

Annual Accounts

2021

North Star Alliance
Combined Annual Financial Statements




**North Star
Alliance**

northstar-alliance.org

General Information

COUNTRY OF INCORPORATION AND DOMICILE	The Netherlands, South Africa and Kenya
DIRECTORS	Ylse Van der Shoot – Resigned 01/10/2021 Michael Becker Rozaan Van Der Westhuysen Eva Irene Wairimu Mwai
AUDITORS	Nwanda Incorporated Chartered Accountants (S.A.) Registered Auditors Practice number: 952451
PREPARER	The Combined Annual Financial Statements were independently compiled by N. Bothma CA (SA).

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The reports and statements set out below comprise the Combined Annual Financial Statements to the members:

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¹ The supplementary information presented does not form part of the combined annual financial statements and is unaudited.

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 Combined Annual Financial Statements and related financial information included in this report. It is their responsibility to ensure that the Combined Annual Financial Statements fairly represent the state of affairs of the organisation as of the financial year end, and that the results of its operations and cash flows for the said period, conform with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an audit opinion on the Combined Annual Financial Statements.

The Combined Annual Financial Statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

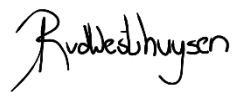
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the organisation and place considerable importance on maintaining a strong and controlled environment. To enable the directors to meet these responsibilities, the Board sets the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

Based on the information and explanations given by management, the directors are of the opinion that the system of internal control provides reasonable assurance that the financial records may be relied upon, for the preparation of the Combined 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 organisation's cash flow forecast for the year to 31 December 2022, and in the light of this review and the current financial position, they are satisfied that the organisation has access to adequate resources to continue its operations for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the organisation's Combined Annual Financial Statements, which have been examined by the organisation's external auditors and presented in their report on pages 6 – 7

The Combined Annual Financial Statements set out on pages 8 to 21, which have been prepared on the going concern basis, were approved by the Board on 24 May 2022 and were signed on their behalf by:



Rozaan van der
Westhuysen
Finance Director



Eva Mwai
*Regional Director East
Africa*



Michael Becker
*Regional Director
Southern Africa*

24 May 2022



Nwanda Incorporated

Independent Auditors' Report

Opinion

We have audited the Combined Annual Financial Statements of North Star Alliance set out on pages 12 to 21, which comprise the Statement of the Financial Position as of 31 December 2021, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and notes to the Combined Annual Financial Statements, including a summary of significant accounting policies.

In our opinion, the Combined Annual Financial Statements fairly represent, in all material respects, the financial position of North Star Alliance as of 31 December 2021, and its financial performance and cash flows for the said year, in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of Annual Financial Statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information, which is included in the Directors' Report, Directors' Commentary as well as the Detailed Statement of Comprehensive Income, which we obtained prior to the date of this report. Other information does not include the Combined Annual Financial Statements and our auditors' report thereon.

Our opinion on the Combined Annual Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

With regards to our audit of the Combined Annual Financial Statements, we have read the other information and, in doing so, considered whether it is materially inconsistent with the Combined Annual Financial Statements, the knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we will report this. However, we have nothing to report in this regard.

Responsibilities of the directors for the Combined Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the Combined Annual Financial Statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, as well as the requirements of the Companies Act 71 of 2008. The internal controls as determined necessary by the directors, enable the preparation of the Combined Annual Financial Statements to be free from material misstatement, whether due to fraud or error.

Chartered Accountants and Registered Auditors (PR No. 952451)

28A Riley Road, Bedfordview, 2007 • P.O Box 751767, Gardenvue, 2047

Registration Number 2004/003741/21 • E-mail: nwanda@nwanda.co.za • www.nwanda.co.za

Tel 011 622 0926

Directors • Robert Borrill • Roy Macpherson • Mauritz Jankowitz • Pieter Steyn • Christopher Botha
• Ashen Gunasee • Erika Botha • Professor Mafela



In preparing the Annual Financial Statements, the director is 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 director either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the Combined Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the Combined Annual Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Combined Annual Financial Statements. As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout. We also:

- Identify and assess the risks of material misstatement of the Combined Annual 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 organisation'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 organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Combined Annual 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 auditors' report. However, future events or conditions may cause the organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Combined Annual Financial Statements, including the disclosures, and whether the Combined Annual 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.

Pieter Steyn

Nwanda Incorporated
Chartered Accountants (S.A.)
Registered Auditors
Practice number: 952451

Per: P. Steyn
Director

24 May 2022



Directors' Report

The directors submit their report for the year ended 31 December 2021.

