Centre for Economic Governance and Accountability in Africa

(Registration Number: IT867/2006)

Annual financial statements for the year ended 28 February 2023

AUDIT • ADVISORY • TAX

Centre for Economic Governance and Accountability in Africa

(Registration number: IT867/2006)
Annual Financial Statements for the year ended 28 February 2023

General Information

Country of incorporation and domicile	South Africa
Trustees	Tamara Braam Lloyd Lotz Moses Nhlanhla Ndlovu Alison Jill Tshangana
Registered office	157 Pietermaritz Street Office Suite B1 Pietermaritzburg 3201
Postal address	PO Box 7004 Roggebaai 8012
Bankers	Nedbank Limited
Auditors	BDO South Africa Incorporated
PBO Registration number	930026428
NPO Registration number	053-456-NPO
Preparer	The annual financial statements were internally compiled by:
Issued	31 August 2023

Centre for Economic Governance and Accountability in Africa

(Registration number: IT867/2006)
Annual Financial Statements for the year ended 28 February 2023

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

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Cape Town, 8001
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Cape Town, 8000

Independent Auditor's Report

To the Trustees of

Centre for Economic Governance and Accountability in Africa

Opinion

We have audited the financial statements of Centre for Economic Governance and Accountability in Africa (the Trust) set out on pages 7 to 16, which comprise the statement of financial position as at 28 February 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Centre for Economic Governance and Accountability in Africa as at 28 February 2023, 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 Trust Deed.

Basis of 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 are independent of the trust 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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the document titled "Centre for Economic Governance and Accountability in Africa Annual Financial Statements for the year ended 28 February 2023", which includes the Trustees' Report as required by the Trust Deed. The 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 express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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 Trustees for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with *International Financial Reporting Standard for Small and Medium-sized Entities* and the requirements of the Trust Deed, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

BDO South Africa Incorporated
Registration number: 1995/002310/21
Practice number: 905526
VAT number: 4910148685

Chief Executive Officer: LD Mokoena

A full list of all company Trustees is available on www.bdo.co.za

The company's principal place of business is at The Wanderers Office Park, 52 Corlett Drive, Illovo, Johannesburg where a list of Trustees' names is available for inspection. BDO South Africa Incorporated, a South African personal liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

In preparing the financial statements, the Trustees are responsible for assessing the Trust'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 Trustees either intend to liquidate the trust 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 trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' 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 trust'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 trust 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 Trustees 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.

BDO South Africa Inc
BDO South Africa Inc (Aug 31, 2023 11:15 GMT+2)

BDO South Africa Incorporated
Registered Auditors

Shaun Fisher
Director
Registered Auditor

31 August 2023

119-123 Hertzog Boulevard
Foreshore
Cape Town, 8001

Trustees' Responsibilities and Approval

The trustees are required 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 trust 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 auditors are 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 judgment and estimates.

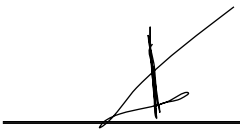
The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board sets standards for internal 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 trust and all employees are required to maintain the highest ethical standards in ensuring the trust’s business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the trust is on identifying, assessing, managing and monitoring all known forms of risk across the trust. While operating risk cannot be fully eliminated, the trust endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees 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.

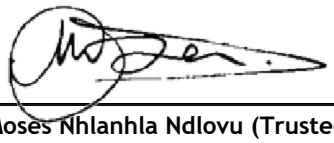
The trustees have reviewed the trust’s cash flow forecast for one year from the date of approval of this report and, in light of this review and the current financial position, they are satisfied that the trust has or will have access to adequate resources to continue in operational existence for the foreseeable future.

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

The annual financial statements set out on pages 7 to 16, which have been prepared on the going concern basis, were approved by the board on 31 August 2023 and were signed on its behalf by:



Lloyd Lotz (Trustee)



Moses Nhlanhla Ndlovu (Trustee)

Trustees' Report

The trustees submit their report for the year ended 28 February 2023.

