SOUL CITY INSTITUTE FOR SOCIAL JUSTICE

Soul City Institute NPC
(Registration number 1995/010944/08)
Annual Financial Statements
for the year ended 28 February 2018

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To create a just society in which young women and girls are safe, and have the opportunities to enable them to reach their full potential.
Directors	J Broomberg N Bulbulia CA Carolus YT Carrim FC Futwa KJ Hofman T P Maseko DPN Conco N Xolo LL Ramafoko F Roji-Maplanka H Saloojee EM Strydom
Registered office	1st Floor Dunkeld West Centre 281 Jan Smuts Avenue Dunkeld West 2196
Business address	1st Floor Dunkeld West Centre 281 Jan Smuts Avenue Dunkeld West 2196
Postal address	PO Box 1290 Houghton 2041
Bankers	First National Bank Limited
Auditors	PricewaterhouseCoopers Inc. Registered Auditors
Secretary	G Padayachee
Company registration number	1995/010944/08
Tax reference number	9544579841
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act, No. 71 of 2008.
Preparer	The annual financial statements were internally compiled by: K M Kruger CA (SA), Finance Manager
Issued	20 June 2018
NPO Registration Number	NPO 012-983
Presentation	South African Rand

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The reports and statements set out below comprise the annual financial statements

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Directors' Responsibilities and Approval

The directors are required in terms of 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 year then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards 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 sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The directors have reviewed the company's cash flow forecast for the year to 28 February 2019 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 8 to 10.

The external auditors were given unrestricted access to all financial records and related data, including minutes of all meetings of the board and committees of the board. The board believe that all representations made to the independent auditors during their audit are valid and appropriate.

The annual financial statements and additional schedules set out on pages 4 to 41, which have been prepared on the going concern basis, were approved by the board on 20 June 2018 and were signed on its behalf by:

LL Ramafoko	**N Bulbulia**
Chief Executive Officer	**Chairperson**

Directors' Report

It is with great pleasure that the directors submit their report on the annual financial statements of Soul City Institute NPC for the year ended 28 February 2018.

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act, No. 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

1. Review of financial results and activities

Soul City Institute's journey in 2018

The Soul City Institute (SCI) (Soul City) was established in 1992 and soon became a household brand, admired in South Africa and across the world.

However, the national and global economic, political and social environment (most notably the financial downturn of 2010) that Soul City Institute had been operating in for nearly quarter of a century has changed dramatically. This means we must change, too.

To move with the changing times and remain relevant, Soul City reviewed its track record and mapped out an effective and resilient pathway for its future.

On 11 August 2016, Soul City was relaunched as a feminist and social justice organisation that focusses on young women and girls and the communities they live in.

Soul City is passionately committed to giving the fullest expression to the values laid out in the preamble to the constitution, which calls for a society based on democratic values, social justice and fundamental human rights'.

This,we contend will, only be achieved when all social actors and civil society take active steps to ensure that *all* women whose rights are not yet fully realised, could become active citizens and able to take their rightful place as equals in society.

Soul City has a vision of a new society grounded in the philosophy of Ubuntu and South Africa's codified human-rights that realises the rights of women, where gender equality is a key component of human dignity, and where no woman is excluded from personal security or equal opportunity, and can fulfil her potential. This includes the following aims:

To promote social justice in all communities and walks of life so that all women are equal partners with equal rights in their own communities.

To immediately realise the ideal of equality of opportunity for all women, so that there are no glass ceilings or societal barriers to any woman who wishes to dream big, work hard and fulfil their potential.

To empower, support and promote women so that they can take their rightful place as equals in society; and,

To challenge injustices in society wherever they occur, to fight for equitable treatment of all people and to promote human dignity and social justice for all.

Funding and programming

Soul City continues to attract a diverse pool of funding from International Donors, National and Provincial government departments and unrestricted investment income from its subsidiary, the Soul City Broad-Based Empowerment Company.

We acknowledge with gratitude the financial support of our work during the past financial year by the following donors and government departments:

• Anglo American Chairman's Fund

• Aurora Wind Power

• Centers for Disease Control & Prevention (CDC)

• Comic Relief

• European Union

• Foundation for Professional Development (sub grant to USAID)

• Global Advocacy for HIV Prevention (AVAC)

• The Global Fund to Fight AIDS, Tuberculosis and Malaria

• London School of Tropical Medicine and Hygiene

Donors, National and Provincial government departments continued

- Mainstream Renewable Power
- National Department of Health
- National Department of Social Development
- PACT Swaziland (sub grant to USAID)
- Gauteng Department of Social Development
- SAGE Foundation

Soul City Broad-Based Empowerment Company Proprietary Limited

Soul City's investment company, the Broad-Based Empowerment Company is continuing to yield tangible fruits. The overarching objective of the company is to provide Soul City with an unrestricted funding stream. During the year ended 28 February 2018, a dividend of R12.2 million was paid to Soul City Institute (2017: R2.9 million).

Broad-Based Black Economic Empowerment (BEE)

The Soul City Institute achieved a BEE rating of 3 in its latest verification. In order to improve the rating even further we need to increase our efforts in the areas of skills development and supplier and enterprise development in the year ahead. The beneficiary profile was confirmed to be 100% "Black" people as envisaged in the BEE Act.

Human Resource Development

Our employees and volunteers are this organisation's most cherished asset. We continue to attract and retain highly skilled professionals in all of our executive positions. These men and women have a long track record with the organisation and this contributes to the stability of the organisation.

Our main activities are in the various communities where we implement our programmes. We have recruited staff from the various communities who comprise of fieldworkers and volunteers who support our Rise Young Women Clubs and our Soul Buddyz Clubs in schools.

Our programmes

Soul Buddyz clubs

In the last financial year we supported 1350 Soul Buddyz Clubs in seven provinces supported by the Department of Education and National Department of Health. Many of these clubs were supported through the Global Fund in Tshwane and Bojanala.

Soul Buddyz clubs (SBC's) are an in-school peer-education youth club model for young people aged 10-14. The SBC's consist of 25 volunteer members and targets girls and boys. Clubs are facilitated by educators who attend a bespoke annual training session, where they are provided with age-relevant materials to guide the content and activities within the club.

The basic package offered through the clubs dovetails with and complements the life skills and peer education programmes provided by the Department of Basic Education.

Rise Clubs

Over the last financial year Soul City has supported over 30 000 young women, aged 15-24, in 2001 clubs across provinces both in and out of schools through support from the National Department of Health.

The Rise Young Women's Clubs programme aspires to build social cohesion, self-efficacy and resilience by creating a space where young women can support each other; by encouraging young women to work as a group to undertake projects in the community; and, ultimately, by preventing the transmission of HIV, mitigating its impact, and enabling women to make safer choices.

