

Association for Water and Rural Development (RF) NPC  
(Registration number 1998/003011/08)  
Trading as AWARD  
Annual financial statements  
for the year ended 31 December 2015

Association for Water and Rural Development (RF) NPC  
(Registration number 1998/003011/08)  
Trading as AWARD  
Annual Financial Statements for the year ended 31 December 2015

**General Information**

<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	To develop, test, inform and implement new and appropriate ways of managing water and other natural resources so as to contribute to sustainable futures that promote the dignity of all.
<b>Directors</b>	Sharon Pollard Matthew Prior Lephai Patrick Maunatlala
<b>Registered office</b>	14 Safari Junction Main Road Hoedspruit 1380
<b>Business address</b>	Top Floor, Sunset Office Block Cnr. of Koedoe and Buffel Street Hoedspruit 1380
<b>Postal address</b>	Private Bag X1919 Hoedspruit 1360
<b>Bankers</b>	First National Bank
<b>Auditors</b>	PricewaterhouseCoopers Inc. Registered Auditors
<b>Company registration number</b>	1998/003011/08
<b>Tax reference number</b>	9383/387/84/3
<b>Level of assurance</b>	These annual financial statements have been audited voluntarily in compliance with the applicable requirements of the Companies Act 71 of 2008.
<b>Preparer</b>	The annual financial statements were independently compiled under the supervision of: PJ Muller (CA)SA

Association for Water and Rural Development (RF) NPC  
(Registration number 1998/003011/08)  
Trading as AWARD  
Annual Financial Statements for the year ended 31 December 2015

**Index**

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

	<b>Page</b>
Directors' Responsibilities and Approval	3
Directors' Report	4
Independent Auditors' Report	5 - 6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11 - 14
Notes to the Annual Financial Statements	15 - 18

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

Statement of Financial Performance	19 - 20
------------------------------------	---------

Association for Water and Rural Development (RF) NPC  
(Registration number 1998/003011/08)  
Trading as AWARD  
Annual Financial Statements for the year ended 31 December 2015

## Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external 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.

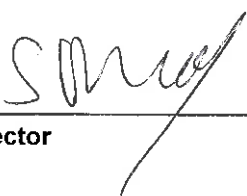
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors set standards 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.

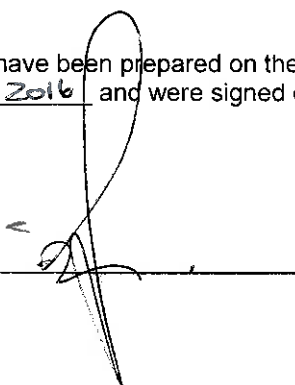
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2016 and, in light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 5 to 6.

The annual financial statements set out on pages 4 to 20, which have been prepared on the going concern basis, were approved by the board of directors on 19 September 2016 and were signed on its behalf by:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

## Directors' Report

The directors submit their report for the year ended 31 December 2015.

### 1. Review of activities

#### Main business and operations

The company is engaged in to develop, test, inform and implement new and appropriate ways of managing water and other natural resources so as to contribute to sustainable futures that promote the dignity of all and operates principally in Southern Africa.

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

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

Net surplus of the company was R 150,616 (2014: R 607,422).

### 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 and the reporting date.

### 4. Directors

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

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

### 5. Secretary

The company had no secretary during the year.

### 6. Auditors

PricewaterhouseCoopers Inc. will continue in office in accordance with section 90 of the Companies Act 71 of 2008.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSOCIATION FOR WATER AND RURAL DEVELOPMENT (RF) NPC**

We have audited the financial statements of Association for Water and Rural Development (RF) NPC set out on pages 7 to 18, which comprise the statement of financial position as at 31 December 2015, and the statement of 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 financial statements in accordance with International Financial Reporting Standards 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

---

*PricewaterhouseCoopers Inc., Capital Place, 15-21 Neutron Avenue, Techno Park, Stellenbosch 7600  
P O Box 57, Stellenbosch 7599  
T: +27 (21) 815 3000, F: +27 (21) 815 3100, www.pwc.co.za*

Chief Executive Officer: T D Shango  
Management Committee: T P Blandin de Chalain, S N Madikane, P J Mothibe, C Richardson, F Tonelli, C Volschenk  
Western Cape region – Partner in charge: D J Fölscher  
The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection.  
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.



*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Association for Water and Rural Development (RF) NPC as at 31 December 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

*Other reports required by the Companies Act*

As part of our audit of the financial statements for the year ended 31 December 2015, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between this report and the audited financial statements. This report is the responsibility of the respective preparer. Based on reading this report we have not identified material inconsistencies between this report and the audited financial statements. However, we have not audited this report and accordingly do not express an opinion on the report.

