

**THE RIGHT 2 KNOW CAMPAIGN  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**THE RIGHT 2 KNOW CAMPAIGN**  
**Annual Financial Statements for the year ended 31 December 2013**

**General Information**

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<b>Country of incorporation and domicile</b>	South Africa
<b>Directors</b>	Alison Tilley Carina Conradie Dale T Mckinley Hennie Van Vuuren Jane Duncan Meshack Mbangula Murray Hunter Nomvula Sikakane Nosipho Mngoma Them bani Onceya Vinayak Bhardwaj
<b>Registered office</b>	107 Community House 41 Salt River Road Salt River 7925
<b>Postal address</b>	107 Community House 41 Salt River Road Salt River 7925

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

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Directors' Responsibilities and Approval

The directors 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 entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the entity specific accounting policies and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

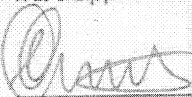
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for 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 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 are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the entity's external auditors and their report is presented on pages 4 to 5.

The annual financial statements set out on pages 6 to 15, which have been prepared on the going concern basis, were approved by:

  
H. VAN VUUREN  
Director

  
M. HUNTER  
Director

05/03/2014  
Date

05/03/2014  
Date

**RSM Betty & Dickson (Cape Town)**  
Chartered Accountants (SA)  
15 Greenwich Grove, Station Road,  
Rondebosch, Cape Town, 7700  
PO Box 578, Rondebosch, 7701  
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www.rsmbettyanddickson.co.za

## Independent Auditors' Report

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### To the Members of The Right 2 Know Campaign

We have audited the annual financial statements of The Right 2 Know Campaign, as set out on pages 7 to 15, which comprise the statement of financial position as at 31 December 2013, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Directors' Responsibility for the Annual Financial Statements

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with the entity specific accounting policies and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

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

### Basis for Qualified Opinion

In common with similar organisations, it is not feasible for the entity to institute accounting controls over income prior to initial entry in the accounting records. Accordingly it was impracticable to extend our examination for donations and grants received beyond amounts actually recorded.



### **Qualified Opinion**

In our opinion, except for the effect on the annual financial statements of the matter referred to in the preceding paragraph, the annual financial statements have been prepared, in all material respects, in accordance with the basis of accounting described in note 1 to the annual financial statements as of 31 December 2013.

### **Emphasis of Matter**

Without qualifying our opinion, we emphasise that the basis of accounting and presentation and disclosures contained in the financial statements are not intended to, and do not, comply with all the requirements of the International Financial Reporting Standard for Small and Medium-sized Entities.

### **Supplementary information**

Without qualifying our opinion, we draw attention to the fact that the supplementary information set out on page 16 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

### **Other reports**

As part of our audit of the annual financial statements for the year ended 31 December 2013, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between this report and the audited annual financial statements. This report is the responsibility of the respective preparer. Based on reading this report we have not identified material inconsistencies between this report and the audited annual financial statements. However, we have not audited this report and accordingly do not express an opinion on this report.

*RSM Betty & Dickson (C.T.)*

**RSM Betty & Dickson (Cape Town)**  
**Registered Auditors**

**Per: Andrew Galloway CA(SA) RA**  
**Partner**

*5 MARCH 2014*  
**Date**  
**Cape Town**

**THE RIGHT 2 KNOW CAMPAIGN**  
**Annual Financial Statements for the year ended 31 December 2013**

**Directors' Report**

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The directors submit their report for the year ended 31 December 2013.

**1. Our Vision**

"We seek a country and a world where we all have the right to know – that is to be free to access and to share information. This right is fundamental to any democracy that is open, accountable, participatory and responsive; able to deliver the social, economic and environmental justice we need. On this foundation a society and an international community can be built in which we all live free from want, in equality and in dignity."

**2. Our Mission**

- To co-ordinate, unify, organise and activate those who share our principles to defend and advance the right to know.
- To struggle both for the widest possible recognition in law and policy of the right to know and for its implementation and practice in daily life.
- To root the struggle for the right to know in the struggles of communities demanding political, social, economic and environmental justice.
- To propagate our vision throughout society.
- To engage those with political and economic power where necessary.
- To act in concert and solidarity with like-minded people and organisations locally and internationally.

**3. Review of activities**

**Main business and operations**

The Right 2 Know Campaign was previously a project of the Institute of Security Studies (ISS).

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

**4. Going concern**

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

**5. Events after the reporting period**

The directors are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the annual financial statements.

