

AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC
(REGISTRATION NUMBER 2009/024323/08)

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

(Registration number 2009/024323/08)

Annual Financial Statements for the year ended 31 March 2021

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Journalistic investigations, support and advocacy
Directors	T Kupe (Non-executive, chairperson) S C Brümmer (Executive) S P Sole (Executive) N A M Dawes (Non-executive) S M Evans-Amoretti (Non-executive, employee representative, resigned 13 July 2020) S N Mbete (Non-executive) S Msimang (Non-executive) A M Quintal (Non-executive) R M Reddy (Non-executive, employee representative, appointed 13 July 2020)
Registered office	41 Salt River Road Salt River Cape Town 7925
Company registration number	2009/024323/08
Preparer	These annual financial statements were compiled by: K Bailey of Ziyo
Level of assurance	These annual financial statements were audited in compliance with the applicable requirements of the Companies Act of South Africa
Auditors	RSM South Africa Incorporated Chartered Accountants (SA) Registered Auditors

AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

(Registration number 2009/024323/08)

Annual Financial Statements for the year ended 31 March 2021

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AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

(Registration number 2009/024323/08)

Annual Financial Statements for the year ended 31 March 2021

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the 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 and the requirements of the Companies Act of South Africa. The external auditors are engaged to express an independent opinion on the financial statements.

The annual financial statements are prepared 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 are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set 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 are satisfied that the company has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor and the related report is presented on pages 4 to 6.

The annual financial statements set out on pages 7 to 18, which were prepared on the going concern basis, were approved and published by the directors and were signed on their behalf by:

DocuSigned by:

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Director

DocuSigned by:

9C00F63EC981455...
Director

6/30/2021

Date



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INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTORS OF AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

Qualified opinion

We have audited the financial statements of Amabhungane Centre for Investigative Journalism NPC set out on pages 8 to 18, which comprise the Statement of Financial Position as at 31 March 2021, and the Statement of Comprehensive Income, Statement of Changes in Funds 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, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Amabhungane Centre for Investigative Journalism NPC as at 31 March 2021, 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.

Basis for Qualified Opinion

In common with similar organisations, it was not possible for the company to institute controls over public donations made to the company, other than those received via a third party service provider. Accordingly, we were unable to verify the completeness of public donations (other than those received via a third-party service provider) beyond those actually recorded or received to the bank account.

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 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 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.

THE POWER OF BEING UNDERSTOOD **AUDIT | TAX | CONSULTING**

Directors E Bergh, B Com (Hons), CA(SA), C D Betty, B Acc, CA(SA), J Coetzer, B Compt (Hons), CA(SA), M G Q de Faria, B Bus Sc, CA(SA), B J Eaton, B Acc, H Dip Tax Law, CA(SA), A C Galloway, B Sc Mech Eng, CA(SA), M Greisdorfer, B Com (Hons), CA(SA), H Heymans, B Compt (Hons), M Com, FCCA, CA(SA), N C Hughes, B Compt (Hons), PG Cert Adv Tax, CA(SA), J Jones, B Com, B Acc, H Dip Tax Law, H Dip Int Tax Law, CA(SA), J Kitching, B Compt (Hons), CA(SA), G Parker, B Com, CA(SA), R V Pita, B Compt (Hons), CA(SA), L Quintal, B Com (Hons), CA(SA), R Rawoot, B Compt (Hons), CA(SA), P D Schulze, B Acc Sc (Hons), PG Dip Tax Law, CA(SA), M Steenkamp, B Compt (Hons), M Com, CA(SA), A D Young, B Compt (Hons), CA(SA)

RSM South Africa Inc. Registration No. 2016/324649/21. Practice No. 900435 is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' responsibility statement, Directors' Report as required by the Companies Act of South Africa, and Detailed Income Statement. 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 on the other information obtained prior to the date of this auditor's report, 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 International Standards on Auditing 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 International Standards on Auditing, 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.

RSM South Africa Inc.

RSM South Africa Inc.