1. REVIEW OF ACTIVITIES

Main business and operations

North Star Alliance's business and operations and the results thereof are clearly reflected in the attached financial statements.

The organisation operates within three entities:

1. Stitching North Star Alliance (a Not for Profit Organisation in The Netherlands)
2. North Star Alliance Southern Africa (a Non Profit Company in South Africa)
3. North Star Alliance - East Africa (a Non Profit Society in Kenya)

The Combined Annual Financial Statements include the combined results of the above three entities.

The mission of the organisation is to provide quality healthcare to mobile workers and the communities they interact with.

The operating results and state of affairs of the organisation are fully set out in the attached Combined Annual Financial Statements and do not in our opinion require any further comment.

2. GOING CONCERN

The Combined 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 other matter or circumstance arising since the end of the financial year to the date of the audit report.

4. PROPERTY, PLANT AND EQUIPMENT

There were no major changes in the nature of the non-current assets during the year or to the policies relating to their use.

Non-current assets purchased in the current year amounted to €6 479 (2020: €10,760).

5. DIRECTORS

The directors of North Star Alliance during the year and to the date of this report are as follows:

Directors	Nationality	Changes
Michael Becker	South African	None
Rozaan van der Westhuysen	South African	None
Eva Irene Wairimu Mwai	Kenyan	None
Ylse van der Schoot	Dutch	Resigned 01 October 2021

6. AUDITORS

Nwanda Incorporated are the auditors of North Star Alliance Southern Africa (Non-Profit Company) as well as Stichting North Star Alliance.

Mazars are the auditors of North Star Alliance - East Africa.

Directors' Commentary

Dear readers,

On behalf of North Star Alliance, we present our 2021 audited financial statements. These provide a comprehensive financial overview of how we have invested the Organisation's resources in 2021. It also reflects our continued commitment - despite the impact of COVID-19 - to providing quality healthcare to the hard-to-reach population and communities along the major transport corridors in sub-Saharan Africa.

In 2020 it was decided that the organisation's senior management and offices should be located close to the heart of our operations, out in the field. This important decision and shift in operations would ultimately ensure that we are able to maintain a strong understanding of local complexities at a strategic level. This decision came alongside the increasingly evident move from donors to invest directly and locally at a project and programmatic level. This shift in the donor funding modalities allowed North Star to embrace this strategic change and make the decision to transfer the organisation's coordination and management responsibilities from its international office in Europe to Africa. North Star Alliance entered a phased approach to shifting these roles and responsibilities with it being finalised in 2021 when the supervisory board approved the management board's proposal for a three-director co-leadership model. Our executive director, Ms. Ylse Cynthia van der Schoot based in the Netherlands, consequently stepped down from her position effective 1 October 2021 and handed over the reins to North Star Alliance's current directors Ms. Eva Mwai, Ms. Rozaan van der Westhuysen, and Mr. Michael Becker based in Africa. The organisation's new management structure, the three local directors, are required to report in a directly to the supervisory board in the Netherlands using a collegial model.

The Stichting North Star Alliance legal entity will be maintained as a representative office in the Netherlands during 2022 and will be reviewed again in 2023. This decision allows current contracts between the entity and funders to continue without any significant changes being made to ongoing projects. The overall expenses for the Netherlands entity will be kept at a minimum. As of 2022 there are no employees employed under the Stichting North Star Alliance legal entity thus completing the shift from a traditional head office structure to a local structure.

We received several grants to support our operations in 2021. Much of what our international office has achieved this year has been with enormous thanks to our financial partners: Trafigura Foundation, Puma Energy Foundation, Grand Challenges Canada, Pfizer Foundation, Stichting Dioraphte and MSD.

In East Africa funding included the Global Fund funding the KIC TB project in Mombasa with AMREF as the Principal Recipient. This project has progressed well and achieved its intended objective, which was to find, screen and treat individuals with Tuberculosis (TB). In addition, the implementation of the Medtronic foundation project continued operations during 2021 in Nakuru, Machakos and Makueni counties in Kenya, and in Malaba and Namanve in Uganda. Another continuing grant was the Trafigura Foundation and Puma Energy Foundation whose funding supported the operations in selected North Star clinics along the Dar corridor in Tanzania.

