The Nal'ibali Trust
(Registration number IT547/2016)
Annual Financial Statements
for the year ended 31 December 2019

General Information

Country of incorporation and domicile	South Africa
Type of trust	Inter Vivos Trust
Trustees	C Gush N Machologu T Madiba V Mai B Trisk
Registered office	Suite 17-201 Building 17 Waverley Business Park Wycroft Road Mowbray Cape Town 7700
Business address	Suite 17-201 Building 17 Waverley Business Park Wycroft Road Mowbray Cape Town 7700
Postal address	Suite 17-201 Building 17 Waverley Business Park Wycroft Road Mowbray Cape Town 7700
Bankers	FNB South Africa Limited
Auditors'	BDO South Africa Inc. Chartered Accountants (SA) Registered Auditors
Trust registration number	IT547/2016
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The annual financial statements were independently compiled by: KAS Drafting Proprietary Limited H. Abbas Chartered Accountant (SA)
Published	________________________

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

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PO Box 2275
Cape Town, 8000

Independent Auditor's Report

To the Trustees of

Nal'ibali Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nal'ibali Trust (the trust) set out on pages 8 to 17, which comprise the statement of financial position as at 31 December 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Nal'ibali Trust as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Trust Deed.

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 are independent of the trust in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "Nal'ibali Trust Annual Financial Statements for the year ended 31 December 2019", which includes the Trustees' Report as required by the Trust Deed. 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. We have nothing to report in this regard.

Responsibilities of the Trustees for the Financial Statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Trust Deed, and for such internal control as the trustees 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 trustees are responsible for assessing the trust'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 trustees either intend to liquidate the trust 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 trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 trust'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 trust 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 trustees 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.

BDO South Africa Incorporated

BDO South Africa Incorporated
Registered Auditors

Karlien Groenewald
Director
Registered Auditor

13 August 2020

119-123 Hertzog Boulevard
Foreshore
Cape Town, 8001

Trustees' Responsibilities and Approval

The trustees are required 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 trust 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 International Financial Reporting Standard for Small and Medium-sized Entities and in a manner required by the Non-profit Organisations Act 71 of 1997. The external auditors' is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and in a manner required by the Non-profit Organisations Act 71 of 1997 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

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

The trustees 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 trustees have reviewed the trust’s cash flow forecast for the 12 month period after the date of the audit report in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors' is responsible for independently auditing and reporting on the trust's annual financial statements. The annual financial statements have been examined by the trust's external auditors and their report is presented on page 3 to 5.

The annual financial statements set out on pages 8 to 18, which have been prepared on the going concern basis, were approved by the board of trustees on 12 August 2020 and was signed on its behalf by:

Approval of annual financial statements

Thabiso Madiba

Trustees' Report

The trustees have pleasure in submitting their report on the annual financial statements of The Nal'ibali Trust for the year ended 31 December 2019.

1. The trust

The trust was registered in terms of a trust deed dated 18 March 2016, under jurisdiction of the Master of the High Court Cape Town. The trust is in an inter vivos trust, and the trustees bear the fiduciary responsibility for the direction and management of the trust, and the use and administration of the trust funds.

The trust is registered as a non-profit organisation.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. 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 trust are set out in these annual financial statements.

3. Going concern

The trustees believe that the trust 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 trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees 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 trust.

4. Events after the reporting period

The entity operates within the South African economy, which has been impacted negatively by the COVID-19 pandemic. The trustees prepared a forecast for the foreseeable future and considered the effect of COVID-19 on the entity's financial position and on its ability to continue to obtain funding. The trustees are confident that the entity will be able to obtain funding and fulfil its obligations as they become due for the foreseeable future.

5. Trustees

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

Trustees
C Gush
N Machologu
T Madiba
V Mai
B Trisk

6. Trustees' benefits

No remuneration was paid to the trustees during the year under review.

