

FRESHWATER RESEARCH CENTRE NPC
(Registration number 2012/056318/08)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

Freshwater Research Centre NPC

(Registration number: 2012/056318/08)

Financial Statements for the year ended 29 February 2024

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Facilitating the management, conservation and resource protection of the aquatic environment through undertaking direct research aimed at addressing these issues.
Directors	HF Dallas-Daw JA Day AM Amis
Registered office	22 Mountain Rise Road Scarborough Cape Town 7975
Business address	22 Mountain Rise Road Scarborough Cape Town 7975
Postal address	PO Box 43966 Scarborough Cape Town 7975
Bankers	Nedbank Limited
Auditors	Verryn & Co. Incorporated Chartered Accountants (SA) Registered Auditors
Company registration number	2012/056318/08
Tax reference number	9263191182
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa, No. 71 of 2008.
Preparer	The financial statements were independently compiled by: G Speed CA (SA), RA

Freshwater Research Centre NPC

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Financial Statements for the year ended 29 February 2024

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Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa, No. 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the 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 2025 and, in the 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 financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 4 - 5.

The financial statements set out on pages 6 to 23, which have been prepared on the going concern basis, were approved by the directors on 07 August 2024 and were signed by them:



HF Dallas-Daw



JA Day



AM Amis



Independent Auditor's Report

To the Shareholder of Freshwater Research Centre NPC

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Freshwater Research Centre NPC (the company) set out on pages 8 to 20, which comprise the statement of financial position as at 29 February 2024, statement of comprehensive income, statement of changes in capital and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Freshwater Research Centre NPC as at 29 February 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, No. 71 of 2008.

Basis for Qualified Opinion

The financial statements include donation revenue over which limited controls exist prior to the donation revenue received being recorded in the company's accounting records. There were no practical procedures available to us to confirm the completeness of donation revenue, and accordingly, we were unable to obtain sufficient appropriate audit evidence in this regard. Consequently, we were unable to determine whether any adjustments to the amount of donation revenue recorded was necessary.

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 Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Freshwater Research Centre NPC financial statements for the year ended 29 February 2024", which includes the Directors' Report as required by the Companies Act of South Africa, No. 71 of 2008 and the supplementary information as set out on pages 21 to 23. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, we have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the donation revenue affected by this matter.

REGISTERED AUDITOR - A FIRM OF CHARTERED ACCOUNTANTS (SA) IRBA REG NO. 950637 . VERRYN & CO INC. REG NO. 1996/007582/21
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admin@verryn.co.za . www.verryn.co.za

DIRECTORS: RUGAYA EDWARDS CA(SA), GREGORY SPEED CA(SA)

Independent Auditor's Report

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, No. 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

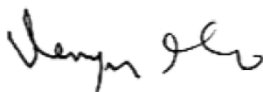
As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

Report on Other Legal and Regulatory Requirements

In accordance with our responsibilities in terms of sections 44(2) and 44(3) of the Auditing Profession Act, we report that we have not identified a reportable irregularity in terms of the Auditing Profession Act.



VERRYN & CO. INCORPORATED
Chartered Accountants (SA)
Registered Auditors

R Edwards CA (SA), RA
Director

07 August 2024
Wynberg

REGISTERED AUDITOR - A FIRM OF CHARTERED ACCOUNTANTS (SA) IRBA REG NO. 950637 . VERRYN & CO INC. REG NO. 1996/007582/21
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DIRECTORS: RUGAYA EDWARDS CA(SA), GREGORY SPEED CA(SA)

Freshwater Research Centre NPC

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Financial Statements for the year ended 29 February 2024

Directors' Report

1. Incorporation

The company was incorporated on 20 March 2012 and obtained its certificate to commence business on the same day.

The directors have pleasure in submitting their report on the financial statements of Freshwater Research Centre NPC for the year ended 29 February 2024.

2. Nature of business

Freshwater Research Centre NPC was incorporated in South Africa with interests in the non-profit industry. The company operates in South Africa.

The company's main business is to facilitate the management, conservation and resource protection of the aquatic environment through undertaking directed research aimed at addressing these issues. The company also aims to facilitate the education and development of students and interns through practical training and internship programmes and provision of bursaries for those registered at tertiary institutions. The company further aims to facilitate the management, conservation and resources protection of the aquatic environment through engaging with stakeholders, authorities and providing innovative solutions and active interventions to pressing environmental challenges.

There have been no material changes to the nature of the company's business from the prior year.

3. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, No. 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

4. Directors

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

Directors

HF Dallas-Daw

JA Day

AM Amis

There have been no changes to the directorate for the period under review.

5. 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.

6. Property, plant and equipment

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

7. Borrowing powers

In terms of the Memorandum of Incorporation, the borrowing powers of the company are unlimited. However all borrowings by the company are subject to board approval as required by the board delegation of authority.