*Other matter*

The supplementary information set out on pages 19 to 20 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and accordingly we do not express an opinion thereon.

*PricewaterhouseCoopers Inc.*

**PricewaterhouseCoopers Inc.**

Director: D Adriaans

Registered Auditor

Stellenbosch

*19 September 2016*

Association for Water and Rural Development (RF) NPC  
 (Registration number 1998/003011/08)  
 Trading as AWARD  
 Annual Financial Statements for the year ended 31 December 2015

**Statement of Financial Position as at 31 December 2015**

	Notes	2015 R	2014 R
<b>Assets</b>			
<b>Current Assets</b>			
Trade and other receivables	3	274,360	606,082
Accrued income		674,315	32,643
Cash and cash equivalents	4	1,975,112	1,646,643
		<u>2,923,787</u>	<u>2,285,368</u>
<b>Non-Current Assets</b>			
Property, plant and equipment	2	1,105,882	1,303,759
<b>Total Assets</b>		<u>4,029,669</u>	<u>3,589,127</u>
<b>Equity and Liabilities</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	6	1,189,449	972,471
Deferred income	5	436,736	363,788
		<u>1,626,185</u>	<u>1,336,259</u>
<b>Equity</b>			
Reserves		948,459	1,075,303
Retained income		1,455,025	1,177,565
		<u>2,403,484</u>	<u>2,252,868</u>
<b>Total Equity and Liabilities</b>		<u>4,029,669</u>	<u>3,589,127</u>



Association for Water and Rural Development (RF) NPC  
 (Registration number 1998/003011/08)  
 Trading as AWARD  
 Annual Financial Statements for the year ended 31 December 2015

**Statement of Comprehensive Income**

	Notes	2015 R	2014 R
Revenue	7	17,729,357	13,284,897
Other income	8	7,590	96,570
Operating expenses		(17,627,522)	(12,805,027)
<b>Operating surplus</b>		<b>109,425</b>	<b>576,440</b>
Investment revenue	10	41,520	31,503
Finance costs	11	(329)	(521)
<b>Surplus for the year</b>		<b>150,616</b>	<b>607,422</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>150,616</b>	<b>607,422</b>
<b>Surplus attributable to :</b>			
Normal operations		277,460	286,957
Capital expenditures relating to the RESILIM project		(126,844)	320,465
		<b>150,616</b>	<b>607,422</b>

Association for Water and Rural Development (RF) NPC  
 (Registration number 1998/003011/08)  
 Trading as AWARD  
 Annual Financial Statements for the year ended 31 December 2015

**Statement of Changes in Equity**

	RESILIM Capital fund R	Retained income R	Total equity R
<b>Balance at 01 January 2014</b>	<b>754,838</b>	<b>890,608</b>	<b>1,645,446</b>
Surplus for the year	-	607,422	607,422
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>607,422</b>	<b>607,422</b>
Transfer between reserves	320,465	(320,465)	-
<b>Total transfers</b>	<b>320,465</b>	<b>(320,465)</b>	<b>-</b>
<b>Balance at 01 January 2015</b>	<b>1,075,303</b>	<b>1,177,565</b>	<b>2,252,868</b>
Surplus for the year	-	150,616	150,616
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>150,616</b>	<b>150,616</b>
Transfer between reserves	(126,844)	126,844	-
<b>Total transfers</b>	<b>(126,844)</b>	<b>126,844</b>	<b>-</b>
<b>Balance at 31 December 2015</b>	<b>948,459</b>	<b>1,455,025</b>	<b>2,403,484</b>

Association for Water and Rural Development (RF) NPC  
 (Registration number 1998/003011/08)  
 Trading as AWARD  
 Annual Financial Statements for the year ended 31 December 2015

**Statement of Cash Flows**

	Notes	2015 R	2014 R
<b>Cash flows from operating activities</b>			
Cash receipts from customers and donors		17,291,771	12,572,579
Cash paid to suppliers and employees		(16,774,633)	(12,084,027)
Cash generated from operations	14	517,138	488,552
Interest income		41,520	31,503
Finance costs		(329)	(521)
<b>Net cash from operating activities</b>		<b>558,329</b>	<b>519,534</b>
<b>Cash flows used in investing activities</b>			
Purchase of property, plant and equipment	2	(243,527)	(810,558)
Sale of property, plant and equipment	2	13,667	39,474
<b>Net cash used in investing activities</b>		<b>(229,860)</b>	<b>(771,084)</b>
<b>Net increase / (decrease) in cash and cash equivalents for the year</b>		<b>328,469</b>	<b>(251,550)</b>
Cash and cash equivalents at the beginning of the year		1,646,643	1,898,193
<b>Cash and cash equivalents at end of the year</b>	4	<b>1,975,112</b>	<b>1,646,643</b>