The FHI 360 *Afya Nyota Ya Bonde* grant in Nakuru County ended during this year however North Star managed to secure subsequent funding from the United States Agency for International

Development (USAID) with Deloitte as the Principal Recipient to implement the Tujenge Jamii project in the Nakuru County.

The Centre for Disease Control and Prevention (CDC) funded the Key Populations Investment Fund (KPIF) project through its Principal Recipient, Impact Research and Development Organisation (IRDO), who in 2021 granted North Star a No Cost Extension (NCE) until September 2021.

In collaboration with other partners including Transaid and led by Cardno Emerging Markets, North Star worked on a research project on human trafficking along the East African high-volume transport borders. The study, which ended in October 2021, was funded by UK Aid Direct from the Foreign, Commonwealth and Development Office (FCDO) and was conducted in Tanzania and Uganda. The research revealed the key role that the transport sector plays in trafficking within Tanzania and Uganda, and provided an important entry point for identifying trafficking victims, mostly woman and children.

The East Africa region was privileged to receive an additional grant from the Siemens Foundation focusing on the prevention and control of the spread of COVID- 19 infections at the Salgaa Blue Box in Nakuru, Kenya during the year.

2021 also welcomed the TTS3 funding from Grand Challenges Canada promoting Sexual Reproductive Health and Rights (SRHR) and addressing Gender-Based Violence (GBV) in clinics in East as well as Southern Africa by forming multi-sectoral teams aimed as supporting and advocating for the rights of key populations, a flagship programme offered by North Star known as the Crisis Response Teams (CRTs). These teams comprise community leaders, peer educators, law enforcement agencies, police officers, representatives of religious groups and the Ministry of Health (MOH), among others.

In the Southern Region we continued to implement and operationalise Roadside Wellness Centres under the Southern African Development Community (SADC) HIV Round 3. This project is comprised of three funding proposals where we are operationalising twelve clinics across eight countries: Eswatini, Lesotho, Malawi, Mozambique, South Africa, Tanzania, Zambia and Zimbabwe. The roll out of implementation started fairly slow due to some contractual issues between SADC and numerous implementing partners. The project therefore only received its first funding disbursement in mid-2021, and thereafter we focused on operationalising the remainder of the clinics which had not been operationalised due to funding not being released timeously. With the delay in the actual start of the project, we are hoping to be granted a no-cost extension for the project to ensure deliverables can be achieved.

Our Revenue Generation clinic in Cato Ridge, South Africa, is still being piloted with the aim of providing North Star clinics with a supplementary income stream. This pilot aims to create a more sustainable income stream that will ultimately support our longer-term sustainability goals and reduce clinic's reliability on donor subsidies. With the support of Aidsfonds, North Star was able to secure funding to once again offer free health care services to sex workers in the Cato Ridge area. The sex workers accessing free services are ultimately being subsidised by Aidsfonds, thus increasing the overall foot traffic through the clinic and increasing the overall patient numbers. Once again it's thanks to the Trafigura Foundation and Puma Energy Foundation for their continued support and investment in this project.

Our Handsoff!2 project funded by Aidsfonds continued to produce exceptional results during 2021, with the strategic inclusion of mental health to ensure clients are accessing a holistic

package of services tailored to meet their specific needs. Crisis Response Teams (CRTs) also being implemented at this clinic has ensured that key populations also receive specific crisis and gender-based violence support and care.

At our Inchope clinic in Mozambique we continued our work with Amend, a road safety specialist NGO that develops, implements and evaluates evidence-based programmes to reduce road traffic injuries in low to middle income countries. Funded through the World Food Programme, the project also focused on healthcare strengthening along the Beira Corridor as well as road safety awareness, which resulted in the introduction of ART as part of our service package at the clinic. The project came to an end on 31 December 2021. We are expecting a new expression of interest to be advertised by WFP in mid-2022.

Goscor (PTY)Ltd have continued to provide valuable support to our Ngodwana clinic in Mpumalanga, South Africa. Their generous donations have enabled the clinic to expand on its service delivery with particular focus on taking care to those most in need and vulnerable. This support builds on their initial financial support aimed at strengthening the implementation of our Covid-19 emergency response at the clinic.

As an organization, we have managed to limit our expenditure during the year to ensure we minimised our reserved spending. We have a sufficient balance of reserves left in 2021 to cover any eventual deficits in 2022 should such arise. Based on current networking, projects and verbal indications, we expect that new funding opportunities could be confirmed, opening the door for North Star Alliance to make further headway.

