equity R
Balance at 01 January 2015	1 075 303	1 177 565	2 252 868
Surplus for the year	-	150 616	150 616
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	150 616	150 616
Transfer between reserves	(126 844)	126 844	-
Total contributions by and distributions to owners of company recognised directly in equity	(126 844)	126 844	-
Balance at 01 January 2016	948 459	1 455 025	2 403 484
Surplus for the year	-	1 509 609	1 509 609
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	1 509 609	1 509 609
Transfer between reserves	280 019	(280 019)	-
Total contributions by and distributions to owners of company recognised directly in equity	280 019	(280 019)	-
Balance at 31 December 2016	1 228 478	2 684 615	3 913 093

Note

The accounting policies on pages 13 to 16 and the notes on pages 17 to 20 form an integral part of the annual financial statements.

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Statement of Cash Flows

	Notes	2016 R	2015 R
Cash flows from operating activities			
Cash receipts from customers and donors		21 777 043	17 291 771
Cash paid to suppliers and employees		(20 820 342)	(16 774 633)
Cash generated from operations	14	956 701	517 138
Interest income		66 795	41 520
Finance costs			(329)
Net cash from operating activities		1 023 496	558 329
Cash flows (used in) Investing activities			
Purchase of property, plant and equipment	4	(718 623)	(243 527)
Sale of property, plant and equipment	4	8 597	13 667
Net cash (used in) investing activities		(710 026)	(229 860)
Total cash movement for the year		313 470	328 469
Cash and cash equivalents at the beginning of the year		1 975 112	1 646 643
Cash and cash equivalents at end of the year	3	2 288 582	1 975 112

The accounting policies on pages 13 to 16 and the notes on pages 17 to 20 form an integral part of the annual financial statements.

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis 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 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Impairment testing

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

1.2 Financial instruments

A financial asset or financial liability is recognised initially, it is measured at the transaction price (including transaction costs) unless the arrangement constitutes, in effect, a financing transaction.

Financial instruments at amortised cost

Debt instruments, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At the end of each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

Financial instruments at cost

Commitments to receive a loan are measured at cost less impairment.

Accounting Policies

1.2 Financial instruments (continued)

Trade receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown as a current liability on the statement of financial position.

Borrowings

Borrowings are recognised initially at the transaction price (that is, the present value of cash payable to the bank, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest method and is included in finance costs. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Trade Payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in a foreign currency are translated into Rand using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

1.3 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.4 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Costs include expenditure incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Accounting Policies

1.4 Property, plant and equipment (continued)

Depreciation on other assets is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item	Average useful life
Furniture and fixtures	5 years
Motor vehicles	5 years
IT equipment	3 years

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

The residual value, depreciation method and useful life of each asset are reviewed and adjusted prospectively, if appropriate, if there are indicators present that there has been a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

1.5 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that they are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or CGU to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment, are reviewed for possible reversal of the impairment at each reporting date.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.6 Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.7 Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods or services in the ordinary course of the company's activities. Revenue is shown net of sales/value-added tax.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably;
- and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Accounting Policies

1.7 Revenue (continued)

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Income from grants and donations is brought into the account in the period to which it relates to. All other income is recorded in the financial statements at the date the service were performed.

Deferred income comprises grants received in advance of the period to which they relate and in advance of actual expenditure being incurred. This income is excluded from revenue and is accounted for as a current liability. Annual contract deficits are provided for as accrued income in terms of each relevant contract so far these will be recovered from funders.

1.8 Project accounting and expense allocation

In terms of its contractual obligations to donors, the organisation allocates project expenses that are clearly identifiable as such, directly against project funds, indirect and shared costs are either apportioned on the basis of management estimates, or recovered through the levy of an administration fee. For disclosure purposes, all similar costs are accumulated across all projects. Project specific costs are non-standard expense items that relate directly to a specific project.

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	2016 R	2015 R
2. Trade and other receivables		
Trade receivables	5 254	37 366
Prepayments	155 789	94 514
Deposits	5 000	5 000
South African Receiver of Revenue - VAT	32 464	137 480
	<u>198 507</u>	<u>274 360</u>

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	6 047	8 521
Bank balances	1 006 831	951 755
Short-term deposits	1 275 704	1 014 836
	<u>2 288 582</u>	<u>1 975 112</u>

4. Property, plant and equipment

	2016			2015		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	583 917	(117 471)	466 446	210 268	(64 846)	145 422
Motor vehicles	1 420 606	(913 626)	506 980	1 420 606	(657 485)	763 121
IT equipment	820 608	(447 447)	373 161	503 116	(305 777)	197 339
Total	2 825 131	(1 478 544)	1 346 587	2 133 990	(1 028 108)	1 105 882

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	145 422	387 649	(5 600)	(61 025)	466 446
Motor vehicles	763 121	-	-	(256 141)	506 980
IT equipment	197 339	330 974	(2 997)	(152 155)	373 161
	<u>1 105 882</u>	<u>718 623</u>	<u>(8 597)</u>	<u>(469 321)</u>	<u>1 346 587</u>

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	73 367	98 301	-	(26 246)	145 422
Motor vehicles	1 026 929	-	(7 666)	(256 142)	763 121
IT equipment	203 463	145 226	-	(151 350)	197 339
	<u>1 303 759</u>	<u>243 527</u>	<u>(7 666)</u>	<u>(433 738)</u>	<u>1 105 882</u>