**Andrew Galloway
Chartered Accountant (SA)
Registered Auditor
Director**

08-Jul-2021

Date

AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

(Registration number 2009/024323/08)

Annual Financial Statements for the year ended 31 March 2021

DIRECTORS' REPORT

The directors submit their report on the annual financial statements of the company for the year ended 31 March 2021.

1. Review of activities

Main business and operations

The company carries on the business of journalistic investigations, support and advocacy in Southern Africa.

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

The company incurred a net surplus of R1 853 993 (2020: R2 263 232).

2. 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 for the ongoing operations of the company.

3. Events after the reporting period

Covid-19 and its impacts remain a precarious reality. While the budget for the 2022 financial year is mostly secured and remaining uncertainties are more than covered by accumulated funds, the directors and management will continue to monitor developments pertaining to organisational sustainability and work to minimise funding risks in the years to come.

Co-founding executive director Stefaans Brümmer resigned effective 31 July 2021. Co-founder and executive director Stephen (Sam) Sole remains in place and the directors are confident the company has the necessary systems to effect a successful transition.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

4. Property, plant and equipment

There were no major changes in the nature of the non-current assets of the company during the year nor to the policy relating to the use thereof other than as reflected in note 2 of the annual financial statements.

5. Directors

The directors of the company during the year and to the date of this report are as follows:

T Kupe (Non-executive, chairperson)

S C Brümmer (Executive)

S P Sole (Executive)

N A M Dawes (Non-executive)

S M Evans-Amoretti (Non-executive, employee representative, resigned 13 July 2020)

S N Mbete (Non-executive)

S Msimang (Non-executive)

A M Quintal (Non-executive)

R M Reddy (Non-executive, employee representative, appointed 13 July 2020)

AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

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Annual Financial Statements for the year ended 31 March 2021

STATEMENT OF FINANCIAL POSITION

Figures in Rand	Notes	2021	2020
ASSETS			
Non-current assets			
Property, plant and equipment	2	135,906	111,273
Intangible assets	3	127,132	173,362
		<u>263,038</u>	<u>284,635</u>
Current assets			
Current tax receivable	4	-	102,940
Receivables	5	67,143	136,734
Cash and cash equivalents	6	10,628,074	9,312,266
		<u>10,695,217</u>	<u>9,551,940</u>
Total Assets		<u>10,958,255</u>	<u>9,836,575</u>
FUNDS AND LIABILITIES			
FUNDS			
Accumulated funds		<u>7,599,938</u>	<u>5,745,945</u>
		<u>7,599,938</u>	<u>5,745,945</u>
LIABILITIES			
Current liabilities			
Payables	7	619,840	746,499
Deferred income	8	2,736,046	3,341,578
Credit card balances	6	2,431	2,553
		<u>3,358,317</u>	<u>4,090,630</u>
Total Funds and Liabilities		<u>10,958,255</u>	<u>9,836,575</u>

AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

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STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	Notes	2021	2020
Foundational grant funding	9	8,784,520	8,908,712
Donations income - GivenGain		669,491	1,023,514
Donations income - amaBhungane.org		210,698	-
Donations income - Direct		1,417,296	1,546,028
Other income		5,192	807
Operating expenses		(9,605,710)	(9,739,480)
Operating surplus	10	1,481,487	1,739,581
Interest income	11	397,439	523,699
Interest expense		(2,680)	(48)
Surplus before taxation		1,876,246	2,263,232
Taxation		(22,253)	-
Net surplus for the year		1,853,993	2,263,232

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Annual Financial Statements for the year ended 31 March 2021

STATEMENT OF CHANGES IN FUNDS

Figures in Rand	Accumulated Funds
Balance at 1 April 2019	3,482,713
Net surplus for the year	2,263,232
Balance at 1 April 2020	5,745,945
Net surplus for the year	1,853,993
Balance at 31 March 2021	<u>7,599,938</u>