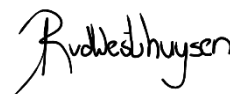
In 2022 we will continue our collaboration with our key partners but also focus on fundraising and building new partnerships, keeping true to our commitment in serving our clients by securing continuity of care. We sincerely thank you for your role in supporting our development to this point.



Eva Mwai



Michael Becker



Rozaan van der Westhuisen

Statement of Financial Position as at 31 December 2021 (in Euro)

(after appropriation of income and expenditure)

ASSETS	Note	<u>2021</u>	<u>2020</u>
Non-current assets			
Property, Plant and Equipment	2	<u>13,872</u>	<u>21,272</u>
Current assets			
Trade and other receivables	3	355,180	175,549
Cash and cash equivalents	4	<u>1,162,108</u>	<u>1,404,002</u>
		<u>1,517,288</u>	<u>1,579,551</u>
TOTAL ASSETS		<u>1,531,160</u>	<u>1,600,823</u>
EQUITY AND LIABILITIES			
EQUITY			
Restricted funds	5	415,143	289,308
Unrestricted funds	6	1,058,054	1,123,038
Continuity reserve		250,000	250,000
Foreign currency translation reserve	7	<u>(259,764)</u>	<u>(274,881)</u>
		<u>1,463,433</u>	<u>1,387,465</u>
LIABILITIES			
Current Liabilities			
Deferred Income	8	-	124,103
Trade and other payables	9	<u>67,727</u>	<u>89,255</u>
		<u>67,727</u>	<u>213,358</u>
TOTAL EQUITY AND LIABILITIES		<u>1,531,160</u>	<u>1,600,823</u>

Statement of Comprehensive Income for the year ended 31 December 2021 (in Euro)

	Note	2021	2020
Donations	10	1,929,042	2,311,123
Other Income		79,267	58,094
Operating expenses		<u>(1,963,817)</u>	<u>(2,314,681)</u>
Operating surplus	11	44,492	54,536
Interest received	12	<u>16,359</u>	<u>24,738</u>
Surplus for the year		60,851	79,274
Allocation of surplus:			
Addition to restricted funds		125,835	(23,944)
Addition (deduction) to/(from) unrestricted funds		<u>(64,984)</u>	<u>103,218</u>
Total comprehensive surplus for the year		<u>60,851</u>	<u>79,274</u>

Statement of Changes in Equity for the year ended 31 December 2021 (in Euro)

	Foreign currency translation reserve	Continuity reserve	Restricted funds	Total reserves	Unrestricted funds	Total equity
Balance at 1 January 2020	(168,028)	250,000	313,252	395,224	1,019,820	1,415,044
Total surplus for the year	-	-	6,408	6,408	103,218	109,626
Movement in reserve	(106,853)	-	-	(106,853)	-	(106,853)
Prior period error	-	-	(30,352)	(30,352)	-	(30,352)
Total changes	(106,853)	-	(23,944)	(130,797)	103,218	(27,579)
Balance at 1 January 2021	(274 881)	250 000	289 308	264 427	1 123 038	1 387 465
Total surplus for the year	-	-	125 835	125 835	(64,984)	60,851
Movement in reserve	15 117	-	-	15 117	-	15 117
Total changes	15 117	-	125,835	140,952	(64,984)	75,968
Balance at 31 December 2021	(259,764)	250,000	415,143	405,379	1,058,054	1,463,433

Statement of Cash Flows for the year ended 31 December 2021 (in Euro)

	Note	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Funds received from donors		1,749,410	2,358,371
Cash paid to suppliers and employees		<u>(2,001,182)</u>	<u>(2,414,457)</u>
Cash generated from operations	13	-251,772	(56,086)
Interest income		<u>16,359</u>	<u>24,738</u>
Net cash from operating activities		<u><u>(235,413)</u></u>	<u><u>(31,348)</u></u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	2	(6,481)	(10,760)
Sale of property, plant and equipment		<u>-</u>	<u>-</u>
Net cash from investing activities		<u><u>(6,481)</u></u>	<u><u>(10,760)</u></u>
Total cash movement for the year		(241,894)	(42,108)
Cash at the beginning of the year		<u>1,404,002</u>	<u>1,446,110</u>
Total cash at end of the year	4	<u><u>1,162,108</u></u>	<u><u>1,404,002</u></u>