The programme focuses on sexual and reproductive health and rights (SRHR), and promotes a combination prevention approach.

SeViSSA (Sexual Violence in Schools in South Africa)

The Sexual Violence against young girls in Schools in South Africa (SeViSSA) project is a five year project that aims to reduce violence against children, particularly girls, in schools. This programme is designed to improve both freedom of access to and performance at school, and thus bolster the educational outcomes of all school children. This programme is implemented in Khayelitsha in the Western Cape.

Our programmes (continued)

Raising Young Women's Voices

The European Union funded Raising Voices of Young Women and girls project aims to strenghten the existing Rise Young Women Club movement as an organisation of young women and girls who are able to participate effectively in governance; accountability and public policy processes.

There are 40 young women from Mpumalanga, Free State and the North West provinces who have been recruited to be part of this project.They have received training to strengthen their understanding of women's human rights and scale up their capacity to engage in the democratic processes at local, national, regional and international levels, to achieve them.

Stigma Campaign

Soul City is one of the South African National AIDS Council partners that is implementing the National Stigma and Discrimination Reduction Campaign.

The project aims to address stigma and discrimination surrounding issues of people living with HIV (PLHIV) and to promote the rights of those living with HIV, sexually transmitted diseases and tubercolosis. The objectives of the project are to expand the capacity of community based organisations to implement stigma eradication progammes and to increase awareness and observation of the human rights pertaining to PLHIV.

Financial overview

Total income for the year amounted to R137 million, up from R111.3 million in the previous year. The primary sources of revenue are grants from bilateral and multilateral agencies and from the South African Departments of Health and Social Development. Investment income contributed R13.6 million (2017: R4.8 million) in unrestricted income.

Programme expenditure increased from R90 million in 2017 to R107.5 million in the year under review whilst operating expenditure amounted to R27.2 million (2017: R26.2 million). The ratio of operating expenditure to total expenditure decreased from 22.7% in the prior year to 20.2%, mainly due to the increase in programme expenditure.

A surplus of R2.3 million has been realised in 2018 compared to a deficit of R4.85 million in 2017. This improvement is largely due to the increase in investment income. Unrestricted reserves at year-end amount to R17 million (2017: R14.7 million) which equates to 6.8 months of 2019 budgeted operating costs (2017: 5.7 months). The Board is satisfied that the unrestricted reserves are adequate to meet the company's solvency and liquidity requirements for the foreseeable future.

2. Directorate

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

Directors			Changes
J Broomberg		Non-executive Independent	
N Bulbulia	Chairperson	Non-executive Independent	
CA Carolus		Non-executive Independent	
YT Carrim		Non-executive Independent	Resigned 03 April 2018
FC Futwa		Non-executive Independent	
KJ Hofman		Non-executive Independent	Resigned 31 December 2017
T P Maseko		Non-executive Independent	
DPN Conco		Non-executive Independent	Appointed 01 November 2017
N Xolo		Non-executive Independent	Appointed 24 April 2018
LL Ramafoko	Chief Executive Officer	Executive	
F Roji-Maplanka		Non-executive Independent	Resigned 13 September 2017
H Saloojee		Non-executive Independent	
EM Strydom	Chief Financial Officer	Executive	

Directors' Report

3. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

4. Plant and equipment

There was no change in the nature of the plant and equipment of the company or in the policy regarding their use.

At 28 February 2018 the company's investment in plant and equipment amounted to R490 000 (2017: R 568 000), of which R184 000 (2017: R 178 000) was added in the current year through additions.

5. Events after the reporting period

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

6. Going concern

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

7. Litigation statement

The company becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The company is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

8. Auditors

PricewaterhouseCoopers Inc. continued in office as auditors for the company for 2018.

9. Secretary

The company secretary is Mrs G Padayachee.

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Business address:	1st Floor Dunkeld West Centre 281 Jan Smuts Avenue Dunkeld West 2196

10. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on 20 June 2018.

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Independent auditor's report

To the Members Soul City Institute NPC

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Soul City Institute NPC (the Company) as at 28 February 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Soul City Institute NPC's financial statements set out on pages 11 to 37 comprise:

- the statement of financial position as at 28 February 2018
- the statement of surplus or deficit and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

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

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

Independence

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

Other information

The directors are responsible for the other information. The other information comprises the information included in Soul City Institute NPC Annual Financial Statements for the year ended 28 February 2018, which includes the Directors' Report as required by the Companies Act of South Africa. 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

PRICEWATERHOUSECOOPERS INC.

PricewaterhouseCoopers Inc.

Director: JR Mistri

Registered Auditor

Johannesburg

29 June 2018

Statement of Financial Position as at 28 February 2018

	Notes	2018 R '000	2017 R '000
Assets			
Non-Current Assets			
Plant and equipment	3	490	568
Investment in subsidiary	4	-	-
Loan to group company	5	2 188	2 188
		2 678	**2 756**
Current Assets			
Loan to group company	5	-	1 010
Trade and other receivables	6	2 617	4 461
Donor funds receivable	7	902	2 748
Cash and cash equivalents	8	49 353	59 250
		52 872	**67 469**
Total Assets		**55 550**	**70 225**
Equity and Liabilities			
Equity			
Accumulated surplus		17 058	14 724
Liabilities			
Current Liabilities			
Trade and other payables	9	6 140	9 246
Deferred income	7	32 352	46 255
		38 492	**55 501**
Total Equity and Liabilities		**55 550**	**70 225**

Statement of Surplus or Deficit and Other Comprehensive Income

	Notes	2018 R '000	2017 R '000
Revenue	10	123 218	105 670
Other operating income	11	78	232
Other operating gains / (losses)	12	127	638
Programme expenses		(107 471)	(89 957)
Operating expenses		(27 213)	(26 247)
Operating deficit	13	**(11 261)**	**(9 664)**
Investment income	14	13 605	4 812
Finance costs	15	(10)	(4)
Surplus /(Deficit) for the year		**2 334**	**(4 856)**
Other comprehensive income		-	-
Total suplus /(deficit) for the year		**2 334**	**(4 856)**

Statement of Changes in Equity

	Accumulated surplus R '000	Total equity R '000
Balance at 01 March 2016	**19 580**	**19 580**
Deficit for the year	(4 856)	(4 856)
Other comprehensive income	-	-
Total deficit for the year	**(4 856)**	**(4 856)**
Balance at 01 March 2017	**14 724**	**14 724**
Surplus for the year	2 334	2 334
Other comprehensive income	-	-
Total surplus for the year	**2 334**	**2 334**
Balance at 28 February 2018	**17 058**	**17 058**