7. Auditors

BDO South Africa Inc. will continue in office as the auditors for the trust for the 2020 financial year.

Statement of Financial Position as at 31 December 2019

Figures in Rand	Notes	2019	2018
Assets			
Non-Current Assets			
Property, plant and equipment	2	1 847 756	1 867 257
Current Assets			
Trade and other receivables	3	1 133 782	2 115 873
Project receivable	4	825 338	-
Prepayments		93 216	1 620 197
Cash and cash equivalents	5	20 707 382	28 029 415
		22 759 718	**31 765 485**
Total Assets		**24 607 474**	**33 632 742**
Equity and Liabilities			
Equity			
Trust capital	6	1 000	1 000
Accumulated surplus		20 879 403	2 487 796
		20 880 403	**2 488 796**
Liabilities			
Current Liabilities			
Trade and other payables	7	2 625 847	8 622 995
Deferred revenue	4	1 101 224	22 520 951
		3 727 071	**31 143 946**
Total Equity and Liabilities		**24 607 474**	**33 632 742**

Statement of Comprehensive Income

Figures in Rand	Notes	2019	2018
Revenue	8	93 083 901	72 360 805
Other income		2 113 902	312 863
Operating expenses		(79 107 996)	(73 264 705)
Operating surplus (deficit)	9	**16 089 807**	**(591 037)**
Investment revenue	10	2 301 813	2 107 482
Finance costs		(13)	(71 386)
Surplus for the year		**18 391 607**	**1 445 059**
Other comprehensive income		-	-
Total comprehensive income for the year		**18 391 607**	**1 445 059**

Statement of Changes in Equity

Figures in Rand	Trust capital	Accumulated surplus	Total equity
Balance at 01 January 2018	**1 000**	**1 042 737**	**1 043 737**
Surplus for the year	-	1 445 059	1 445 059
Other comprehensive income	-	-	-
Total comprehensive income for the year	**-**	**1 445 059**	**1 445 059**
Balance at 01 January 2019	**1 000**	**2 487 796**	**2 488 796**
Surplus for the year	-	18 391 607	18 391 607
Other comprehensive income	-	-	-
Total comprehensive income for the year	**-**	**18 391 607**	**18 391 607**
Balance at 31 December 2019	**1 000**	**20 879 403**	**20 880 403**

Statement of Cash Flows

Figures in Rand	Notes	2019	2018
Cash flows from operating activities			
Cash (used in) generated from operations	12	(8 926 711)	2 875 331
Interest income		2 301 813	2 107 482
Finance costs		(13)	(71 386)
Net cash (used in) from operating activities		**(6 624 911)**	**4 911 427**
Cash flows (used in) investing activities			
Purchase of property, plant and equipment	2	(842 596)	(480 422)
Sale of property, plant and equipment	2	145 474	20 370
Net cash (used in) investing activities		**(697 122)**	**(460 052)**
Cash flows from financing activities			
Decrease of other financial liabilities		-	(302 462)
Net cash (used in) financing activities		**-**	**(302 462)**
Total cash movement for the year		**(7 322 033)**	**4 148 913**
Cash at the beginning of the year		28 029 415	23 880 502
Total cash at end of the year	5	**20 707 382**	**28 029 415**

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and in a manner required by the Non-profit Organisations Act 71 of 1997. 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.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables and Loans receivable

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

The impairment for Trade receivables and Loans receivable is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

1.2 Property, plant and equipment

The cost of 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 organisation; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

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

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

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

Item	Average useful life
Computer equipment	3 years
Furniture and fixtures	10 years
Motor vehicles	5 years
Office equipment	10 years
Other equipment	10 years

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

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Accounting Policies

1.3 Financial instruments

Initial recognition and measurement

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

The organisation 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.

For financial instruments which are not at fair value through surplus or deficit, transaction costs are included in the initial measurement of the instrument.

Transaction costs on financial instruments at fair value through surplus or deficit are recognised in profit or loss.