8. Special resolutions

No special resolutions, the nature of which might be significant to the shareholder in their appreciation of the state of affairs of the company were made by the company during the period covered by this report.

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Financial Statements for the year ended 29 February 2024

Directors' Report

9. 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.

10. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the 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.

11. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa, No. 71 of 2008, of which the results were satisfactory.

12. Auditors

Verryn & Co. Incorporated continued in office as auditors for the company for 2024.

At the AGM, the members will be requested to reappoint Verryn & Co. Incorporated as the independent external auditors of the company and to confirm Mrs R Edwards CA (SA), RA as the designated lead audit partner for the 2025 financial year.

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Financial Statements for the year ended 29 February 2024

Statement of Financial Position

Figures in Rand	Notes	2024	2023
Assets			
Non-Current Assets			
Property, plant and equipment	2	59,811	42,492
Current Assets			
Trade and other receivables	3	8,600	9,718
Cash and cash equivalents	4	4,814,727	4,807,417
		4,823,327	4,817,135
Total Assets		4,883,138	4,859,627
Capital and Liabilities			
Capital			
Retained income		1,330,680	1,045,239
Liabilities			
Current Liabilities			
Trade and other payables	5	3,552,458	3,814,388
Total Capital and Liabilities		4,883,138	4,859,627

The accounting policies on pages 12 to 16 and the notes on pages 17 to 20 form an integral part of the financial statements.

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Financial Statements for the year ended 29 February 2024

Statement of Comprehensive Income

Figures in Rand	Notes	2024	2023
Revenue	6	6,067,270	6,041,256
Other income	8	423,552	436,576
Grant Funding Expenses - Consulting fees		(4,379,388)	(3,778,358)
Grant Funding Expenses - Other		(1,537,493)	(963,498)
Grant prepaid income		340,447	(685,602)
Operating expenses		(886,607)	(860,196)
Operating surplus		27,782	190,178
Investment revenue	11	257,659	121,321
Surplus for the year		285,441	311,499
Other comprehensive income		-	-
Total comprehensive income for the year		285,441	311,499

The accounting policies on pages 12 to 16 and the notes on pages 17 to 20 form an integral part of the financial statements.

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Statement of Changes in Capital

Figures in Rand	Retained income	Total capital
Balance at 01 March 2022	733,740	733,740
Surplus for the year	311,499	311,499
Other comprehensive income	-	-
Total comprehensive income for the year	311,499	311,499
Balance at 01 March 2023	1,045,239	1,045,239
Surplus for the year	285,441	285,441
Other comprehensive income	-	-
Total comprehensive income for the year	285,441	285,441
Balance at 29 February 2024	1,330,680	1,330,680

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Statement of Cash Flows

Figures in Rand	Notes	2024	2023
Cash flows from operating activities			
Cash receipts from customers		6,093,736	6,683,254
Cash paid to suppliers and employees		(6,311,364)	(5,494,581)
Cash (used in) generated from operations	13	(217,628)	1,188,673
Interest income		257,659	121,321
Net cash from operating activities		40,031	1,309,994
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(64,413)	(31,930)
Proceeds from sale of property, plant and equipment	2	31,692	60,000
Net cash from investing activities		(32,721)	28,070
Total cash movement for the year		7,310	1,338,064
Cash and cash equivalents at the beginning of the year		4,807,417	3,469,353
Total cash at end of the year	4	4,814,727	4,807,417

The accounting policies on pages 12 to 16 and the notes on pages 17 to 20 form an integral part of the financial statements.

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Financial Statements for the year ended 29 February 2024

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa, No. 71 of 2008. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

Useful lives of property, plant and equipment

The company reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date.

Impairment testing

The company reviews and tests the carrying value of property, plant and equipment when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Residual value

Residual values were assigned to motor vehicles and furniture and fittings which were determined to be 40% and 5% on cost. These are deemed to be fairly accurate estimates in the possible recovery of the cost of the assets as at the end of their useful lives. These are based on estimations made from the active market that exists for these assets.

Trade and other receivables

The company assesses its trade and other 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 judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the financial asset.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing an asset and restoring the site on which it is located is also included in the cost of property, plant and equipment, when such dismantling, removal and restoration is obligatory.

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Financial Statements for the year ended 29 February 2024

Accounting Policies

1.2 Property, plant and equipment (continued)

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, 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 period in which they are incurred.

Property, 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.

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

Item	Depreciation method	Average useful life
Field equipment	Straight line	4 years
Furniture and fixtures	Straight line	5 years
Motor vehicles	Straight line	5 years

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

Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

Where major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to the components and they are depreciated separately over each component's useful life.