Statement of Cash Flows

	Notes	2018 R '000	2017 R '000
Cash flows from operating activities			
Cash receipts from donors		109 433	141 899
Cash paid to suppliers and employees		(133 892)	(115 550)
Cash (used in) / generated by operations	16	(24 459)	26 348
Interest income		1 405	1 912
Dividend income		12 200	2 900
Finance costs		(10)	(4)
Gain on exchange differences		123	650
Net cash (applied to)/ generated by operating activities		**(10 741)**	**31 806**
Cash flows from investing activities			
Purchase of plant and equipment	3	(184)	(178)
Proceeds from sale of plant and equipment	3	18	92
Loan repayment received		1 010	-
Net cash inflow/(outflow) from investing activities		**844**	**(86)**
Total cash movement for the year		**(9 896)**	**31 720**
Cash and cash equivalents at the beginning of the year		59 249	27 530
Total cash and cash equivalents at the end of the year	8	**49 353**	**59 250**

Accounting Policies

1. Presentation of annual financial statements

The company has prepared these stand-alone annual financial statements for distribution to its donors and related users.

The company has also prepared consolidated annual financial statements in accordance with International Financial Reporting Standards (IFRS) for the company and the wholly owned subsidiary, Soul City Broad-Based Empowerment Company Proprietary Limited (the "Group"). The consolidated annual financial statements can be obtained from its offices at 1st Floor Dunkeld West Centre, 281 Jan Smuts Avenue, Dunkeld West, 2196.

Users of these stand-alone annual financial statements should read them together with the Soul City Group consolidated annual financial statements as at and for the year ended 28 February 2018 in order to obtain full information on the financial position, results of operations and changes in financial position of the Soul City Group as a whole.

The annual financial statements have been prepared in accordance with the basis of accounting as described in IFRS and the Companies Act No. 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.

The preparation of the annual financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated annual financial statements are disclosed in section 1.1 below.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Trade receivables and Loans and receivables

The company assesses its trade receivables and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

Critical judgements in applying accounting policies

The following are the critical judgements that management has made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

1.1 Significant judgements and sources of estimation uncertainty (continued)

Residual value and useful life

The company depreciates its assets over their estimated useful lives taking into account residual values, which, following the adoption of IAS16 Property, plant and equipment (revised), are re-assessed on an annual basis. The actual lives and residual values of these assets can vary depending on a variety of factors.

Technological innovation, product life cycles and maintenance programmes all impact the useful lives and residual values of the assets. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Contingent liabilities

Management applies its judgements to the fact patterns and advice it receives from its attorney, advocates and other advisors in assessing if an obligation is probable, more than likely not, or remote. This judgement application is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

1.2 Plant and equipment

Plant and equipment are tangible assets which the company holds for its own use which are expected to be used for more than one year.

An item of 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.

Plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets.

Expenditure incurred subsequently for major services, additions to or replacements of parts of plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Major inspection costs which are a condition of continuing use of an item of plant and equipment and which meet the recognition criteria are included as a replacement in the cost of the item of plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Major spare parts and stand by equipment which are expected to be used for more than one year are included in plant and equipment.

Plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	8 years
Motor vehicles	Straight line	7 years
Office equipment	Straight line	4 years
IT equipment	Straight line	5 years
Computer software	Straight line	2 years
Leasehold improvements	Straight line	Total lifespan of the lease agreement

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

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

Impairment tests are performed on plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss bring the carrying amount in line with the recoverable amount.

1.2 Plant and equipment (continued)

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Investment in subsidiary

Company financial statements

Investment in subsidiary is carried at cost less any accumulated impairment.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

1.4 Financial instruments

Classification

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

- Loans and receivables
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through surplus or deficit, which shall not be classified out of the fair value through surplus or deficit category.

Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

Subsequent measurement

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment deficits.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Accounting Policies

1.4 Financial instruments (continued)

Impairment of financial assets

At each reporting date the company assesses all financial assets, other than those at fair value through surplus or deficit, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the company, significant financial difficulties of the donor, probability that the donor will enter bankruptcy and default of payments are all considered indicators of impairment.

Impairment deficits are recognised in surplus or deficit.

Impairment deficits are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment deficits are recognised in surplus or deficit except for equity investments classified as available-for-sale.

Where financial assets are impaired through use of an allowance account, the amount of the deficit is recognised in surplus or deficit within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Effective interest rate method

The effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating the interest on that instrument over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period of the net carrying amount of the instrument.

Loans to/(from) group companies

Loans to the subsidiary are recognised initially at cost plus direct transaction costs.

Loans to group companies are classified as loans and receivables.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the donor, probability that the donor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the deficit is recognised in surplus or deficit within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in surplus or deficit.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Trade and other payables are classified as other financial liabilities at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at amortised cost.

Cash and cash equivalents are classified as loans and receivables.

1.5 Taxation

Current income tax assets and liabilities

Accounting Policies

1.5 Taxation (continued)

The company has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, (the Act) and the receipts and accruals are exempt from income tax in terms of the section 10(1)(cN) of the Act.

Donations to the company are exempt from donations tax and estate duty and South African donors qualify for tax deduction in terms of Section 18A of the Income Tax Act.

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 on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease liability. This liability is not discounted.

1.7 Impairment of non-financial assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

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 cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment deficit.

An impairment deficit of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

1.8 Employee benefits

Short-term employee benefits

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

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.9 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If the company has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised.

1.10 Revenue recognition

Revenue comprises grants and donations received, income from administration and management fees charged. Revenue from administration and management fees charged excludes value added taxation.

1.10.1 Grant income

Donor grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

Donor grants are recognised when there is reasonable assurance that:

- the company will comply with the conditions attaching to them; and
- the grants will be received.

A donor grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

1.10.2 Other income

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.

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

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.11 Operating expenses and programme expenses

Programme expenses consist of programme implementation costs and salaries directly related to programme activities.

All other expenditure and salaries incurred are classified as operating expenses.

1.12 Borrowing costs

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

1.13 Translation of foreign currencies

Foreign currency transactions

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

At the end of the reporting period:

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

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

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

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

Accounting Policies

1.14 Related Parties

A related party is related to an entity if any of the following situations apply to it:

Individual control:
The party is controlled or significantly influenced by a member of key management personnel or by a person who controls the entity.

Key management:
The party is a member of the of an entity's or its parents key management personnel.

All transactions enterered into with related parties are under terms no more favourable than those with third parties.

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Amendments to IFRS 12: Annual Improvements to IFRS 2014 - 2016 cycle

The amendment to IFRS 12 Disclosures of Interests in Other Entities now provides that if an investment in a subsidiary, associate or joint venture is part of a disposal group that is held for sale, then the disclosure of summary information as per paragraph B10 - B16 of IFRS 12 is not required. IFRS 12 previously only made the exemption for circumstances where the investment itself was classified as held for sale.