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	2016 R	2015 R
5. Accrued / (Deferred) income		
Deferred income comprises grants received in advance of the period to which they relate and in advance of actual expenditure being incurred.		
Accrued income	3 352 051	674 315
Deferred income	(412 248)	(436 736)
	<u>2 939 803</u>	<u>237 579</u>
Grants received during the financial year:		
Funds were received from the following main donors / counter parties:		
USAID	21 575 060	16 354 316
Working for Wetlands	-	598 147
Aurecon	-	34 344
Rhodes University	-	102 600
DKA Austria	193 331	271 015
SANBI: Groen Sebenza	14 199	218 762
Victor Munnik Research & Associates	-	30 000
Other business development	4 601	-
	<u>21 787 191</u>	<u>17 609 184</u>
6. Trade and other payables		
Trade payables	16 321	6 626
Bonus accrual	548 989	421 312
Sundry accruals	1 375 025	99 367
Provision for leave pay	474 617	436 437
Provision for severance pay	445 434	225 707
	<u>2 860 386</u>	<u>1 189 449</u>
7. Revenue		
Rendering of services	226 470	700 726
Donations received	24 252 796	17 028 631
	<u>24 479 266</u>	<u>17 729 357</u>
8. Other Income		
Profit on sale of asset	-	6 000
Sundry income	17 844	1 590
Insurance claims received	14 209	-
	<u>32 053</u>	<u>7 590</u>

Notes to the Annual Financial Statements

	2016 R	2015 R
9. Expenses by nature		
Employee costs	10 394 554	7 636 550
Consulting and professional fees	6 217 005	5 109 287
Travel - local	2 081 934	1 362 020
Depreciation	469 321	433 738
Lease rentals on operating lease	753 421	428 121
Other expenses	3 152 270	2 657 806
Total cost of operating expenses	23 068 505	17 627 522
10. Investment revenue		
Interest revenue		
Bank	66 795	41 520
11. Finance costs		
Bank	-	329
12. Taxation		
This company is registered as a Public Benefit Organisation (PBO) and is therefore exempt from paying taxes. It has the following PBO registration number: 18/11/132652.		
13. Auditor's remuneration		
Fees - donor funded projects	186 345	93 090
Fees - statutory audit	34 350	32 100
Other services / Under provision prior year	47 115	4 318
	267 810	129 508
14. Cash generated from operations		
Surplus before taxation	1 509 609	150 616
Adjustments for:		
Depreciation and amortisation	469 321	433 738
Profit on sale of asset	-	(6 000)
Interest received	(66 795)	(41 520)
Finance costs	-	329
Changes in working capital:		
Trade and other receivables	75 853	331 722
Accrued income	(2 677 736)	(641 672)
Trade and other payables	1 670 937	216 977
Accrued / (Deferred) income	(24 488)	72 948
	956 701	517 138

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Notes to the Annual Financial Statements

15. Related parties

Related party transactions

There were no related party transactions during the year under review.

16. 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.

17. Reserves

The company's reserves consists of the following:

RESILIM Capital Fund: RESILIM Project Capitalisation of infrastructure and other assets.

18. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report that would have a material impact on these annual financial statements.

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Statement of Financial Performance

	Notes	2016 R	2015 R
Revenue			
Rendering of services		226 470	700 726
Donation income		24 252 796	17 028 631
	7	<u>24 479 266</u>	<u>17 729 357</u>
Other income			
Sundry income		17 844	1 590
Insurance claim received		14 209	-
Interest received	10	66 795	41 520
Gains on disposal of asset		-	6 000
		<u>98 848</u>	<u>49 110</u>
Expenses (Refer to page 22)		<u>(23 068 505)</u>	<u>(17 627 522)</u>
Operating surplus		<u>1 509 609</u>	<u>150 945</u>
Finance costs	11	-	(329)
Surplus for the year		<u>1 509 609</u>	<u>150 616</u>

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Statement of Financial Performance

	Notes	2016 R	2015 R
Operating expenses			
Accounting fees		5 521	10 318
Advertising		39 695	26 028
Assistant and intern expenses		602 434	556 987
Auditor's remuneration	13	267 810	129 508
Bad debts		23 096	-
Bank charges		40 979	37 958
Capacity development		296 088	483 343
Communication expenses		3 492	3 519
Computer expenses		63 101	67 525
Consulting and professional fees		6 217 005	5 109 287
Consumables		102 745	56 437
Depreciation		469 321	433 738
Donations		150	114
Employee costs		10 394 554	7 636 550
Entertainment		4 810	-
Hire		6 339	-
Insurance		129 028	118 351
Lease rentals on operating lease		753 421	428 121
Legal expenses		7 913	4 123
Materials		60 362	162 203
Motor vehicle expenses		222 828	187 415
Office establishment		128 051	13 358
Other expenses		8 597	-
Penalties		-	(21 982)
Postage		6 834	7 638
Printing and stationery		130 524	120 971
Repairs and maintenance		179 446	120 650
Security		15 497	5 718
Staff welfare		340 870	82 447
Subscriptions		31 149	55 902
Telephone and fax		122 625	90 789
Travel - local		2 081 934	1 362 020
Utilities		53 431	49 358
Website costs		-	67 250
Workshops		258 855	221 878
		23 068 505	17 627 522