Accounting Policies

1. PRESENTATION OF COMBINED ANNUAL FINANCIAL STATEMENTS

- a) **Basis of Preparation**
The financial statements are prepared on an accrual basis.
- b) **Revenue Recognition**
Donations in cash are recognised on receipt of a donation confirmation from the donors, except for revenue relating to future years, which is recorded on the statement of financial position as deferred income.
All donations received in foreign currencies are translated into the functional currency for that specific entity at the exchange rates on the date of receipt. Any donation in the year designated for a specific purpose that is not fully spent is allocated to the restricted funds balance.
- c) **Translation of Foreign Currencies**
A foreign currency transaction is recorded by the three entities, on initial recognition in the specific currency for that entity, 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.
Exchange differences arising on the settlement of monetary items at rates different from those at which they were originally recorded are recognised in profit or loss in the period in which they arise.
At the end of each reporting period, assets and liabilities, irrespective of whether they are monetary or nonmonetary, denominated in different currencies, are translated into Euros at the closing rate.
The resulting exchange difference from the translation of assets and liabilities to Euros at closing rates is recognised in equity as a foreign currency translation reserve.
- d) **Taxation**
No provision for tax or deferred tax is recognised, as the three entities are exempt from taxation.
- e) **Property, Plant and Equipment**
Containers and container refurbishment are expensed.
Computer equipment, furniture and fittings, office equipment and passenger motor vehicles are capitalised.
- f) **Currency**
The financial statements are presented in Euros.
- g) **Rates of depreciation**
- | | |
|--------------------------|-----------------|
| IT equipment | 33.33% |
| Furniture and fixtures | 25.00% - 33.00% |
| Office equipment | 25.00% |
| Passenger motor vehicles | 20.00% |
- h) **Fund balances**
Fund balances are classified as either unrestricted or restricted.
- (a) **Unrestricted funds**
These are not subject to any legal or third party restriction and can be applied as the company sees fit. Unrestricted fund balances may be designated for specific purposes to meet future obligations or risks.

(b) Restricted funds

Restricted fund balances comprise of unspent funds that have been restricted to specific purposes by donors.

- Reserves

The organisation has established a continuity reserve. This reserve can be used, after Board approval, to expense costs relating to winding down the organisation or any part of it.

Notes to the Combined Annual Financial Statements

2. PROPERTY, PLANT AND EQUIPMENT

	2021			2020		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fittings	19,855	(19,224)	630	19,834	(18,799)	1,035
Passenger motor vehicles	23,528	(22,738)	790	16,077	(13,584)	2,493
Office equipment	29,332	(26,402)	2,929	25,689	(24,482)	1,207
Computer equipment	113,930	(104,409)	9,523	105,457	(88,920)	16,537
Total	186,645	(172,773)	13,872	167,057	(145,785)	21,272

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Disposals	Depreciation	Exchange rate diff.	Total
Furniture and fittings	1,035	-	-	(447)	42	630
Passenger motor vehicles	2,493	-	-	(1,744)	43	792
Office equipment	1,207	2,461	-	(844)	105	2,929
Computer equipment	16,537	4,018	-	(11,674)	640	9,521
	21,272	6,479	-	(14,709)	830	13,872

Reconciliation of property, plant and equipment – 2020

	Opening balance	Additions	Disposals	Depreciation	Exchange rate diff.	Total
Furniture and fittings	799	913	-	(534)	(143)	1,035
Passenger motor vehicles	6,497	-	-	(3,412)	(592)	2,493
Office equipment	2,152	-	-	(677)	(268)	1,207
Computer equipment	21,342	9,847	-	(11,649)	(3,003)	16,537
	30,790	10,760	-	(16,272)	(4,006)	21,272

3. TRADE AND OTHER RECEIVABLES

	2021	2020
Donations and other receivables	355,180	175,349

4. CASH AND CASH EQUIVALENTS

	2021	2020
Cash and cash equivalents consist of:		
Bank balances and small amounts of cash	1,162,108	1,404,002

The cash balance includes an amount of € 250,000 for the continuity reserve.

5. RESTRICTED FUNDS

	2021	2020
Chevron (for South Africa)	-	-
Aids Fonds (for Southern Africa)	1,239	45,462
IRDO (for East Africa)	-	17,283
SADC HIV Fund Proposal 2	74,032	-23,661
SADC HIV Fund Proposal 3	58,384	-22,347
SADC HIV Fund Proposal 4	38,611	-36,804
SAPPI (for Southern Africa)	-	36,470
Data Project (for the Netherlands)	-	-
Johnson & Johnson Corporate (for Southern Africa)	-	-
Grand Challenges Canada (for East Africa)	65,422	35,462
FHI 360 (for East Africa)	-	15,790
Pepfar (for Southern Africa)	-	-
AMREF (for East Africa)	-	6,557
Medtronics Foundation (for East Africa)	-	80,001
Trafigura Foundation (for the Netherlands)	103,357	99,968
Deloitte	5,307	-
Siemens	7,437	-
Other (Translation difference on previous restricted funds)	61,354	35,127
Total restricted funds	415,143	289,308

Restricted funds comprise donor receipts which have been received for specific purposes and which remain unspent at the end of the financial year.