Regular way purchases of financial assets are accounted for at settlement date.

Financial instruments at amortised cost

Financial instruments may be designated to be measured at amortised cost less any impairment using the effective interest method. These include trade and other receivables, loans and trade and other payables. At the end of each reporting period date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

1.4 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.

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

1.5 Impairment of assets

The company assesses at each reporting period date 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.

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 (selling price less costs to complete and sell, in the case of inventories), 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.

Accounting Policies

1.6 Deferred income

Deferred income represents funding received according to founder agreements which has not yet been recognised as income.

Funding grants are recognised when there is reasonable assurance that:

- the organisation will comply with the conditions attached to them; and
- the grants will be received.

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

A funding grant that becomes receivable as compensation for expenses or deficits 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.

Funding grants related to assets are presented in the statement of financial position by setting up the grant as deferred income.

1.7 Revenue

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

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

1.8 Borrowing costs

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

Notes to the Annual Financial Statements

Figures in Rand	2019	2018

2. Property, plant and equipment

	2019			2018		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	1 181 013	(800 776)	380 237	918 899	(444 241)	474 658
Furniture and fixtures	221 951	(69 859)	152 092	188 695	(18 210)	170 485
Motor vehicles	2 225 697	(994 505)	1 231 192	1 712 373	(575 031)	1 137 342
Office equipment	105 062	(34 505)	70 557	71 160	(10 822)	60 338
Other equipment	25 496	(11 818)	13 678	25 496	(1 062)	24 434
Total	**3 759 219**	**(1 911 463)**	**1 847 756**	**2 916 623**	**(1 049 366)**	**1 867 257**

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Computer equipment	474 658	262 114	(84 673)	(271 862)	380 237
Furniture and fixtures	170 485	33 256	(35 474)	(16 175)	152 092
Motor vehicles	1 137 342	513 323	-	(419 473)	1 231 192
Office equipment	60 338	33 903	(16 164)	(7 520)	70 557
Other equipment	24 434	-	(9 163)	(1 593)	13 678
	1 867 257	**842 596**	**(145 474)**	**(716 623)**	**1 847 756**

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Computer equipment	440 197	328 487	(20 370)	(273 656)	474 658
Furniture and fixtures	74 058	108 380	-	(11 953)	170 485
Motor vehicles	1 479 816	-	-	(342 474)	1 137 342
Office equipment	48 582	18 059	-	(6 303)	60 338
Other equipment	-	25 496	-	(1 062)	24 434
	2 042 653	**480 422**	**(20 370)**	**(635 448)**	**1 867 257**

3. Trade and other receivables

	2019	2018
Deposits	61 666	61 666
Other receivable	399 573	163 089
VAT	672 543	1 891 118
	1 133 782	**2 115 873**

Notes to the Annual Financial Statements

Figures in Rand	2019	2018

4. Project receivable (Deferred revenue)

The major components of the Project receivable asset/ (Deferred revenue liability) balance are:

Lesedi Solar Park Projects (The DG Murray Trust)	255 429	-
Letsatsi Solar Park Projects (The DG Murray Trust)	569 909	-
Standard Bank of South Africa	(1 051 720)	-
First Rand Empowerment Foundation	-	(9 279 197)
HCI Foundation	(49 504)	(281 967)
The DG Murray Trust	-	(3 257 080)
USAID	-	(8 817 454)
VW	-	(885 253)
	(275 886)	**(22 520 951)**

Current asset	825 338	-
Current liabilities	(1 101 224)	(22 520 951)
	(275 886)	**(22 520 951)**

The nature and extent of grants recognised in the annual financial statements and an indication of other forms of government assistance from which the entity has directly benefited; and

Unfulfilled conditions and other contingencies attaching to grants that has been recognised.