The effective date of the amendment is for years beginning on or after 01 January 2017.

The company has adopted the amendment for the first time in the 2018 annual financial statements.

The impact of the amendment is not material.

Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses

In terms of IAS 12 Income Taxes, deferred tax assets are recognised only when it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The following amendments have been made, which may have an impact on the company:

If tax law restricts the utilisation of losses to deductions against income of a specific type, a deductible temporary difference is assessed in combination only with other deductible temporary differences of the appropriate type.

Additional guidelines were prescribed for evaluating whether the company will have sufficient taxable profit in future periods. The company is required to compare the deductible temporary differences with future taxable profit that excludes tax deductions resulting from the reversal of those deductible temporary differences. This comparison shows the extent to which the future taxable profit is sufficient for the entity to deduct the amounts resulting from the reversal of those deductible temporary differences.

The amendment also provides that the estimate of probable future taxable profit may include the recovery of some of an entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.

The effective date of the amendment is for years beginning on or after 01 January 2017.

The company has adopted the amendment for the first time in the 2018 annual financial statements.

The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 March 2018 or later periods:

IFRS 16 Leases

IFRS 16 Leases is a new standard which replaces IAS 17 Leases, and introduces a single lessee accounting model. The main changes arising from the issue of IFRS 16 which are likely to impact the company are as follows:

Company as lessee:

- Lessees are required to recognise a right-of-use asset and a lease liability for all leases, except short term leases or leases where the underlying asset has a low value, which are expensed on a straight line or other systematic basis.
- The cost of the right-of-use asset includes, where appropriate, the initial amount of the lease liability; lease payments made prior to commencement of the lease less incentives received; initial direct costs of the lessee; and an estimate for any provision for dismantling, restoration and removal related to the underlying asset.
- The lease liability takes into consideration, where appropriate, fixed and variable lease payments; residual value guarantees to be made by the lessee; exercise price of purchase options; and payments of penalties for terminating the lease.
- The right-of-use asset is subsequently measured on the cost model at cost less accumulated depreciation and impairment and adjusted for any re-measurement of the lease liability. However, right-of-use assets are measured at fair value when they meet the definition of investment property and all other investment property is accounted for on the fair value model. If a right-of-use asset relates to a class of property, plant and equipment which is measured on the revaluation model, then that right-of-use asset may be measured on the revaluation model.
- The lease liability is subsequently increased by interest, reduced by lease payments and re-measured for reassessments or modifications.
- Re-measurements of lease liabilities are affected against right-of-use assets, unless the assets have been reduced to nil, in which case further adjustments are recognised in profit or loss.

2. **New Standards and Interpretations (continued)**

- The lease liability is re-measured by discounting revised payments at a revised rate when there is a change in the lease term or a change in the assessment of an option to purchase the underlying asset.
- The lease liability is re-measured by discounting revised lease payments at the original discount rate when there is a change in the amounts expected to be paid in a residual value guarantee or when there is a change in future payments because of a change in index or rate used to determine those payments.
- Certain lease modifications are accounted for as separate leases. When lease modifications which decrease the scope of the lease are not required to be accounted for as separate leases, then the lessee re-measures the lease liability by decreasing the carrying amount of the right of lease asset to reflect the full or partial termination of the lease. Any gain or loss relating to the full or partial termination of the lease is recognised in profit or loss. For all other lease modifications which are not required to be accounted for as separate leases, the lessee re-measures the lease liability by making a corresponding adjustment to the right-of-use asset.
- Right-of-use assets and lease liabilities should be presented separately from other assets and liabilities. If not, then the line item in which they are included must be disclosed. This does not apply to right-of-use assets meeting the definition of investment property which must be presented within investment property. IFRS 16 contains different disclosure requirements compared to IAS 17 leases.

Company as lessor:

- Accounting for leases by lessors remains similar to the provisions of IAS 17 in that leases are classified as either finance leases or operating leases. Lease classification is reassessed only if there has been a modification.
- A modification is required to be accounted for as a separate lease if it both increases the scope of the lease by adding the right to use one or more underlying assets; and the increase in consideration is commensurate to the stand alone price of the increase in scope.
- If a finance lease is modified, and the modification would not qualify as a separate lease, but the lease would have been an operating lease if the modification was in effect from inception, then the modification is accounted for as a separate lease. In addition, the carrying amount of the underlying asset shall be measured as the net investment in the lease immediately before the effective date of the modification. IFRS 9 is applied to all other modifications not required to be treated as a separate lease.
- Modifications to operating leases are required to be accounted for as new leases from the effective date of the modification. Changes have also been made to the disclosure requirements of leases in the lessor's financial statements.

The effective date of the standard is for years beginning on or after 01 January 2019.

The company expects to adopt the standard for the first time in the 2020 annual financial statements.

It is unlikely that the standard will have a material impact on the company's annual financial statements.

Amendments to IFRS 15: Clarifications to IFRS 15 Revenue from Contracts with Customers

The amendment provides clarification and further guidance regarding certain issues in IFRS 15. These items include guidance in assessing whether promises to transfer goods or services are separately identifiable; guidance regarding agent versus principal considerations; and guidance regarding licenses and royalties.

The effective date of the amendment is for years beginning on or after 01 January 2018.

The company expects to adopt the amendment for the first time in the 2019 annual financial statements.

It is unlikely that the amendment will have a material impact on the company's annual financial statements.

IFRS 9 Financial Instruments

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurements of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a)impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the outstanding principal are generally measured at amortised cost at the end of subsequent reporting periods. Debt instruments that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on outstanding principal, are measured at FVTOCI. All other debt and equity investments are measured at fair value at the end of subsequent reporting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income with only dividend income generally recognised in profit or loss.

2. New Standards and Interpretations (continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of the liability is presented in other comprehensive income, unless the recognition of the effect of the changes of the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Under IAS 39, the entire amount of the change in fair value of a financial liability designated as at fair value through profit or loss is presented in profit or loss.
- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. It is therefore no longer necessary for a credit event to have occurred before credit losses are recognised.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been replaced with the principal of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The effective date of the standard is for years beginning on or after 01 January 2018.

The company expects to adopt the standard for the first time in the 2019 annual financial statements.

It is unlikely that the standard will have a material impact on the company's annual financial statements.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction contracts; IAS 18 Revenue; IFRIC 13 Customer Loyalty Programmes; IFRIC 15 Agreements for the construction of Real Estate; IFRIC 18 Transfers of Assets from Customers and SIC 31 Revenue - Barter Transactions Involving Advertising Services.