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STATEMENT OF CASH FLOWS

Figures in Rand	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from operating activities		10,551,256	13,861,200
Cash paid to suppliers and employees		(9,632,271)	(9,696,143)
Cash generated from operations	12	<u>918,985</u>	<u>4,165,057</u>
Interest income		397,439	523,699
Interest expense		(2,680)	(48)
Tax refunded		80,687	-
Net cash from operating activities		<u>1,394,431</u>	<u>4,688,708</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	2	(78,501)	(74,344)
Proceeds on disposal of assets		-	12,071
Net cash from investing activities		<u>(78,501)</u>	<u>(62,273)</u>
Total cash movement for the year		1,315,930	4,626,435
Cash and cash equivalents at the beginning of the year		<u>9,309,713</u>	<u>4,683,278</u>
Cash and cash equivalents at the end of the year	6	<u>10,625,643</u>	<u>9,309,713</u>

AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

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Annual Financial Statements for the year ended 31 March 2021

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 of South Africa. The annual financial statements have been prepared on the historical cost basis, incorporate the principal accounting policies set out below and are presented in South African Rands.

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.

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.

Management did not make any significant judgements in the process of applying the company's accounting policies, nor did they make estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year.

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.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

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 derecognised.

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
Computer equipment	5 years
Leasehold improvements	3 years
Telephone equipment	5 years

Management have reassessed the useful life of computer equipment to be 5 years. This is a change from the previously estimated useful life of 3 years. The change has been applied prospectively.

AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

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Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES (CONTINUED)

1.2 Property, plant and equipment (continued)

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the initial cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

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.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in surplus or deficit in the period.

1.3 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are initially recognised at cost and subsequently carried at cost less any accumulated amortisation and any accumulated impairment losses. If the company is unable to make a reliable estimate of the useful life of an intangible asset, the life is presumed to be 10 years.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date if there are indicators present that there is a change from the previous estimate.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Website	5 years

1.4 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price. This includes transaction costs, except for financial instruments which are measured at fair value through surplus or deficit.

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 deficit 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.

Income from financial assets

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

AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

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Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES (CONTINUED)

1.5 Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the total unit to which the asset belongs is determined.

If an impairment deficit 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 surplus or deficit.

1.6 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 annual and sick leave, and bonuses), is recognised in the period in which the service is rendered and is not discounted.

1.7 Foundational grant funding

Foundational grants are from specific funders and are governed by individual agreements between each funder and the company.

Grant funding received but not yet spent at year end is deferred to the following year. Where a grant agreement so provides, the balance of grant funding underspent at the end of a grant period is included in trade payables pending approval from the funder to utilise it. If such approval has been received, the underspent amount is transferred to deferred income.

1.8 Donations income

Donations are recognised, in surplus or deficit, when the company's right to receive payment has been established.

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Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

2. PROPERTY, PLANT AND EQUIPMENT

	2021			2020		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	330,977	(207,976)	123,001	252,476	(181,654)	70,822
Leasehold improvements	27,229	(24,361)	2,868	27,229	(7,165)	20,064
Telephone equipment	51,752	(41,715)	10,037	51,752	(31,365)	20,387
	<u>409,958</u>	<u>(274,052)</u>	<u>135,906</u>	<u>331,457</u>	<u>(220,184)</u>	<u>111,273</u>

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Total
Computer equipment	70,822	78,501	(26,322)	123,001
Leasehold improvements	20,064	-	(17,196)	2,868
Telephone equipment	20,387	-	(10,350)	10,037
	<u>111,273</u>	<u>78,501</u>	<u>(53,868)</u>	<u>135,906</u>

3. INTANGIBLE ASSETS

	2021			2020		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Website	<u>231,149</u>	<u>(104,017)</u>	<u>127,132</u>	<u>231,149</u>	<u>(57,787)</u>	<u>173,362</u>

Reconciliation of intangible assets - 2021

	Opening balance	Amortisation	Total
Website	<u>173,362</u>	<u>(46,230)</u>	<u>127,132</u>

4. TAXATION

The company is an approved public benefit organisation. As a result, non-trading income is exempt from income tax in terms of section 10(1)(cN) of the Income Tax Act. Only receipts and accruals from trading or business activities which fall outside the parameters of section 10(1)(cN) will be subject to tax. No tax is payable in the current or prior financial years. The tax expense in the current financial year relates to tax payments made prior to the company's approval as a public benefit organisation, subsequently refunded by the South African Revenue Service, but at a lesser amount than was originally calculated.