6. UNRESTRICTED FUNDS

	2021	2020
Balance at start of the year	1,123,038	1,019,820
Surplus/(deficit) for the year	(64,984)	103,218
Balance at year end	1,058,054	1,123,038

7. FOREIGN CURRENCY TRANSLATION RESERVE

Translation reserve comprises exchange differences on conversion of entities reported in South African Rands and Kenyan Shillings to Euros.

	2021	2020
Opening balance	(274,881)	(168,028)
Movement for the year	15,117	(106,853)
	(259,764)	(274,881)

8. DEFERRED INCOME

	2021	2020
Dioraphte	-	60,000
The King Baudouin Foundation United States, Inc	-	64,103
	<u>-</u>	<u>124,103</u>

9. TRADE AND OTHER PAYABLES

	2021	2020
Trade payables	54,430	36,452
Accruals	13,297	52,803
	<u>67,727</u>	<u>89,255</u>

10. DONATIONS

	2021	2020
Governments	1,175,856	188,386
Corporations	8,634	1,462,690
Other foundations	256,013	79,602
NGO's	488,538	580,445
	<u>1,929,042</u>	<u>2,311,123</u>

11. OPERATING SURPLUS (DEFICIT)

Operating surplus (deficit) for the year is stated after accounting for the following:

	2021	2020
Operating lease charges		
Premises		
- Contractual amounts	45,352	48,665
	<u>45,352</u>	<u>48,665</u>
(Profit)/Loss on exchange differences	(6,276)	22,394
Auditors' remuneration - current year	12,874	18,490
Auditors' remuneration - other services	-	1,422
Depreciation on property, plant and equipment	14,709	16,272
Employee costs	1,305,305	1,413,616
	<u>1,305,305</u>	<u>1,413,616</u>

12. INTEREST

	2021	2020
Interest revenue		
Banks	16,359	24,738
	<u>16,359</u>	<u>24,738</u>

13. CASH GENERATED FROM (USED IN) OPERATIONS

	2021	2020
Surplus	60,851	79,274
Adjustments for:		
Interest received	(16,359)	(24,738)
Depreciation	14,709	16,272
Movement in foreign currency translation reserve and prior year adjustments	14,290	(102,847)
Profit on disposal of asset	-	-
Changes in working capital:		
Trade and other receivables	-179,632	77,600
Trade and other payables	-21,528	(120,465)
Deferred income	-124,103	18,818
	-251,772	(56,086)

14. COMMITMENTS

	2021	2020
Operating leases – as lessee (expense)		
Minimum lease payment due		
- within one year	22,524	25,471
- in second to fifth year inclusive	-	6,633
	22,524	32,104

15. DIRECTORS' EMOLUMENTS

	2021		2020	
	Emoluments	Total	Emoluments	Total
For services as directors	280,759	280,759	269,371	269,371

16. EVENTS AFTER THE REPORTING PERIOD

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

17. PRIOR PERIOD ERROR

In the current year, it was noted that there was income debited in the revenue accounts due to a prior period error. The effect of the error was as follows:

	31-12-2020
Revenue	30,352
Restricted fund	(30,352)

Detailed Statement of Comprehensive Income²

	Note	2021	2020
REVENUE			
Donations		1,929,042	2,311,123
OTHER INCOME			
Other income		79,267	58,094
Interest received	12	16,359	24,738
		95,626	82,832
OPERATING EXPENSES			
Employee costs		1,305,305	1,413,616
Establishment costs		-	1,701
Finance, legal, administration		35,458	117,952
Integrated computer technology		11,582	87,314
Marketing, communications, fundraising		4,664	1,382
Research		18,550	-
Running costs		436,011	674,221
Training and prevention		80,084	-
Travel costs		72,163	18,495
		1,963,817	2,314,681
Surplus for the year		60,851	79,274

² The supplementary information presented does not form part of the combined annual financial statements and is unaudited.