The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Identify the contract(s) with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when (or as) the entity satisfies a performance obligation.

IFRS 15 also includes extensive new disclosure requirements.

The effective date of the standard is for years beginning on or after 01 January 2018.

The company expects to adopt the standard for the first time in the 2019 annual financial statements.

It is unlikely that the standard will have a material impact on the company's annual financial statements.

3. Plant and equipment

	2018			2017		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	836	(717)	119	808	(689)	119
Motor vehicles	74	(74)	-	74	(74)	-
Office equipment	341	(296)	45	339	(278)	61
IT equipment	2 220	(1 919)	301	2 142	(1 813)	329
Computer software	255	(230)	25	215	(215)	-
Leasehold improvements	-	-	-	1 817	(1 758)	59
Total	**3 726**	**(3 236)**	**490**	**5 395**	**(4 827)**	**568**

Reconciliation of plant and equipment - 2018 (Amounts in thousands-ZAR)

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	119	51	-	(51)	119
Office equipment	61	5	(4)	(17)	45
IT equipment	329	88	(10)	(106)	301
Computer software	-	40	-	(15)	25
Leasehold improvements	60	-	-	(60)	-
	569	**184**	**(14)**	**(249)**	**490**

Reconciliation of plant and equipment - 2017(Amounts in thousands-ZAR)

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	147	-	-	(28)	119
Motor vehicles	11	-	-	(11)	-
Office equipment	56	20	-	(15)	61
IT equipment	330	158	(104)	(55)	329
Computer software	29	-	-	(29)	-
Leasehold improvements	341	-	-	(282)	59
	914	**178**	**(104)**	**(420)**	**568**

4. Investment in subsidiary

The carrying amount of the subsidiary is shown net of impairment losses.

Name of company	Held by	% voting power 2018	% voting power 2017	% holding 2018	% holding 2017	Carrying amount 2018 (R)	Carrying amount 2017 (R)
Soul City Broad Based Empowerment Company Proprietary Limited		100.00 %	100.00 %	100.00 %	100.00 %	100	100

Reporting period

The end of the reporting period of Soul City Broad Based Empowerment Company Proprietary Limited is 28 February 2018. The company's total assets amounted to R183 594 822 (2017: R155 874 463) and total liabilitites amounts to R36 490 595 (2017: R35 795 992) respectively.

	2018 R '000	2017 R '000

5. Loan to group company

A loan to Soul City Broad-Based Empowerment Company Proprietary Limited (SCBBEC) of R2,188,000 is unsecured, interest free and has no fixed repayment terms. Soul City Institute NPC has agreed that the loan does not have to be repaid within the next 12 months.

The amount of R1,010,000 was repaid to Soul City Institute NPC on 24 April 2017.

	2018 R '000	2017 R '000
Non-current assets	2 188	2 188
Current assets	-	1 010
	2 188	**3 198**

Credit quality of loan to group company

The credit quality of the loan to the group company that is neither past due nor impaired can be assessed by reference to to historical information about counterparty default rates.

The company has not provided for any impairment deficits on the group company loan as this loans is considered to be recoverable.

6. Trade and other receivables

	2018 R '000	2017 R '000
Trade receivables	1 437	2 308
E wallet receivables	289	326
Prepayments	235	869
Deposits	65	46
VAT	415	612
Sundry receivables	176	300
	2 617	**4 461**

All amounts are short term. The carrying value of trade receivables is considered a reasonable approximation of its fair value.

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 30 days past due are not considered to be impaired. At 28 February 2018 ,RNil (2017: R2 111 212) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	2018 R '000	2017 R '000
1 month past due	-	-
2 months past due	-	-
3 months past due	-	2 111
	-	**2 111**

	2018 R '000	2017 R '000

7. Donor funds receivable

Deferred income	(32 352)	(46 255)
Donor funds receivable	902	2 748
	(31 450)	**(43 507)**

Deferred income		
Current liabilities	32 352	46 255
	32 352	**46 255**

Deferred income represent grants received from donors for specific projects of which the expenditure and/or conditions for the use of the funds have not yet been incurred and/or met.

Donor funds receivable represent grant expenditure incurred in excess of grants received, which are recoverable from the respective donors.

The donor funds receivable and deferred income balances are considered to reasonably approximate their fair values.

Donor funds receivable		
Gross	902	2 748
Less: Provision for impairment	-	-
	902	**2 748**

7. Donor funds receivable (continued)

Donor funds receivable and deferred income per donor 2018	Balance beginning of the year R '000	Project grant received R '000	Adjustments and interest received on grant funds R '000	Project expenditure R '000	Grant balance at the end of the year R '000
Anglo American Chairman's Fund	(678)	(1 000)	-	543	(1 135)
Aurora Wind Power	300	(2 438)	-	2 167	29
Global Advocacy for HIV Prevention (AVAC)	(100)	(62)	20	142	-
Centers for Disease Control and Prevention (CDC)	(1 983)	823	1 321	(161)	-
Comic Relief	(4 995)	(5 087)	-	5 916	(4 166)
Department of Health National: GoodLife Network	(467)	-	1 339	-	872
Department of Health National	(3 064)	(22 662)	1	12 796	(12 929)
Department of Social Development-North West	(3)	-	3	-	-
Department of Social Development-National	(310)	-	2	308	-
Department of Social Development - Gauteng	(5 719)	(11 571)	(128)	16 583	(835)
European Union	(709)	(2 560)	2	2 645	(622)
Foundation for Professional Development (USAID)	2 322	(9 143)	23	6 373	(425)
The Global Fund to Fight AIDS, Tuberculosis and Malaria	(28 197)	(57 770)	(215)	74 410	(11 772)
London School of Tropical Medicine and Hygiene	10	(570)	128	369	(63)
Mainstream Renewable Power	-	(475)	-	475	-
Murray and Roberts	(31)	-	31	-	-
PACT Swaziland (via USAID)	117	(185)	(8)	76	-
SAGE	-	(451)	-	47	(404)
Total excluding provision for impairment	**(43 507)**	**(113 151)**	**2 519**	**122 689**	**(31 450)**

