

**AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**  
**Formerly MandG Centre For Investigative Journalism NPC**  
**(Registration number 2009/024323/08)**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**  
**Formerly MandG Centre For Investigative Journalism NPC**  
**Annual Financial Statements for the year ended 31 March 2016**  
**General Information**

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Carries on the business of journalistic investigations, advocacy and skills transfer
<b>Directors</b>	AM Quintal S P Sole N A M Dawes S C Brummer T Kupe
<b>Registered office</b>	6th Floor 6 Pepper Street Cape Town 8001
<b>Bankers</b>	First National Bank, a division of FirstRand Bank Limited
<b>Auditors</b>	Mazars Registered Auditor
<b>Level of assurance</b>	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
<b>Preparer</b>	The annual financial statements were independently compiled by: Norman Silbowitz Chartered Accountant (SA)
<b>Published</b>	21/07/2016

**AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**  
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The reports and statements set out below comprise the annual financial statements presented to the directors:

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

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**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**

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We have audited the annual financial statements of Amabhungane Centre For Investigative Journalism NPC set out on pages 7 to 19, which comprise the statement of financial position as at 31 March 2016, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

**Directors' Responsibility for the Financial Statements**

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

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

Continued-/



**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**

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**Opinion**

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Amabhungane Centre For Investigative Journalism NPC as at 31 March 2016, its financial performance and its 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.

**Other matter**

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on page 20 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

**Other report required by the Companies Act**

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

**Mazars**  
Partner: Yaseen Ismail  
Registered Auditor  
...21/07/2016  
Cape Town

**AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**  
**Formerly MandG Centre For Investigative Journalism NPC**  
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**Directors' Responsibilities and Approval**

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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 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 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 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 are satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future.

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

The annual financial statements set out on pages 6 to 20, which have been prepared on the going concern basis, were approved by the board of directors on 21/07/2016 and were signed on its behalf by:



S C Brummer

**AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**  
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**Annual Financial Statements for the year ended 31 March 2016**  
**Directors' Report**

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The directors submit their report for the year ended 31 March 2016.

**1. Review of activities**

**Main business and operations**

The company carries on the business of journalistic investigations, advocacy and skills transfer, and operates principally in South 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.

**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.

**3. Events after the reporting period**

The directors are not aware of any matter or circumstance arising since the end of the financial year.

**4. Directors**

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

**Name**

AM Quintal  
S P Sole  
N A M Dawes  
S C Brummer  
T Kupe

**5. Secretary**

The company had no secretary during the year.

**6. Auditors**

Mazars continued in office as auditors for the company for 2016.

**AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**  
**Formerly MandG Centre For Investigative Journalism NPC**  
**Annual Financial Statements for the year ended 31 March 2016**  
**Statement of Financial Position**

<b>Figures in Rand</b>	<b>Notes</b>	<b>2016</b>	<b>2015</b>
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	72,829	51,703
Intangible assets	3	5,500	-
Deferred tax	4	-	70,550
		<u>78,329</u>	<u>122,253</u>
<b>Current Assets</b>			
Current tax receivable		245,553	11,187
Trade and other receivables	5	347,445	616,147
Cash and cash equivalents	6	1,505,268	1,093,502
		<u>2,098,266</u>	<u>1,720,836</u>
<b>Total Assets</b>		<u>2,176,595</u>	<u>1,843,089</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		<u>972,547</u>	<u>354,789</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	7	<u>1,204,048</u>	<u>1,488,300</u>
<b>Total Equity and Liabilities</b>		<u>2,176,595</u>	<u>1,843,089</u>



**AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**  
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**Annual Financial Statements for the year ended 31 March 2016**  
**Statement of Profit and Loss and Other Comprehensive Income**

<b>Figures in Rand</b>	<b>Notes</b>	<b>2016</b>	<b>2015</b>
Revenue	8	7,522,399	6,789,769
Other income		318,662	28,806
Operating expenses		(7,548,046)	(6,650,013)
<b>Operating surplus</b>	9	<b>293,015</b>	<b>168,562</b>
Investment revenue	10	184,806	65,373
Finance costs	11	(743)	(8,392)
<b>Surplus before taxation</b>		<b>477,078</b>	<b>225,543</b>
Taxation	12	140,680	(75,961)
<b>Surplus for the year</b>		<b>617,758</b>	<b>149,582</b>

**AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**  
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**Statement of Changes in Equity**

<b>Figures in Rand</b>	<b>Retained income</b>	<b>Total equity</b>
<b>Balance at 01 April 2014</b>	<b>205,207</b>	<b>205,207</b>
Changes in equity		
Total surplus for the year	149,582	149,582
Total changes	<u>149,582</u>	<u>149,582</u>
<b>Balance at 01 April 2015</b>	<b>354,789</b>	<b>354,789</b>
Changes in equity		
Total surplus for the year	617,758	617,758
Total changes	<u>617,758</u>	<u>617,758</u>
<b>Balance at 31 March 2016</b>	<b><u>972,547</u></b>	<b><u>972,547</u></b>

**AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**  
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**Annual Financial Statements for the year ended 31 March 2016**  
**Statement of Cash Flows**

<b>Figures in Rand</b>	<b>Notes</b>	<b>2016</b>	<b>2015</b>
<b>Cash flows from operating activities</b>			
Cash generated from (used in) operations	13	305,197	(45,530)
Interest revenue		184,806	65,373
Finance costs		(743)	(8,392)
Tax paid		(23,136)	(115,140)
<b>Net cash from operating activities</b>		<b>466,124</b>	<b>(103,689)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(48,858)	(52,514)
Purchase of other intangible assets	3	(5,500)	-
<b>Net cash from investing activities</b>		<b>(54,358)</b>	<b>(52,514)</b>
<b>Total cash movement for the year</b>		<b>411,766</b>	<b>(156,203)</b>
Cash at the beginning of the year		1,093,502	1,249,705
<b>Total cash at end of the year</b>	6	<b>1,505,268</b>	<b>1,093,502</b>

**AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**  
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**Annual Financial Statements for the year ended 31 March 2016**  
**Accounting Policies**

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**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, except for the measurement of certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

**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. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

**Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end for 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.

**Property, plant and equipment**

The company assigns useful lives and residual values to property, plant and equipment based on periodic studies of actual asset lives and the intended use of those assets. Changes in circumstances such as technological advances, prospective economic utilisation and physical condition of the assets concerned could result in the actual useful lives or residual values differing from initial estimates. Where the company determines that the useful life of property, plant and equipment should be shortened or residual value reduced, it depreciates the net book value in excess of the residual value over the revised remaining useful life, thereby increasing depreciation expense. Any change in an asset's life or residual value is reflected in the company's annual financial statements when the change in estimate is determined. Consideration is given to whether subsequent expenditure is to be treated as maintenance or to be capitalised.

**1.2 Property, plant and equipment**

Property, plant and equipment is initially recognised at cost. Cost is the cash price equivalent at the recognition date.

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.

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

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

Depreciation is provided using the straight-line method to write down the cost over the useful life of the property, plant and equipment, which is as follows:

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

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## **1.2 Property, plant and equipment (continued)**

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item and have significantly different patterns of consumption of economical benefits is depreciated separately over its useful life.

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 Intangible assets**

An intangible asset is recognised when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

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

<b>Item</b>	<b>Useful life</b>
Computer software	10 years

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

## **1.4 Financial instruments**

### **Trade and other receivables**

Trade and other receivables are recognised initially at the transaction price and subsequently at the undiscounted amount of the cash or other consideration expected to be received, less provision for impairment.

### **Trade and other payables**

Trade and other payables are recognised initially at the transaction price and subsequently at the undiscounted amount of the cash or other consideration expected to be paid.

### **Cash and cash equivalents**

Cash and cash equivalents includes bank balances. These balances are measured at amortised cost.

### **Impairment of financial instruments**

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is objective evidence of impairment. If there is objective evidence of impairment, the entity recognises an impairment loss in profit or loss immediately.

Reversals of impairment losses are recognised in profit or loss.

## **1.5 Tax**

Current and deferred taxes were recognised as income or an expense and included in profit or loss for the period except to the extent that the tax arises from items that are credited or charged, in the same or a different period, directly to equity.

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## **1.5 Tax (continued)**

### **Current tax assets and liabilities**

Current tax for prior periods were, to the extent unpaid, recognised as a liability. If the amount already paid in respect of prior periods exceeded the amount due for those periods, the excess was recognised as an asset.

Current tax liabilities (assets) for the prior periods were measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that had been enacted or substantively enacted by the reporting date.

No provision for tax is applicable for 2016 as the company has become exempt from income tax in terms of section 10(1)(cN) of the Income Tax Act in 2016. The exemption is retrospective per the South African Revenue Service and therefore current tax liabilities shall be reversed in the current year of assessment.

### **Deferred tax assets and liabilities**

A deferred tax liability was recognised for all taxable temporary differences, except for a temporary difference associated with the initial recognition of goodwill.

A deferred tax asset was recognised for all deductible temporary differences.

Deferred tax assets and liabilities were measured at the tax rates that were expected to apply to the period when the asset was realised or the liability was settled, based on tax rates (and tax laws) that had been enacted or substantively enacted by the reporting period date.

The measurement of deferred tax liabilities and deferred tax assets reflect the tax consequences that would follow from the manner in which the entity expects, at the reporting date, to recover or settle the carrying amount of the related assets and liabilities.