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	17 414 249	8 312 416
Short-term deposits	3 293 133	19 716 999
	20 707 382	**28 029 415**

6. Trust capital

Capital account / Trust capital		
Balance at beginning of year	1 000	1 000

7. Trade and other payables

Accrued expenses	2 071 413	8 065 280
Other payables	3 830	3 830
Payroll accruals	550 604	553 885
	2 625 847	**8 622 995**

8. Revenue

First Rand Empowerment Foundation	16 365 734	13 220 803
HCI Foundation	532 462	193 241
The D.G. Murray Trust	28 437 781	25 254 582
USAID	45 862 670	33 426 870
VW	1 885 254	265 309
	93 083 901	**72 360 805**

Notes to the Annual Financial Statements

Figures in Rand	2019	2018

9. Operating surplus (deficit)

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

	2019	2018
Operating lease charges		
Premises		
• Contractual amounts	830 251	563 191
Deficit on sale of property, plant and equipment	(145 474)	-
Depreciation on property, plant and equipment	716 623	635 448
Employee costs	33 705 200	27 638 276

10. Investment revenue

	2019	2018
Interest revenue		
Bank	2 301 813	2 107 482

11. Taxation

No provision has been made for tax as the organisation is a public benefit organisation and is therefore exempt from taxation in terms of Section 10(1)(cN) of the Income Tax Act.

12. Cash (used in) generated from operations

	2019	2018
Surplus before taxation	18 391 607	1 445 059
Adjustments for:		
Depreciation	716 623	635 448
Interest received	(2 301 813)	(2 107 482)
Finance costs	13	71 386
Changes in working capital:		
Trade and other receivables	982 091	(992 385)
Prepayments	1 526 981	(769 825)
Project receivable	(825 338)	-
Trade and other payables	(5 997 148)	1 028 131
Deferred revenue	(21 419 727)	3 564 999
	(8 926 711)	**2 875 331**

13. Related parties

Relationships

Members of leadership team	R Bukasa E Buchholz C Chauruka KE Huston JL Jacobsohn A Mungani MS Mukuddem V Pinto S Prusent BE Rycroft

Detailed Income Statement

Figures in Rand	2019	2018
Revenue	**93 083 901**	**72 360 805**
Other income		
Other income	2 113 902	312 863
Operating expenses		
Advertising	(74 432)	(378 087)
Audit fees	(140 564)	(116 395)
Bank charges	(45 097)	(62 662)
Campaign expenses	(64 471)	(48 352)
Cloud Support	(624 484)	(890 321)
Consulting fees	(56 833)	-
Content development	(28 457 390)	(27 385 049)
Depreciation	(716 623)	(635 448)
Employee costs	(33 705 200)	(27 638 276)
Entertainment	(974)	4 824
IT expenses	(107 492)	(238 775)
Insurance	(14 939)	(87 332)
Lease rentals on operating lease	(830 251)	(563 191)
PRAESA Consulting expenses	-	(2 579 670)
Printing and stationery	(431 595)	(338 652)
Professional fees	-	(174)
Profit and loss on sale of assets	(145 474)	-
Promotions	(1 743 383)	(64 878)
Repairs and maintenance	(298 295)	(83 847)
Research and development costs	-	(225 295)
Software expenses	(244 225)	(247 669)
Staff welfare	(335 014)	(381 487)
Storage	(84 100)	(55 949)
Supplements	(4 824 428)	(4 559 031)
Telephone and fax	(335 426)	(474 863)
Training	(2 179)	(20 604)
Travel - local	(2 404 289)	(932 701)
USAID project expenses - milestones	(3 371 269)	(5 199 875)
Utilities	(49 569)	(60 946)
	(79 107 996)	**(73 264 705)**
Operating surplus (deficit)	**16 089 807**	**(591 037)**
Investment income	2 301 813	2 107 482
Finance costs	(13)	(71 386)
	2 301 800	**2 036 096**
Surplus for the year	**18 391 607**	**1 445 059**