7. **Donor funds receivable (continued)**

Donor funds receivable and deferred income per donor 2017	Balance beginning of the year R '000	Project grant received R '000	Adjustments and interest received on grant funds R '000	Project expenditure R '000	Grant balance at the end of the year R '000
ABSA Bank Limited	(5)	-	5	-	-
Anglo American Chairman's Fund	(9)	(1 000)	9	322	(678)
Aurora Wind Power	121	(1 723)	4	1 898	300
Global Advocacy for HIV Prevention (AVAC)	-	(558)	2	456	(100)
Centers for Disease Control and Prevention (CDC)	(1 611)	(18 765)	159	18 234	(1 983)
Comic Relief	(6 582)	(4 277)	316	5 548	(4 995)
Department of Health National: GoodLife Network	3 431	(6 284)	59	2 327	(467)
Department of Health - National	3 112	(16 709)	(126)	10 659	(3 064)
Department for International Development Southern Africa	(1)	-	1	-	-
Department of Social Development - North West Province	(149)	-	146	-	(3)
Department of Social Development - Gauteng	-	(14 932)	-	9 213	(5 719)
Department of Social Development - National	(161)	(1 046)	150	747	(310)
European Union (new grant awarded)	-	(707)	(2)	-	(709)
European Union (grant closed)	1 868	(2 170)	302	-	-
Foundation for Professional Development (USAID)	(377)	(7 059)	(4)	9 762	2 322
The Global Fund to Fight AIDS, Tuberculosis and Malaria	(7 488)	(65 427)	(64)	44 782	(28 197)
London School of Tropical Medicine and Hygiene	215	(815)	8	602	10
Mainstream Renewable Power	-	(338)	-	338	-
Murray and Roberts	(31)	-	-	-	(31)
Oxfam Novib	82	-	(82)	-	-
PACT Swaziland (USAID)	6	(731)	(2)	844	117
Ponahalo De Beers Trust	61	-	10	(71)	-
RMCH Futures Group	3	-	(3)	-	-
Wild Geese	200	(192)	(8)	-	-
Total excluding provision for impairment	**(7 315)**	**(142 733)**	**880**	**105 661**	**(43 507)**

Donor funds receivable and deferred income are considered to reasonably approximate their fair values, respectively.

	2018 R '000	2017 R '000

8. Cash and cash equivalents

Cash and cash equivalents consist of:

	2018	2017
Cash on hand	7	1
Bank balances	30 950	59 142
Short-term deposits	18 396	107
	49 353	**59 250**

All bank accounts are held at First National Bank South Africa, which has a credit rating of Baa3.

A guarantee has been issued by FNB to the value of R354 000 for the Dunkeld West leased premises.

9. Trade and other payables

	2018	2017
Trade payables	886	3 683
Accrued leave pay	2 206	2 119
Accrued expenses	2 111	2 455
Operating lease payables	54	50
Deferred forex gains	149	142
Other payables	734	797
	6 140	**9 246**

All amounts are short term. The carrying values are considered to reasonably approximate their fair values.

10. Revenue

	2018	2017
Consulting fee income	40	9
Grant income recognised	123 178	105 661
	123 218	**105 670**

11. Other operating income

	2018	2017
SABC licence fees for Rise TV Talkshow	-	212
Other rental income	75	20
Fundraising-Back a buddy	3	-
	78	**232**

12. Other operating gains/(losses)

	2018	2017
Gains / (losses) on disposals, scrappings and settlements		
Property, plant and equipment	4	(12)
Foreign exchange gains		
Net foreign exchange gains	123	650
Total other operating gains /(losses)	**127**	**638**

Notes to the Annual Financial Statements

	2018	2017

13. Operating deficit and expenses by nature

	2018	2017
Computer expenses	1 020	1 041
Employee costs-finance and management	16 277	15 327
Employee costs-programmes	24 363	21 563
Grant expenses-services	83 391	68 220
Unfunded project costs	58	174
Provincial office running costs	847	832
Resource Mobilisation and proposal costs	1 145	543
Municipal expenses	699	708
Lease rentals on operating lease	3 062	2 951
Other expenses	3 822	4 845
Total expenses	**134 684**	**116 204**

14. Investment income

	2018	2017
Dividend income		
From group entities:		
Subsidiaries - Local	12 200	2 900
Interest income		
From investments in financial assets:		
Bank and other cash	1 405	1 912
Total investment income	**13 605**	**4 812**

15. Finance costs

	2018	2017
Trade and other payables	(10)	(4)

16. Cash (used in) / generated by operations

	2018	2017
Deficit for the year	2 334	(4 856)
Adjustments for:		
Depreciation and amortisation	249	420
Loss on disposal of assets	(4)	12
Gains on foreign exchange	(123)	(650)
Dividend income	(12 200)	(2 900)
Interest income	(1 405)	(1 912)
Finance costs	10	4
Changes in working capital:		
Trade and other receivables	1 844	836
Donor funds receivable	1 846	6 351
Trade and other payables	(3 106)	(799)
Deferred income	(13 904)	29 842
	(24 459)	**26 348**

	2018 R '000	2017 R '000

17. Commitments

Authorised operating expenditure

	2018 R '000	2017 R '000
Already contracted for but not provided for		
• Operating expenses within one year	1 596	2 018
• Operating expenses in second to fifth year inclusive	1 303	2 797
• Programme expenses within one year	5 295	8 377
	8 194	**13 192**

Operating leases – as lessee (expense)

	2018 R '000	2017 R '000
Minimum lease payments due		
- within one year	2 741	3 413
- in second to fifth year inclusive	46	434
	2 787	**3 847**

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

18. Retirement benefits

	2018 R '000	2017 R '000
The company contribution charged to the statement of comprehensive income	2 658	2 345

The company contributes to the Soul City Provident Fund retirement benefit scheme. The retirement fund is governed by the Pension Funds Act 1956 (Act no 24 of 1956). The fund is in the nature of a defined contribution plan where the retirement benefits are determined with reference to the employer's and employees contribution. The company has no other post-retirement benefits.

19. Related parties

Relationships	
Subsidiary	Soul City Broad-Based Empowerment Company Proprietary Limited
Related investment holding entities/special purpose entities	Main Street 801 RF Proprietary Limited Main Street 885 RF Proprietary Limited
Members of key management	S Goldstein J Molefe S Usdin E M Strydom L L Ramafoko M P Kodisang Z U Dangor
Directors	J Broomberg N Bulbulia (Chairperson) CA Carolus YT Carrim (resigned 03 April 2018) DPN Conco (appointed 01 November 2017) FC Futwa TP Maseko LL Ramafoko (CEO) H Saloojee EM Strydom (CFO) N Xolo (appointed 24 April 2018) K J Hofman (resigned 31 December 2017) F Roji-Maplanka (resigned 13 September 2017)
Company secretary	G Padayachee

	2018 R '000	2017 R '000

19. Related parties (continued)

Related party balances

	2018 R '000	2017 R '000
Amounts due from related parties		
Amounts due from Soul City Broad-Based Empowerment Company Proprietary Limited	2 188	3 198

Related party transactions

	2018 R '000	2017 R '000
Directors and prescribed officers' emoluments		
Short-term employee benefits	9 725	8 856
Dividends received from the Broad Based Empowerment Company	12 200	2 900
	21 925	**11 756**