No provision for deferred tax is applicable for 2016 as the company has become exempt from income tax in terms of section 10(1)(cN) of the Income Tax Act in 2016. The exemption is retrospective per the South African Revenue Service and therefore deferred tax shall be reversed in the current year of assessment.

## **1.6 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

### **Operating leases – lessee**

Operating lease payments are recognised as an expense as and when they are incurred. Operating leases have not been contracted for a period in excess of one year. Therefore the company does not straight-line lease payments.

## **1.7 Employee costs**

### **Short-term employee costs**

The cost of short-term employee costs are recognised in the period in which the service is rendered and is not discounted.

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**1.8 Revenue**

Revenue is earned from funding received from donors and through trading income. Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable per the funding agreements.

Funding from donors that are unspent at year end are considered to be trade payables where agreements are in place in line with this policy. If no agreement is in place, the funding shall be recognised as income received in advance.

Interest is recognised, in profit or loss, using the effective interest rate method.

**1.9 Borrowing costs**

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

**AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC**  
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**Annual Financial Statements for the year ended 31 March 2016**  
**Notes to the Annual Financial Statements**

Figures in Rand 2016 2015

**2. Property, plant and equipment**

	2016			2015		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	145,505	(72,676)	72,829	96,648	(44,945)	51,703

**Reconciliation of property, plant and equipment - 2016**

	Opening balance	Additions	Depreciation	Total
Computer equipment	51,703	48,858	(27,732)	72,829

**Reconciliation of property, plant and equipment - 2015**

	Opening balance	Additions	Depreciation	Total
Computer equipment	22,353	52,514	(23,164)	51,703

**3. Intangible assets**

	2016			2015		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Website	5,500	-	5,500	-	-	-

**Reconciliation of intangible assets - 2016**

	Opening balance	Additions	Total
Website	-	5,500	5,500

**4. Deferred tax**

**Deferred tax asset**

Leave pay accrual	-	70,550
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**Reconciliation of deferred tax asset**

At beginning of the year	70,550	101,900
Reversing temporary difference on leave pay accrual	(70,550)	(2,437)
Reversing temporary difference on provision for bonuses	-	(18,454)
Reversing temporary difference on prior period adjustment	-	(10,459)
	<u>-</u>	<u>70,550</u>



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<b>Figures in Rand</b>	<b>2016</b>	<b>2015</b>
<b>5. Trade and other receivables</b>		
Other receivables	2,365	-
Rental deposits	11,200	10,800
Staff loans	-	2,847
Trade receivables - M & G Media Limited	323,383	300,000
Trade receivables - Open Society Foundation for South Africa	-	302,500
VAT	10,497	-
	<b>347,445</b>	<b>616,147</b>
<b>6. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	44	-
Bank balances	1,524,058	1,102,556
Credit card balances	(18,834)	(9,054)
	<b>1,505,268</b>	<b>1,093,502</b>
<b>7. Trade and other payables</b>		
Trade payables	115,807	31,026
Trade payables - Claude Leon Foundation	115,920	516,632
Trade payables - Millennium Trust	74,980	191,612
Trade payables - Open Society Foundation for South Africa	47,393	142,960
Trade payables - Open Society Initiative for Southern Africa	-	94,364
Trade payables - Raith Foundation	53,538	40,037
Trade payables - Bertha Foundation	51,433	16,857
Trade payables - Social Justice Initiative	279,780	-
Provision for leave pay	270,073	251,963
Accrued expenses	195,124	188,292
VAT	-	14,557
	<b>1,204,048</b>	<b>1,488,300</b>
<b>8. Revenue</b>		
Trading	2,396,280	2,697,704
Funding - Open Society Foundation for South Africa	1,202,607	959,540
Funding - Raith Foundation	786,500	578,627
Funding - Open Society Initiative for Southern Africa	336,793	553,516
Funding - Millennium Trust	1,307,542	940,554
Funding - Bertha Foundation	571,744	576,065
Funding - Claude Leon Foundation	900,713	483,763
Funding - Social Justice Initiative	20,220	-
	<b>7,522,399</b>	<b>6,789,769</b>

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Figures in Rand	2016	2015
<b>9. Operating surplus</b>		
Operating surplus for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Premises		
• Contractual amounts	140,645	138,395
Depreciation on property, plant and equipment	27,732	23,164
Employee costs	5,099,601	4,883,492
<b>10. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	137,674	893
Interest - Trading	47,132	64,480
	<b>184,806</b>	<b>65,373</b>
<b>11. Finance costs</b>		
SARS Interest	647	8,355
Bank	96	37
	<b>743</b>	<b>8,392</b>
<b>12. Taxation</b>		
<b>Major components of the tax (income) expense</b>		
<b>Current</b>		
Local income tax - current period	-	44,610
Current year adjustment in respect of retrospective PBO status granted in the current year	(211,230)	-
	<b>(211,230)</b>	<b>44,610</b>
<b>Deferred</b>		
Originating and reversing temporary differences	70,550	31,351
	<b>(140,680)</b>	<b>75,961</b>
<b>Reconciliation of the tax expense</b>		
Reconciliation between applicable tax rate and average effective tax rate.		
Applicable tax rate	28.00 %	28.00 %
Current year income tax adjustment in respect of PBO status granted	(44.28)%	- %
Disallowable charges	(28.00)%	1.04 %
Current year deferred tax adjustment in respect of PBO status granted	14.79 %	4.64 %
	<b>(29.49)%</b>	<b>33.68 %</b>