5. RECEIVABLES

Deposits	34,287	36,442
Other receivables	19,655	56,389
Value-added tax	13,201	43,903
	<u>67,143</u>	<u>136,734</u>

AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

(Registration number 2009/024323/08)

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

Figures in Rand	2021	2020
6. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consist of:		
Cash on hand	-	615
Bank balances	329,912	300,311
Short-term deposits	10,298,162	9,011,340
Credit card balances	(2,431)	(2,553)
	<u>10,625,643</u>	<u>9,309,713</u>
Current assets	10,628,074	9,312,266
Current liabilities	(2,431)	(2,553)
	<u>10,625,643</u>	<u>9,309,713</u>
7. PAYABLES		
Other payables	46,293	73,178
Payables - RAITH Foundation	-	117,727
Accrued expenses	15,864	161,414
Accrued leave pay	557,683	394,180
	<u>619,840</u>	<u>746,499</u>
8. DEFERRED INCOME		
Deferred income relates to grant income received during the year, which has not yet been utilised at the end of the year. Deferred income balances related to the following funders:		
	-	-
Cameron Schrier Foundation via South Africa Development Fund	666,982	421,720
Claude Leon Foundation	675,932	310,774
Luminate (part of Omidyar Network)	1,145,048	683,773
Open Society Foundation for South Africa	-	1,550,311
The Ruth and Anita Wise Charitable and Educational Trust	248,084	375,000
	<u>2,736,046</u>	<u>3,341,578</u>
9. FOUNDATIONAL GRANT FUNDING		
Bertha Foundation	660,000	600,000
Cameron Schrier Foundation via South Africa Development Fund	519,738	325,000
Claude Leon Foundation	634,842	1,351,021
Luminate (part of Omidyar Network)	1,672,487	1,391,563
Millennium Trust	1,900,000	1,900,000
Open Society Foundation for South Africa	1,550,311	1,449,689
Open Society Initiative for Southern Africa	-	489,125
RAITH Foundation	1,220,226	1,027,314
The Ruth and Anita Wise Charitable and Educational Trust	626,916	375,000
	<u>8,784,520</u>	<u>8,908,712</u>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

Figures in Rand	2021	2020
10. OPERATING SURPLUS		
Operating surplus for the year is stated after accounting for the following:		
Operating lease charges		
Compliance	155,564	164,678
Depreciation on property, plant and equipment	53,868	66,303
Employee costs	7,658,058	6,879,204
Legal expenses - advocacy	615,196	1,255,624
Premises - contractual amounts	282,054	277,578
Travel - local and international	17,836	176,660
11. INTEREST INCOME		
Bank	391,450	523,699
Current tax prepaid	5,989	-
	<u>397,439</u>	<u>523,699</u>
12. CASH GENERATED FROM OPERATIONS		
Surplus before taxation	1,876,246	2,263,232
Adjustments for:		
Amortisation	46,230	46,230
Depreciation	53,868	66,303
Gain on disposal of assets	-	(807)
Interest received	(397,439)	(523,699)
Finance costs	2,680	48
Changes in working capital:		
Receivables	69,591	130,132
Payables	(126,659)	(68,389)
Deferred income	(605,532)	2,252,007
	<u>918,985</u>	<u>4,165,057</u>
13. DIRECTORS' REMUNERATION		
Executive		
S C Brümmer	1,162,272	1,118,669
S P Sole	1,162,272	1,118,669
	<u>2,324,544</u>	<u>2,237,338</u>
Non-executive		
S M Evans-Amoretti (employee representative, resigned 13 July 2020)	143,897	443,133
R M Reddy (Employee representative, elected 13 July 2020)	355,282	-
	<u>499,179</u>	<u>443,133</u>