20. Directors' emoluments

Executive directors and prescribed officers

2018

	Emoluments	Other benefits*	Total
LL Ramafoko	1 866	30	1 896
EM Strydom	1 411	-	1 411
SJ Goldstein (Prescribed officer)	1 601	-	1 601
MP Kodisang (Prescribed officer)	1 063	-	1 063
S Usdin (Prescribed officer)	1 469	-	1 469
JM Molefe (Prescribed officer)	1 343	53	1 396
G Padayachee (Company secretary)	630	-	630
Z U Dangor (Prescribed officer)	259	-	259
	9 642	**83**	**9 725**

2017

	Emoluments	Other benefits*	Total
LL Ramafoko	1 758	30	1 788
EM Strydom	1 331	-	1 331
SJ Goldstein (Presecribed officer)	1 509	-	1 509
MP Kodisang (Prescribed officer)	938	-	938
S Usdin (Presecribed officer)	1 385	-	1 385
J M Molefe (Presecribed officer)	1 264	53	1 317
G Padayachee (Prescribed officer)	588	-	588
	8 773	**83**	**8 856**

* Other benefits comprise travel allowances.

Notes to the Annual Financial Statements

21. Categories of financial instruments

	Notes	Debt instruments at amortised cost	Financial liabilities at amortised cost	Leases	Equity and non financial assets and liabilities	Total
Categories of financial instruments - 2018						
Assets						
Non-Current Assets						
Property, plant and equipment	3	-	-	-	490	490
Loans to group companies	5	2 188	-	-	-	2 188
		2 188	-	-	**490**	**2 678**
Current Assets						
Trade and other receivables	6	1 678	-	-	939	2 617
Donor funds receivable	7	-	-	-	902	902
Cash and cash equivalents	8	49 353	-	-	-	49 353
		51 031	-	-	**1 841**	**52 872**
Total Assets		**53 219**	-	-	**2 331**	**55 550**
Equity and Liabilities						
Equity						
Retained income		-	-	-	17 058	17 058
Total Equity		-	-	-	**17 058**	**17 058**
Liabilities						
Current Liabilities						
Trade and other payables	9	-	5 944	54	149	6 140
Deferred income	7	-	-	-	32 352	32 352
		-	**5 944**	**54**	**32 501**	**38 492**
Total Liabilities		-	**5 944**	**54**	**32 501**	**38 492**
Total Equity and Liabilities		-	**5 944**	**54**	**49 559**	**55 550**

Notes to the Annual Financial Statements

21. Categories of financial instruments (continued)

Categories of financial instruments - 2017

	Note(s)	Debt instruments at amortised cost	Financial liabilities at amortised cost	Leases	Equity and non financial assets and liabilities	Total
Assets						
Non-Current Assets						
Property, plant and equipment	3	-	-	-	568	568
Loans to group companies	5	2 188	-	-	-	2 188
		2 188	**-**	**-**	**568**	**2 756**
Current Assets						
Loans to group companies	5	1 010	-	-	-	1 010
Trade and other receivables	6	2 654	-	-	1 807	4 461
Donor funds receivable	7	-	-	-	2 748	2 748
Cash and cash equivalents	8	59 249	-	-	-	59 249
		62 913	**-**	**-**	**4 555**	**67 468**
Total Assets		**65 101**	**-**	**-**	**5 123**	**70 224**
Equity and Liabilities						
Equity						
Retained income		-	-	-	14 724	14 724
Total Equity		**-**	**-**	**-**	**14 724**	**14 724**
Liabilities						
Current Liabilities						
Trade and other payables	9	-	6 933	-	2 312	9 245
Deferred income	7	-	-	-	46 255	46 255
		-	**6 933**	**-**	**48 567**	**55 500**
Total Liabilities		**-**	**6 933**	**-**	**48 567**	**55 500**
Total Equity and Liabilities		**-**	**6 933**	**-**	**63 291**	**70 224**

22. Risk management

Financial risk management

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance. Risk management is carried out by management under policies approved by the board. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Fair value risk

The directors are of the opinion that the book value of financial instruments approximates fair value.

Liquidity risk

The company's risk to liquidity relates to funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities. Regular cash flows forecasts are prepared to monitor the adequacy of the company's cash facilities.

Interest rate risk

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non derivative instruments at the end of the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to Directors and represents the Directors' assessment of the reasonably possible change in interest rate.

If interest rates had been 50 basis points higher/lower and all other variables constant, the Company's financial result for the year ended 28 February 2018 would increase/decrease by R20 563 (2017: R61 520).

This is mainly attributable to the company's exposure to interest rates on its cash and cash equivalents and the fair value interest rate risk attributable to the company. There is no impact on other comprehensive income.

Deposits attract interest at rates that vary with the prime rate. The company's policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on the company.

Capital risk management

The company's objectives when managing capital is to safeguard the company's ability to continue as a going concern while maximising the return on free funds on a risk adjusted basis. The capital structure of the company consists of accumulated reserves.

Credit risk

Credit risk is managed on a company basis.

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread donor base. Management evaluates credit risk relating to donors on an ongoing basis. If donors are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the donor, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

Foreign exchange risk

The company operates internationally and is exposed to foreign exchange risk arising from the company's foreign donor activities and donor projects, which are primarily denominated in South African Rands, Euro, US Dollars and British Pounds.

Foreign exchange risk arises when future transactions for recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

The sensitivity to foreign exchange in the net result for the year was not significant to the company's operating activities. Exposure to foreign exchange rates carried during the year is dependent on the volume and the amount of foreign currency transactions.

22. Risk management (continued)

Exchange rates used for conversion of foreign items were:

	2018	2017
Average rate used to convert transactions - GBP: ZAR	1:16.2986	1:16.0851
Average rate used to convert transactions - USD: ZAR	1:11.7186	1:13.0218
Average rate used to convert transactions - EURO: ZAR	1:14.3293	1:13.7952

Bank balances held in CFC accounts at year end were as follows for the European Union (Euro) and Global Fund (US Dollar) projects respectively:

EU CFC account: €55321.58

Global Fund CFC account: $107.71

Fair value estimation

The carrying values less impairment provisions of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rates that is a available to the company for similar financial instruments.

23. 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.

24. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year that might have a material impact on the reported results.

25. Taxation

The company has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, (the Act) and the receipts and accruals are exempt from income tax in terms of the section 10(1)(cN) of the Act.

Donations to the company are exempt from donations tax and estate duty and South African donors qualify for tax deduction in terms of Section 18A of the Income Tax Act.