1. Review of activities

Main business and operations

The entity undertakes economic and budget analysis research, capacity strengthening and advocacy activities in order to provide evidence of, and possible solutions to, the fiscal and administrative challenges that face many African countries in their fight against ill-health, hunger and lack of basic necessities for quality life. It provides these services for interest groups, civil society organisations, members of parliament, government officials and for students and research agencies. The trust operates principally in South Africa and other African countries.

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

Net deficit of the trust was R 742 897 (2022: R 398 748).

2. Going concern

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the trusts.

The ability of the trust to continue as a going concern is dependent on a number of factors. The most significant of these is the continued support of donors as stipulated in the individual donor contract.

3. Events after the reporting period

Covid -19 outbreak is somewhat controlled in South Africa and elsewhere due to vaccination and lifting of many regulations which has allowed the management team to fast-track some actions that were delayed in the past year due to COVID-19. The trustees are actively monitoring the situation and are currently able to continue to successfully manage the trust’s assets within risk parameters that have been established. The situation is fast moving and will continue to be reviewed by the trustees in order to navigate the trust through this period.

4. Trustees

The trustees of the trust during the year and to the date of this report are as follows:

Name
Tamara Braam
Lloyd Lotz
Moses Nhlanhla Ndlovu
Alison Jill Tshangana

5. Auditors

BDO South Africa Incorporated will continue in office for the next financial period.

Centre for Economic Governance and Accountability in Africa

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Annual Financial Statements for the year ended 28 February 2023

Statement of Financial Position as at 28 February 2023

Figures in Rand	Note(s)	2023	2022
Assets			
Non-Current Assets			
Property, plant and equipment	2	4 860	19 969
Current Assets			
Trade and other receivables	3	-	10 144 580
Cash and cash equivalents	4	10 292 908	686 661
		10 292 908	**10 831 241**
Total Assets		**10 297 768**	**10 851 210**
Equity and Liabilities			
Equity			
Trust capital	5	10 000	10 000
Accumulated (deficit) surplus		(738 192)	4 705
		(728 192)	**14 705**
Liabilities			
Current Liabilities			
Trade and other payables	6	293 692	290 009
Deferred income	7	10 732 268	10 546 496
		11 025 960	**10 836 505**
Total Equity and Liabilities		**10 297 768**	**10 851 210**

Centre for Economic Governance and Accountability in Africa

(Registration number: IT867/2006)
Annual Financial Statements for the year ended 28 February 2023

Statement of Comprehensive Income

Figures in Rand	Note(s)	2023	2022
Revenue	8	10 731 263	10 318 857
Other income	9	-	462
Operating expenses		(11 475 300)	(10 718 639)
Operating deficit	10	**(744 037)**	**(399 320)**
Investment revenue	11	1 140	572
Deficit for the year		**(742 897)**	**(398 748)**
Other comprehensive income		-	-
Total comprehensive surplus for the year		**(742 897)**	**(398 748)**

Centre for Economic Governance and Accountability in Africa

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Annual Financial Statements for the year ended 28 February 2023

Statement of Changes in Equity

Figures in Rand	Trust capital	Accumulated (deficit) surplus	Total equity
Balance at 01 March 2021	**10 000**	**403 453**	**413 453**
Deficit for the year	-	(398 748)	(398 748)
Other comprehensive income	-	-	-
Total comprehensive surplus for the year	**-**	**(398 748)**	**(398 748)**
Balance at 01 March 2022	**10 000**	**4 705**	**14 705**
Deficit for the year	-	(742 897)	(742 897)
Other comprehensive income	-	-	-
Total comprehensive surplus for the year	**-**	**(742 897)**	**(742 897)**
Balance at 28 February 2023	**10 000**	**(738 192)**	**(728 192)**
Note(s)	5		

Statement of Cash Flows

Figures in Rand	Note(s)	2023	2022
Cash flows from operating activities			
Cash generated from (used in) operations	13	9 605 108	(9 036 030)
Interest income		1 140	572
Net cash from operating activities		**9 606 248**	**(9 035 458)**
Cash flows used in investing activities			
Purchase of property, plant and equipment	2	(1)	(20 620)
Total cash movement for the year		**9 606 247**	**(9 056 078)**
Cash at the beginning of the year		686 661	9 742 739
Total cash at end of the year	4	**10 292 908**	**686 661**

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. 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.