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Figures in Rand	2016	2015
<b>13. Cash generated from (used in) operations</b>		
Profit before taxation	477,078	225,543
<b>Adjustments for:</b>		
Depreciation	27,732	23,164
Interest revenue	(184,806)	(65,373)
Finance costs	743	8,392
<b>Changes in working capital:</b>		
Trade and other receivables	268,702	(510,233)
Trade and other payables	(284,252)	272,977
	<b>305,197</b>	<b>(45,530)</b>

**14. Financial assets by category**

The accounting policies for financial instruments have been applied to the line items below:

**2016**

	Loans and receivables	Total
Trade and other receivables	336,948	336,948
Cash and cash equivalents	1,505,267	1,505,267
	<b>1,842,215</b>	<b>1,842,215</b>

**2015**

	Loans and receivables	Total
Trade and other receivables	616,147	616,147
Cash and cash equivalents	1,093,501	1,093,501
	<b>1,709,648</b>	<b>1,709,648</b>

**15. Financial liabilities by category**

**2016**

	Financial liabilities at amortised cost	Total
Trade and other payables	1,204,048	1,204,048

**2015**

	Financial liabilities at amortised cost	Total
Trade and other payables	1,473,742	1,473,742

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Figures in Rand	2016	2015
<b>16. Related parties</b>		
Relationships		
Common director / Senior management	M & G Media Limited	
<b>Related party balances</b>		
<b>Amounts included in trade receivables regarding related parties</b>		
M & G Media Limited	323,386	300,000
<b>Related party transactions</b>		
<b>Revenue received from related parties</b>		
M & G Media Limited	2,396,280	2,697,704
<b>Office support paid to related parties</b>		
M & G Media Limited	256,390	249,719
<b>Lease rentals paid to related parties</b>		
M & G Media Limited	140,645	138,395
<b>Telephone and fax paid to related parties</b>		
M & G Media Limited	74,439	73,248
<b>Staff scheme contributions paid to related parties</b>		
M & G Media Limited	288,791	288,588
<b>Interest received from related parties</b>		
M & G Media Limited	47,132	64,480
<b>17. Directors' emoluments</b>		
<b>For services rendered as directors</b>		
<b>2016</b>		
	Emoluments	Total
S P Sole	880,843	880,843
S C Brummer	880,843	880,843
	<u>1,761,686</u>	<u>1,761,686</u>
<b>2015</b>		
	Emoluments	Total
S P Sole	867,343	867,343
S C Brummer	867,343	867,343
	<u>1,734,686</u>	<u>1,734,686</u>

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**Detailed Income Statement**

<b>Figures in Rand</b>	<b>Notes</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>			
Trading		2,396,280	2,697,704
Funding		5,126,119	4,092,065
	8	<u>7,522,399</u>	<u>6,789,769</u>
<b>Other income</b>			
Recoveries		318,662	-
Reversal of SARS underpayment		-	28,806
Interest received	10	184,806	65,373
		<u>503,468</u>	<u>94,179</u>
<b>Operating expenses</b>			
Auditor's remuneration		80,000	84,863
Computer expenses		14,339	21,610
Depreciation		27,732	23,164
Digital outsourcing		14,720	-
Employee costs		5,099,601	4,883,492
Entertainment		22,581	20,994
Fees - Compliance services		163,057	118,625
Fees - Story specialists		194,070	32,411
Fees - Training		40,913	23,277
General expenses		-	126
Legal fees		864,510	537,397
M & G lease rentals		140,645	138,395
M & G office support		256,390	249,719
M & G telephone and fax		74,439	73,248
Miscellaneous expenses		35,943	36,277
Office support - other		4,716	6,202
SADC travel expenses		63,557	58,378
Searches		83,445	90,395
Small asset expenses		10,802	-
Telephone and fax		41,772	36,503
Travel expenses		314,814	214,937
		<u>7,548,046</u>	<u>6,650,013</u>
<b>Operating surplus</b>	9	<u>477,821</u>	<u>233,935</u>
Finance costs	11	(743)	(8,392)
<b>Surplus before taxation</b>		<u>477,078</u>	<u>225,543</u>
Taxation	12	140,680	(75,961)
<b>Surplus for the year</b>		<u>617,758</u>	<u>149,582</u>