## **Accounting Policies**

### **1. Presentation of Annual Financial Statements**

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

#### **1.1 Financial instruments**

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

##### **Financial instruments at amortised cost**

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

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

##### **Financial instruments at cost**

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

##### **Trade receivables**

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

##### **Cash and cash equivalents**

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

##### **Borrowings**

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

## Accounting Policies

### 1.1 Financial instruments (continued)

#### Trade Payables

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

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

### 1.2 Borrowing costs

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

### 1.3 Property, plant and equipment

Property, plant and equipment are tangible items that:

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

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

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

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

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

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

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

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

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

## Accounting Policies

### 1.4 Impairment of non-financial assets

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

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

### 1.5 Equity

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

### 1.6 Revenue

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

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

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

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

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

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

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

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

Association for Water and Rural Development (RF) NPC  
(Registration number 1998/003011/08)  
Trading as AWARD  
Annual Financial Statements for the year ended 31 December 2015

## **Accounting Policies**

### **1.7 Project accounting and expense allocation**

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

## Notes to the Annual Financial Statements

	2015			2014		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	210,268	(64,846)	145,422	111,966	(38,599)	73,367
Motor vehicles	1,420,606	(657,485)	763,121	1,430,606	(403,677)	1,026,929
IT equipment	503,116	(305,777)	197,339	357,889	(154,426)	203,463
<b>Total</b>	<b>2,133,990</b>	<b>(1,028,108)</b>	<b>1,105,882</b>	<b>1,900,461</b>	<b>(596,702)</b>	<b>1,303,759</b>

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

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

### Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	38,262	50,636	(15,531)	73,367
Motor vehicles	567,981	610,729	(151,781)	1,026,929
IT equipment	159,672	149,193	(105,402)	203,463
	<b>765,915</b>	<b>810,558</b>	<b>(272,714)</b>	<b>1,303,759</b>

Assets with a nil net book value were disposed during the previous year for R39,474.

### 3. Trade and other receivables

Trade receivables	37,366	353,761
Prepayments	94,514	68,147
Deposits	5,000	5,000
South African Revenue Service - VAT	137,480	179,174
	<b>274,360</b>	<b>606,082</b>

### 4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	8,521	142
Bank balances	951,755	911,473
Short-term deposits	1,014,836	735,028
	<b>1,975,112</b>	<b>1,646,643</b>



**Notes to the Annual Financial Statements**

	2015 R	2014 R
<b>5. Deferred income</b>		
Deferred income comprises grants received in advance of the period to which they relate and in advance of actual expenditure being incurred.		
Accrued income	674,315	32,643
Deferred income	(436,736)	(363,788)
	<u>237,579</u>	<u>(331,145)</u>
<b>Grants received during the financial year:</b>		
<b>Funds were received from the following main donors / counter parties:</b>		
USAID	16,354,316	11,733,331
WRC (Water Research Commission)	-	684
Working for Wetlands	598,147	314,640
Duncan Hay & Associates (under WRC)	-	18,936
Aurecon	34,344	-
K2C (Kruger2Canyon Biosphere) / GEF (Global Environmental Facility)	-	5,250
Rhodes University	102,600	161,515
DKA Austria	271,015	95,034
SANBI: Groen Sebenza	218,762	243,189
Victor Munnik Research & Associates	30,000	-
	<u>17,609,184</u>	<u>12,572,579</u>
<b>6. Trade and other payables</b>		
Trade payables	6,626	24,263
Bonus accrual	421,312	283,427
Provision for audit fees	-	70,000
Sundry accruals	99,367	195,126
Provision for leave pay	436,437	220,988
Provision for severance pay	225,707	178,667
	<u>1,189,449</u>	<u>972,471</u>
<b>7. Revenue</b>		
Rendering of services	700,726	970,341
Donations received	17,028,631	12,314,556
	<u>17,729,357</u>	<u>13,284,897</u>
<b>8. Other income</b>		
Insurance claim received	-	31,030
Profit on sale of asset	6,000	39,474
Sundry income	1,590	26,066
	<u>7,590</u>	<u>96,570</u>