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

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

An item of property, 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 property, 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 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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Financial Statements for the year ended 29 February 2024

Accounting Policies

1.3 Financial instruments (continued)

Financial instruments at amortised cost

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

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

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

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

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

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

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Financial Statements for the year ended 29 February 2024

Accounting Policies

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases - lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

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

1.7 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 leave pay 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.

1.8 Grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

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Financial Statements for the year ended 29 February 2024

Accounting Policies

1.9 Revenue

Revenue comprises:

- Grant income,
- Donations received,
- Vehicle hire income, and
- Rental income.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for the goods or services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

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

Rental income is recognised on a straight line basis over the term of the lease, except where the payments are structured to increase in line with inflation.

1.10 Borrowing costs

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

1.11 Going concern

The financial statements have been prepared in 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.

1.12 Events after the reporting period

Recognised amounts in the financial statements are adjusted to reflect events arising after the reporting date that provide evidence of conditions that existed at the statement of financial position date.

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Financial Statements for the year ended 29 February 2024

Notes to the Financial Statements

Figures in Rand 2024 2023

2. Property, plant and equipment

	2024			2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	16,044	(15,242)	802	16,044	(15,242)	802
Field equipment	92,813	(33,804)	59,009	60,321	(18,631)	41,690
Total	108,857	(49,046)	59,811	76,365	(33,873)	42,492

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Furniture and fixtures	802	-	-	-	802
Field equipment	41,690	64,413	(29,261)	(17,833)	59,009
	42,492	64,413	(29,261)	(17,833)	59,811

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Furniture and fixtures	802	-	-	-	802
Motor vehicles	24,001	-	(24,001)	-	-
Field equipment	19,519	31,930	-	(9,759)	41,690
	44,322	31,930	(24,001)	(9,759)	42,492

3. Trade and other receivables

Trade receivables	8,600	9,718
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4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	763	1,686
Bank balances	4,813,964	4,805,731
	4,814,727	4,807,417

5. Trade and other payables

Trade payables	3,893	4,439
Value Added Tax	40,272	4,462
Sundry creditors	10,332	37,938
Accrued expense	4,740	3,176
Payroll accrual	75,383	57,680
Grant income not yet utilised	3,417,838	3,706,693
	3,552,458	3,814,388

Freshwater Research Centre NPC

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Financial Statements for the year ended 29 February 2024

Notes to the Financial Statements

Figures in Rand	2024	2023
6. Revenue		
Grant Funding Income - ADHOC Clients	31,350	4,080
Grant Funding Income - Association of Water and Rural Development (AWARD)	-	74,000
Grant Funding Income - Ruzizi III HEPP - Environmental and Social Impact Assessment	27,000	89,045
Grant Funding Income - Emanti Management (Pty) Ltd	19,448	86,020
Grant Funding Income - Hans Hoheisen Charitable Trust	379,940	390,500
Grant Funding Income - Institute for Water Research, Rhodes University	51,739	40,000
Grant Funding Income - International Union of Conservation of Nature	116,066	545,751
Grant Funding Income - SLR Consulting (France) SAS - Kakono Hydropower Project	-	405,534
Grant Funding Income - JRS Biodiversity Foundation - FBIS Phase 2	2,233,931	1,498,363
Grant Funding Income - The Nature Conservancy (paired catchments)	349,234	102,100
Grant Funding Income - The University of Botswana	-	100,000
Grant Funding Income - The University of Rwanda	-	341,494
Grant Funding Income - Total Energies Marketing South Africa (Pty) Ltd	829,659	1,500,000
Grant Funding Income - Water Research Commission	-	695,652
Grant Funding Income - World Wide Fund for Nature - South Africa	117,315	82,685
Grant Funding Income - World Wide Fund for Nature - Zambia	314,500	86,032
Grant Funding Income - Kartoza (Pty) Ltd	105,183	-
Grant Funding Income - WWF Trading UK Ltd	687,556	-
Grant Funding Income - South African Institute of Aquatic Biodiversity	100,000	-
Grant Funding Income - IUCN - International Union for Conservation of Nature and Natural Resources	464,350	-
Grant Funding Income - The Table Mountain Fund	240,000	-
	6,067,271	6,041,256

We refer to note 5, trade and other payables. Grant income not yet utilised, has been reallocated from revenue to trade and other payables in the current financial period. This income is only going to be recognised as revenue once it has been utilised in the next financial period.