Detailed Statement of Comprehensive Income

	2018 R '000	2017 R '000
Revenue		
Consulting fees	40	9
Grant income	123 178	115 912
	123 218	**115 921**
Other operating income		
License fees	-	212
Other rental income	75	20
Fundraising income	3	-
	78	**232**
Other operating gains / (losses)		
Gains/ (losses) on disposal of assets	4	(12)
Foreign exchange gains	123	650
	127	**638**
Expenses (Refer to page 39)	**(134 684)**	**(116 204)**
Operating (deficit)/surplus	**(11 261)**	**587**
Investment income	13 605	4 812
Finance costs	(10)	(4)
Total operating (deficit)/surplus the year	**2 334**	**5 395**

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

Detailed Statement of Comprehensive Income

	2018 R '000	2017 R '000
Other operating expenses		
Administration and management fees	23	-
Auditors remuneration - external auditors	361	393
Bad debts	6	-
Bank charges	107	93
Cleaning	35	27
Computer expenses	1 020	1 041
Consulting and professional fees	206	402
Consulting and professional fees - legal fees	24	111
Consumables	90	102
Depreciation	249	420
Donations	1	16
Employee costs - Finance and Management	16 277	15 327
Public Relations and Communication	591	799
Resource Mobilisation and Proposal costs	1 145	543
Professional membership fees	15	14
Provincial office runnning costs	847	832
Fines and penalties	62	1
Insurance	193	249
IT expenses	410	381
Lease rentals on operating lease	3 062	2 951
Employee health and wellness	21	19
Motor vehicle expenses	81	29
Municipal expenses	699	708
Staff recruitment fees	367	694
Printing and stationery	122	243
Repairs and maintenance	187	236
Security	10	10
Subscriptions	42	19
Telephone and fax	343	349
Training	-	6
Travel - local	236	219
Travel - overseas	40	13
Grant expenses	83 391	68 220
Project expenses funded from reserves	58	174
Employee costs - Programmes	24 363	21 563
	134 684	**116 204**

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

Supplementary Information

1. Cumulative since incorporation

Donor	Grant received to date R '000	Interest movement on grant funds R '000	Project expenditure to date R '000	Adjustments R '000	Grant balance at the end of the year R '000
Access	(675)	-	675	-	-
FHI360 / AED	(6 284)	-	6 178	106	-
ABSA	(1 799)	5	1 794	-	-
Africa Foundation	(38)	-	38	-	-
Anglo American Chairmans' Fund	(8 060)	-	6 925	-	(1 135)
Aurora Wind Power	(5 009)	-	5 038	-	29
Global Advocacy for HIV Prevention (AVAC)	(620)	-	598	22	-
Cancer Association	(1 016)	-	1 016	-	-
Centers for Disease Control and Prevention (CDC)	(379 856)	(24)	378 616	1 264	-
Children's Institute	(112)	-	112	-	-
De Beers Fund	(7 456)	-	7 456	-	-
Comic Relief	(20 110)	-	15 804	140	(4 166)
Department of Health National	(243 056)	(268)	230 847	(452)	(12 929)
Department of Health-GoodLife Network	(26 311)	-	25 844	1 339	872
Department of Health (Global Fund - Round 6)	(132 433)	(138)	132 622	(51)	-
Department for International Development Southern Africa	(708 974)	(1 016)	709 990	-	-
Department of Social Development	(5 000)	-	5 000	-	-
Department of Social Development - North West Province	(6 000)	-	5 647	353	-
Department of Social Development-Gauteng	(26 504)	-	25 796	(128)	(836)
Department of Social Development - Provincial Government	(2 786)	-	2 786	-	-
Department of Social Development - National	(10 046)	(2)	10 046	2	-
DPSA	(3 257)	-	3 257	-	-
Elma Foundation	(5 589)	-	5 589	-	-
European Union	(106 952)	-	110 991	(4 039)	-
European Union	(3 267)	-	2 645	-	(622)
Foundation for Professional Development (USAID)	(25 609)	(7)	25 191	-	(425)
Foundation for Professional Development (USAID)Extension	(5 061)	-	5 061	-	-
GIZ	(398)	-	398	-	-
The Global Fund to Fight AIDS, Tuberculosis and Malaria	(182 099)	(974)	171 301	-	(11 772)
IBIS	(300)	-	300	-	-
IDS	(893)	-	694	199	-
Ireland Aid / DCI	(13 950)	-	13 950	-	-
JICA - Embassy Japan	(552)	-	552	-	-
Khomanani	(1 364)	-	1 364	-	-
Kwanda TV Production	(4 562)	-	4 516	46	-
London School of Tropical Medicine and Hygiene	(1 790)	-	1 591	136	(63)
Mainstream Renewable Power	(814)	-	814	-	-

Supplementary Information

Mbongo Works Proprietary Limited	(185)	-	-	185	-
MTN	(7 000)	-	6 996	4	-
Murray and Roberts	(11 997)	-	11 516	481	-
NDMA	(707)	-	707	-	-
North West Provincial Department	(2 796)	-	2 796	-	-
Old Mutual	(1 431)	-	1 431	-	-
Oprah Winfrey Foundation	(615)	-	615	-	-
Oxfam Novib	(3 405)	-	3 466	(61)	-
Oxfam Novib (Egypt)	(350)	-	350	-	-
PACT Swaziland (via USAID)	(1 670)	(12)	1 682	-	-
Ponahalo De Beers Trust	(1 266)	-	1 100	166	-
RMCH Futures Group	(963)	-	966	(3)	-
Rockefeller	(1 624)	-	1 624	-	-
SAGE	(451)	-	47	-	(404)
SAIA	(4 000)	-	4 000	-	-
SIDA	(35 026)	(4)	35 106	(76)	-
TIPS	(1 872)	-	1 871	1	-
UNFPA	(5 447)	-	5 384	63	-
UNESCO	(93)	-	85	8	-
UNICEF	(1 793)	-	1 793	-	-
Wild Geese	(27 282)	(42)	27 392	(68)	-
Total	**(2 058 575)**	**(2 482)**	**2 029 969**	**(363)**	**(31 451)**

2. Grant expenses

	2018	2017
Total grant disbursements	122 689	105 661
Less: Reimbursement of Soul City administrative costs	(39 298)	(37 441)
Grant expenses per Detailed Income Statement	**83 391**	**68 220**

3. Cumulative grants received

	2018 R '000	2017 R '000
Received prior year balance	(1 945 424)	(1 802 691)
Grants received in current year (per note 7)	(113 151)	(142 733)
	(2 058 575)	**(1 945 424)**

4. Cumulative total project expenses reconciliation

	2018 R '000	2017 R '000
Project expenses funded from grants	2 029 969	1 906 942
Prior year cumulative project expenses funded from reserves	43 236	43 062
Current year project expenses funded from reserves	58	174
Cumulative total project expenses	**2 073 263**	**1 950 178**