**Notes to the Annual Financial Statements**

	2015 R	2014 R
<b>9. Expenses by nature</b>		
Depreciation	433,738	272,714
Consulting and professional fees	5,109,287	3,614,533
Travel - local	865,834	1,293,738
Employee costs	7,636,550	5,624,220
Lease rentals on operating lease	428,121	280,048
Other expenses	3,153,992	1,719,774
<b>Total cost of operating expenses</b>	<b>17,627,522</b>	<b>12,805,027</b>
<b>10. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	41,520	31,503
<b>11. Finance costs</b>		
Bank	329	521
<b>12. Taxation</b>		
This company is registered as a Public Benefit Organisation (PBO) and is therefore exempt from paying taxes. It has the following PBO registration number: 18/11/132652.		
<b>13. Auditors' remuneration</b>		
Fees - statutory audit	32,100	17,585
Fees - donor funded projects	93,090	157,415
Other services	4,318	22,642
	<b>129,508</b>	<b>197,642</b>
<b>14. Cash generated from operations</b>		
Surplus before taxation	150,616	607,422
<b>Adjustments for:</b>		
Depreciation and amortisation	433,738	272,714
Profit on sale of asset	(6,000)	(39,474)
Interest received	(41,520)	(31,503)
Finance costs	329	521
<b>Changes in working capital:</b>		
Trade and other receivables	331,722	(543,250)
Accrued income	(641,672)	240,670
Trade and other payables	216,977	542,271
Deferred income	72,948	(560,819)
	<b>517,138</b>	<b>488,552</b>

Association for Water and Rural Development (RF) NPC  
(Registration number 1998/003011/08)  
Trading as AWARD  
Annual Financial Statements for the year ended 31 December 2015

**Notes to the Annual Financial Statements**

2015  
R

2014  
R

**15. Related parties**

**Related party balances and transactions with other related parties**

**Related party transactions**

Purchase of vehicle from close family member of key management personnel

-

85,000

Market value of the vehicle was determined as reasonable based on external research.

Association for Water and Rural Development (RF) NPC  
 (Registration number 1998/003011/08)  
 Trading as AWARD  
 Annual Financial Statements for the year ended 31 December 2015

**Statement of Financial Performance**

	Note	2015 R	2014 R
<b>Revenue</b>			
Rendering of services		700,726	970,341
Donation income		17,028,631	12,314,556
	7	<u>17,729,357</u>	<u>13,284,897</u>
<b>Other income</b>			
Insurance claim received		-	31,030
Interest received	10	41,520	31,503
Profit on sale of asset		6,000	39,474
Sundry income		1,590	26,066
		<u>49,110</u>	<u>128,073</u>
<b>Expenses (Refer to page 20)</b>		<b>(17,627,522)</b>	<b>(12,805,027)</b>
<b>Operating surplus</b>		<b>150,945</b>	<b>607,943</b>
Finance costs	11	(329)	(521)
<b>Surplus for the year</b>		<b>150,616</b>	<b>607,422</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>150,616</b>	<b>607,422</b>

Association for Water and Rural Development (RF) NPC  
(Registration number 1998/003011/08)  
Trading as AWARD  
Annual Financial Statements for the year ended 31 December 2015

**Statement of Financial Performance**

	Note	2015 R	2014 R
<b>Operating expenses</b>			
Accounting fees		10,318	11,828
Advertising		26,028	36,116
Assistant & Intern expenses		556,987	294,777
Auditors' remuneration	13	129,508	197,642
Bank charges		37,958	41,871
Capacity Development		483,343	99,426
Communication expenses		3,519	5,152
Computer expenses		67,525	81,296
Consulting and professional fees		5,109,287	3,614,533
Consumables		56,437	24,038
Depreciation		433,738	272,714
Donations		114	400
Employee costs		7,636,550	5,759,672
Entertainment		-	4,128
Hire		-	32,805
Insurance		118,351	86,874
Lease rentals on operating lease		428,121	280,048
Legal expenses		4,123	3,894
Materials		162,203	31,725
Motor vehicle expenses		187,415	100,587
Office establishment		13,358	54,210
Other expenses		-	2,530
Penalties		(21,982)	23,463
Postage		7,638	10,597
Printing and stationery		120,971	63,599
Repairs and maintenance		120,650	155,432
Security		5,718	7,814
Seminars		-	10,925
Staff welfare		82,447	3,684
Subscriptions		55,902	9,578
Telephone and fax		90,789	62,944
Travel - local		1,362,020	1,293,738
Travel - overseas		-	7,133
Utilities		49,358	33,668
Website costs		67,250	12,000
Workshops		221,878	74,186
		<b>17,627,522</b>	<b>12,805,027</b>