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.

Trade receivables

The trust assesses its financial assets measured at cost and amortised cost for impairment at each reporting date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the trust makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Impairment testing

The trust 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 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.

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

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 costs 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 de-recognised.

Depreciation 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	6 years
Office equipment	5 years
Computer equipment	3 years
Computer software	2 years

Accounting Policies

1.2 Property, plant and equipment (continued)

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate.

The depreciation charge for each period is recognised on profit or loss unless it is included in the carrying amount of another asset.

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.

1.3 Financial instruments

Classification

The company classifies financial assets and financial liabilities into the following categories:

- Financial instruments at amortised cost
- Financial instruments at fair value
- Financial instruments at cost

Classification depends on the purpose for which the financial statements were obtained/incurred and takes place at initial recognition.

Initial measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments and are initially measured at the transaction price. This includes transaction costs, except for financial instruments which are measured at fair value through profit and loss.

Financial instruments at amortised cost

Debt instruments, as defined in the standard, 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

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.

1.4 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.5 Provisions and contingencies

Provisions are recognised when:

- the trust has an obligation at the reporting date as a result of a past event;
- it is probable that the trust will be required to transfer economic benefits in settlement; and
- the amount of the obligation can be estimated reliably.

Accounting Policies

1.5 Provisions and contingencies (continued)

Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

1.6 Revenue

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 trust;
- 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.

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

1.7 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in the functional currency of the trust, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of each reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in surplus or deficit in the period in which they arise.

When a gain or loss on a non-monetary item is recognised in other comprehensive income or directly in equity, any exchange component of that gain or loss is recognised in other comprehensive income or directly in equity. When a gain or loss on a non-monetary item is recognised in surplus or deficit, any exchange component of that gain or loss is recognised in surplus or deficit.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

1.8 Deferred income

Deferred income is initially recognised as the value of the funds received less expenses incurred for a specific project as per the donor contract.

The deferred income is subsequently recognised as revenue in the period in which the funds have been utilized as stipulated in the donor contract.

Notes to the Annual Financial Statements

Figures in Rand	2023	2022

2. Property, plant and equipment

	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	31 183	(24 218)	6 965	31 183	(24 218)	6 965
Office equipment	17 307	(17 304)	3	17 307	(17 304)	3
IT equipment	141 236	(143 344)	(2 108)	141 236	(128 235)	13 001
Total	**189 726**	**(184 866)**	**4 860**	**189 726**	**(169 757)**	**19 969**

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	6 965	-	-	6 965
Office equipment	3	-	-	3
IT equipment	13 001	1	(15 110)	(2 108)
	19 969	**1**	**(15 110)**	**4 860**

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	7 464	-	(499)	6 965
Office equipment	3	-	-	3
IT equipment	21 078	20 620	(28 697)	13 001
	28 545	**20 620**	**(29 196)**	**19 969**

3. Trade and other receivables

Trade receivables	-	10 144 580

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	3 384	2 873
Nedbank current account	191 811	440 508
Nedbank Investment account	26 051	24 912
CEGAA EU Current account	10 071 662	218 368
	10 292 908	**686 661**