Terms of employment

Standard terms and conditions of employment apply to executive directors, which, inter alia, provide for remuneration, allowance, restraints, leave and notice of termination of one month. Non-executive directors' terms of office are governed by the Memorandum of Incorporation.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

Figures in Rand	2021	2020
14. COMMITMENTS		
Operating leases - as lessee		
Minimum lease payments due		
Not later than one year	137,416	156,302
Later than one year, not later than five years	22,903	22,903
	<u>160,319</u>	<u>179,205</u>

Operating leases represent rentals payable by the company for its offices. No contingent rent is payable.

15. FINANCIAL INSTRUMENTS BY CATEGORY

	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
2021			
Receivables	53,942	-	53,942
Cash and cash equivalents	10,628,074	-	10,628,074
Payables	-	(619,840)	(619,840)
Credit card balances	-	(2,431)	(2,431)
	<u>10,682,016</u>	<u>(622,271)</u>	<u>10,059,745</u>
2020			
Receivables	92,831	-	92,831
Cash and cash equivalents	9,312,266	-	9,312,266
Payables	-	(746,499)	(746,499)
Credit card balances	-	(2,553)	(2,553)
	<u>9,405,097</u>	<u>(749,052)</u>	<u>8,656,045</u>

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DETAILED INCOME STATEMENT

Figures in Rand	2021	2020
FOUNDATIONAL GRANT FUNDING		
Bertha Foundation	660,000	600,000
Cameron Schrier Foundation via South Africa Development Fund	519,738	325,000
Claude Leon Foundation	634,842	1,351,021
Luminate (part of Omidyar Network)	1,672,487	1,391,563
Millennium Trust	1,900,000	1,900,000
Open Society Foundation for South Africa	1,550,311	1,449,689
Open Society Initiative for Southern Africa	-	489,125
RAITH Foundation	1,220,226	1,027,314
The Ruth and Anita Wise Charitable and Educational Trust	626,916	375,000
	8,784,520	8,908,712
OTHER INCOME		
Donations income - GivenGain	669,491	1,023,514
Donations income - amaBhungane.org	210,698	-
Donations income - Direct	1,417,296	1,546,028
Gain on disposal of assets	-	807
Interest received	397,439	523,699
Other income	5,192	-
	2,700,116	3,094,048
OPERATING EXPENSES (refer to page 20)	(9,605,710)	(9,739,480)
Operating surplus	1,878,926	2,263,280
Interest expense	(2,680)	(48)
Surplus before taxation	1,876,246	2,263,232
Taxation	(22,253)	-
Net surplus for the year	1,853,993	2,263,232

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

AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC

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DETAILED INCOME STATEMENT (CONTINUED)

Figures in Rand	2021	2020
OPERATING EXPENSES		
Amortisation	46,230	46,230
Auditor's remuneration	72,600	68,900
Bank charges	20,169	21,677
Communications	158,092	145,086
Compliance	155,564	164,678
Contributors	20,731	9,561
Depreciation	53,868	66,303
Digital outsourcing - publication support	3,390	22,100
Digital outsourcing - systems development	38,550	9,000
Digital outsourcing - systems software	144,366	83,301
Employee costs	7,658,058	6,879,204
Equipment	16,362	29,369
Events	-	18,239
Fundraising and marketing	58,104	89,836
Insurance	35,100	30,762
Legal expenses - advocacy	615,196	1,255,624
Legal expenses - publication	11,100	35,318
Miscellaneous expenses	-	3,090
Office rent	282,054	277,578
Office software	20,253	12,948
Office support and supplies	28,183	67,449
Reciprocals and team building	16,980	29,757
Research media	124,815	142,127
Staff development	8,109	30,000
Travel - local and international	17,836	176,660
Travel - SADC	-	24,683
	<u>9,605,710</u>	<u>9,739,480</u>

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