7. Training and education

SASS training income	195,678	161,948
SASS training expenses	(195,678)	(161,948)
Living Labs training income	3,230	-
Living Labs training expenses	(3,230)	-
	-	-

8. Other income

Profit on sale of assets	2,431	35,999
Rental income	18,598	19,835
Equipment and vehicle rental income	79,964	86,002
Salary reimbursements	54,785	37,300
Donations	267,775	257,440
	423,553	436,576

9. Auditor's remuneration

Fees - prior year	27,500	20,850
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Financial Statements for the year ended 29 February 2024

Notes to the Financial Statements

Figures in Rand	2024	2023	
10. Employee cost			
Employee costs			
Basic	234,791	276,368	
Workmans compensation	4,740	3,176	
	<u>239,531</u>	<u>279,544</u>	
11. Investment revenue			
Interest revenue			
Bank	<u>257,659</u>	<u>121,321</u>	
12. Taxation			
Non provision of tax			
No provision has been made for 2024 tax as the company has no taxable income. The company is exempt from tax in terms of section 10(1)(cN) of the Income Tax Act of No. 58 of 1962.			
13. Cash (used in) generated from operations			
Net profit before taxation	285,441	311,499	
Adjustments for:			
Depreciation	17,833	9,759	
Profit on sale of assets	(2,431)	(35,999)	
Investment income	(257,659)	(121,321)	
Changes in working capital:			
Trade and other receivables	1,118	241,420	
Trade and other payables	(261,927)	783,314	
	<u>(217,625)</u>	<u>1,188,672</u>	
14. Donations restricted			
Saving Sandfish donation income	330,696	190,300	
Saving Sandfish donation expense	(330,696)	(190,300)	
	<u>-</u>	<u>-</u>	
15. Directors' and prescribed officer's remuneration			
Executive			
2024			
Directors' emoluments	Basic salary	Independent contractor fees	Total
Services rendered by a director or prescribed officer			
HF Dallas-Daw	216,000	933,891	1,149,891

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Financial Statements for the year ended 29 February 2024

Notes to the Financial Statements

Figures in Rand

2024

2023

16. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the 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.

17. Events after the reporting period

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

Freshwater Research Centre NPC

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Financial Statements for the year ended 29 February 2024

Detailed Income Statement

Figures in Rand	Notes	2024	2023
Revenue			
Grant funding income	6	6,067,270	6,041,256
Grant funding expenses - consulting fees		(4,379,388)	(3,778,358)
Grant funding expenses - Other		(1,537,493)	(963,498)
Grant prepaid income		340,447	(685,602)
Grant administration fees		490,836	613,798
Training and education			
SASS training income		195,678	161,948
SASS training expenses		(195,678)	(161,948)
Living Labs training income		3,230	-
Living Labs training expenses		(3,230)	-
	7	-	-
Gross profit		490,836	613,798
Freshwater Research Centre NPC Income			
Donations		267,775	257,440
Equipment and vehicle rental income		79,964	86,002
Saving Sandfish donation income		330,696	190,300
Saving Sandfish donation expense		(330,696)	(190,300)
Profit on sale of assets		2,431	35,999
Salary reimbursements		54,785	37,300
Other rental income		18,598	19,835
		423,553	436,576
Expenses (Refer to page 22)		(886,607)	(860,196)
Operating (deficit) surplus		27,782	190,178
Investment income	11	257,659	121,321
(Deficit) Surplus for the year		285,441	311,499

Freshwater Research Centre NPC

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Financial Statements for the year ended 29 February 2024

Detailed Income Statement

Figures in Rand	Notes	2024	2023
Operating expenses			
Accounting fees		56,020	50,480
Administrative employee costs		239,531	279,544
Advertising and promotions		2,520	560
Audit fees	9	27,500	20,850
Bank charges		3,924	3,967
CIPC fees		450	450
Computer expenses		13,039	2,180
Conference expense		6,500	-
Depreciation		17,833	9,759
Entertainment		3,462	10,910
Expensed assets		-	5,267
Insurance		37,198	30,947
Motor vehicle expenses		44,016	40,484
Motor vehicle lease		261,000	231,775
Office and garage rental		163,479	148,649
Office consumables		2,867	589
Postage		156	-
Repairs and maintenance		65	4,732
Training		-	1,800
Travel - local		-	3,094
Utilities		5,652	3,003
Website expenses		1,395	11,156
		886,607	860,196

Freshwater Research Centre NPC

(Taxpayer reference number 9263191182)

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Financial Statements for the year ended 29 February 2024

Tax Computation

Figures in Rand	2024	2023
Net profit per income statement	285,441	311,499
Permanent differences (Non-deductible/Non taxable items)		
Exempt receipts & accrual ito S10(1)(cN)	(6,490,823)	5,836,455
Exempt receipts & accrual ito S30(3)(b)(ii)	(257,659)	(121,321)
Expenses attributable to exempt income	6,463,041	(6,026,634)
	(285,441)	(311,500)
Imputed net income from CFC	-	-
Assessed loss brought forward	-	-
Taxable income for 2024	-	(1)
Tax thereon @ 27% in the Rand	-	