5. Trust capital

Balance at beginning of year	10 000	10 000

6. Trade and other payables

VAT	7 143	19 851
Accrued leave pay	286 549	270 158
	293 692	**290 009**

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
7. Deferred income		
Right to Grow	10 529 363	10 362 949
The Health Economics and Epidemiology Office (HERO)	202 905	183 547
	10 732 268	**10 546 496**
8. Revenue		
Funding received	10 731 263	10 318 857
9. Other income		
Surplus on exchange differences	-	462
10. Operating deficit		
Operating deficit for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	131 553	119 068
Deficit (surplus) on exchange differences	399 524	(462)
Depreciation on property, plant and equipment	15 110	29 196
Employee costs	8 859 646	7 075 003
11. Investment revenue		
Interest revenue		
Bank	1 140	572
12. Taxation		
No provision has been made for 2023 tax as the trust is a public benefit organisation in terms of Section 30 of the Income Tax Act and is thus exempt from tax in terms of Section 10(i)(cN) of the Income Tax Act.		
13. Cash generated from (used in) operations		
Deficit before taxation	(742 897)	(398 748)
Adjustments for:		
Depreciation and amortisation	15 110	29 196
Interest received	(1 140)	(572)
Changes in working capital:		
Trade and other receivables	10 144 580	(10 144 580)
Trade and other payables	3 683	(283 532)
Deferred income	185 772	1 762 206
	9 605 108	**(9 036 030)**

Figures in Rand	2023	2022

14. Related parties

Relationships

Member of key management	Moses Nhlanhla Ndlovu (Director)
Trustees	Tamara Braam Alison Jill Tshangana Moses Nhlanhla Mdlovu Lloyd Lots

Related party balances and transactions with other related parties

Related party transactions

Compensation to key management	1 743 110	1 727 919

15. Going concern

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the trusts.

The ability of the trust to continue as a going concern is dependent on a number of factors. The most significant of these is the continued support of donors as stipulated in the individual donor contract.

16. Events after the reporting period

Covid -19 outbreak is somewhat controlled in South Africa and elsewhere due to vaccination and lifting of many regulations which has allowed the management team to fast-track some actions that were delayed in the past year due to COVID-19. The trustees are actively monitoring the situation and are currently able to continue to successfully manage the trust's assets within risk parameters that have been established. The situation is fast moving and will continue to be reviewed by the trustees in order to navigate the trust through this period.

17. Commitments

Operating leases – as lessee (expense)

Minimum lease payments due		
- within one year	41 121	40 886
- in second to fifth year inclusive	-	-
	41 121	**40 886**

Operating lease payments represent rentals payable by the trust for certain of its office properties. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

Detailed Income Statement

Figures in Rand	Note(s)	2023	2022
Revenue			
Funding received		10 731 263	10 318 857
Other income			
Interest received	11	1 140	572
Surplus on exchange differences		-	462
		1 140	**1 034**
Operating expenses			
Accounting fees		(20 681)	(21 267)
Administrative expenses		(7 317)	(19 349)
Auditors remuneration		(206 010)	(124 833)
Bank charges		(26 910)	(28 859)
Branding		-	(29 334)
Computer expenses		(39 667)	(37 262)
Consulting		-	(2 000)
Delivery expenses		-	(344)
Depreciation, amortisation and impairments		(15 110)	(29 196)
Employee costs		(8 859 646)	(7 075 003)
Insurance		(15 727)	(14 261)
Lease rentals on operating lease		(131 553)	(119 068)
Legal expenses		(24 154)	(19 313)
Local NGO costs		-	(793 969)
Medical expenses		(159)	-
Postage		(140)	-
Printing and stationery		(19 583)	(15 438)
Professional fees		(310 264)	(2 632)
Profit and loss on exchange differences		(399 524)	-
Program costs: Accommodation and Conference		(265 290)	(191 814)
Program costs: Per Diem		(158 051)	(96 626)
Researcher fees		(21 739)	(1 353 651)
Telephone and fax		(85 659)	(95 700)
Training		-	(244 425)
Travel		(723 020)	(347 121)
Workshop Fees		(145 096)	(57 174)
		(11 475 300)	**(10 718 639)**
Deficit for the year		**(742 897)**	**(398 748)**

Supplementary Information

1. Funding For The Period: 01 March 2021 to 28 February 2023

	Project	ZAR
HERO (Y10)	Evidence	737 764
HERO (Y11)	Evidence	894 949
Stichting The Hunger Project Nederland	Dutch Consortium Partner (2021-2025)	9 284 322
Release of Deferred Revenue (prior year)		10 546 495
Classified: 2023 Deferred Revenue		(10 732 268)
Total		**10 731 262**

The supplementary information presented does not form part of the annual financial statements and is unaudited