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**Annual Financial Statements for the year ended 31 December 2013**

**Statement of Financial Position as at 31 December 2013**

Figures in Rand	Note(s)	2013	2012
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	70 891	-
<b>Current Assets</b>			
Receivables	3	142 988	109 362
Cash and cash equivalents	4	329 245	98 007
		<b>472 233</b>	<b>207 369</b>
<b>Total Assets</b>		<b>543 124</b>	<b>207 369</b>
<b>Funds and Liabilities</b>			
<b>Funds</b>			
Accumulated surplus/(deficit)		114 649	(30 719)
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Loans from ISS	10	89 269	89 269
Payables	5	198 600	51 548
Deferred income	7	140 606	97 271
		<b>428 475</b>	<b>238 088</b>
<b>Total Funds and Liabilities</b>		<b>543 124</b>	<b>207 369</b>



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**Statement of Comprehensive Income**

Figures in Rand	Note(s)	12 months ended 31 December 2013	6 months ended 31 December 2012
<b>Revenue</b>			
Grant income		1 729 939	514 042
Donations		109 082	57 864
	6	<u>1 839 021</u>	<u>571 906</u>
<b>Other income</b>			
Fees earned		33 229	-
Rental income		11 000	-
Other Income		31 127	-
		<u>75 356</u>	<u>-</u>
<b>Operating expenses</b>			
Communication and Media		(45 957)	(150 883)
Coordination		(863 601)	(213 195)
Depreciation		(20 491)	-
Mobilisation		(198 596)	(93 572)
National summit and National working group		(160 328)	-
Overheads		(142 150)	(58 240)
Popular education		(151 887)	(32 339)
Services	8	(158 666)	(54 396)
Training school	8	(27 333)	-
		<u>(1 769 009)</u>	<u>(602 625)</u>
<b>Surplus/(deficit) for the year</b>		<u>145 368</u>	<u>(30 719)</u>

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**Statement of Changes in Funds**

<b>Figures in Rand</b>	<b>Accumulated surplus/(deficit)</b>
<b>Deficit for the 6 months</b>	<b>(30 719)</b>
<b>Balance at 01 January 2013</b>	<b>(30 719)</b>
<b>Surplus for the year</b>	<b>145 368</b>
<b>Balance at 31 December 2013</b>	<b>114 649</b>

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**Statement of Cash Flows**

Figures in Rand	Note(s)	2013	2012
<b>Cash flows from operating activities</b>			
Cash receipts		1 805 395	559 815
Cash paid to suppliers and employees		(1 482 775)	(551 077)
Cash generated from operations	9	<u>322 620</u>	<u>8 738</u>
<b>Net cash from operating activities</b>		<b><u>322 620</u></b>	<b><u>8 738</u></b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(16 613)	-
Donations received of property, plant and equipment		(74 769)	-
<b>Net cash from investing activities</b>		<b><u>(91 382)</u></b>	<b><u>-</u></b>
<b>Cash flows from financing activities</b>			
Movement in loans		-	89 269
<b>Net cash from financing activities</b>		<b><u>-</u></b>	<b><u>89 269</u></b>
<b>Total cash movement for the year</b>		<b>231 238</b>	<b>98 007</b>
Cash at the beginning of the year		98 007	-
<b>Total cash at end of the year</b>	4	<b><u>329 245</u></b>	<b><u>98 007</u></b>

**THE RIGHT 2 KNOW CAMPAIGN**  
**Annual Financial Statements for the year ended 31 December 2013**

**Accounting Policies**

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**1. Presentation of Annual Financial Statements**

The annual financial statements have been prepared in accordance with the entity specific accounting policies. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

**1.1 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 company; 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.

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

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

<b>Item</b>	<b>Average useful life</b>
Computer equipment	3
Computer software	2
Furniture and fittings	6

**1.2 Financial instruments**

**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 receivables, loans and 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.

**1.3 Impairment of assets**

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

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

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

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

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**Accounting Policies**

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**1.4 Employee benefits**

**Short-term employee benefits**

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

**1.5 Provisions and contingencies**

Provisions are recognised when:

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

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note .

**1.6 Revenue**

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

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

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

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

**Grant income**

Grant income from specific funders is governed by individual agreements between each funder and the entity. Income contractually designated for particular project activities and events is recognised to the extent that related expenditure has been incurred.

**Other income**

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

**1.7 Borrowing costs**

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

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**Notes to the Annual Financial Statements**

**Figures in Rand** **2013** **2012**

**2. Property, plant and equipment**

	2013			2012		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Computer equipment	53 700	(16 633)	37 067	-	-	-
Computer software	2 400	(800)	1 600	-	-	-
Furniture and fittings	35 282	(3 058)	32 224	-	-	-
<b>Total</b>	<b>91 382</b>	<b>(20 491)</b>	<b>70 891</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Reconciliation of property, plant and equipment - 2013**

	Opening balance	Additions	Assets donated	Depreciation	Total
Computer equipment	-	-	53 700	(16 633)	37 067
Computer software	-	-	2 400	(800)	1 600
Furniture and fixtures	-	16 613	18 669	(3 058)	32 224
	<b>-</b>	<b>16 613</b>	<b>74 769</b>	<b>(20 491)</b>	<b>70 891</b>

**3. Receivables**

Employee costs in advance	-	3 560
Deposits	3 000	3 000
Friedrich Ebert Stiftung	33 808	70 780
Heinrich Boll Stiftung	46 692	-
Open Society Foundation	52 995	32 022
Other receivable	6 493	-
	<b>142 988</b>	<b>109 362</b>

**4. Cash and cash equivalents**

Cash and cash equivalents consist of:

Cash on hand	6 369	5 000
Bank balances	322 876	93 007
	<b>329 245</b>	<b>98 007</b>

**5. Payables**

Bonus payable	42 906	-
Grant repayable - Friedrich Ebert Stiftung (FES)	36 450	-
Other payables	4 157	-
Trade payables	115 087	51 548
	<b>198 600</b>	<b>51 548</b>

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**Notes to the Annual Financial Statements**

<b>Figures in Rand</b>	<b>2013</b>	<b>2012</b>
<b>6. Revenue</b>		
Grant income	1 729 939	514 042
Donations	109 082	57 864
	<b>1 839 021</b>	<b>571 906</b>
 <b>The amount included in grant income is made up as follows:</b>		
Open Society Foundation of SA	497 367	101 522
Heinrich Boll Stiftung SA	330 092	102 752
Claude Leon Foundation	300 000	147 015
KAS Media Project	-	51 770
Friedrich Ebert Stiftung	107 358	70 780
Norwegian People's Aid	397 851	-
MAGI (Transfer from ISS)	97 271	40 203
	<b>1 729 939</b>	<b>514 042</b>
 <b>7. Deferred income</b>		
Deferred income consists of:		
MAGI (Transfer from ISS)	-	97 271
Open Society Foundation of SA	140 606	-
	<b>140 606</b>	<b>97 271</b>
 <b>8. Operating expenses</b>		
<b>Services</b>		
Accounting fees	108 886	31 920
Audit fees	30 039	17 784
	<b>138 925</b>	<b>49 704</b>
 <b>Training school</b>		
The bulk of training school expenses were paid directly to service providers by the Friedrich Ebert Stiftung (FES).	27 333	-
	<b>27 333</b>	<b>-</b>
 <b>9. Cash generated from operations</b>		
Profit before taxation	145 368	(30 719)
<b>Adjustments for:</b>		
Depreciation and amortisation	20 491	-
<b>Changes in working capital:</b>		
Receivables	(33 626)	(109 362)
Payables	147 052	51 548
Deferred income	43 335	97 271
	<b>322 620</b>	<b>8 738</b>

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**Notes to the Annual Financial Statements**

<b>Figures in Rand</b>	<b>2013</b>	<b>2012</b>
<b>10. Loans from ISS</b>		
ISS loan	(89 269)	(89 269)
The loan is interest free, unsecured and is expected to be repaid within the next financial year.	<u>                    </u>	<u>                    </u>



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**Analysis of funds and detailed expenditure statement**

	TOTAL	MAGI	OSF	NPA	FES	HBS	CLF	GENERAL
<b>INCOME</b>								
GRANTS	1 729 939	97 271	497 367	397 851	107 358	330 092	300 000	-
DONATIONS	109 082							109 082
RENTAL INCOME	11 000							11 000
FEES	33 229							33 229
SUNDRY INCOME	31 127							31 127
<b>TOTAL INCOME</b>	<b>1 914 377</b>	<b>97 271</b>	<b>497 367</b>	<b>397 851</b>	<b>107 358</b>	<b>330 092</b>	<b>300 000</b>	<b>184 438</b>
<b>EXPENDITURE</b>								
<b>COORDINATION</b>								
Salaries	801 601	65 816	187 704	33 125	42 700	251 919	220 337	
Other Coordination	62 000		35 100	6 250		3 800	16 850	
<b>OVERHEADS</b>								
Rental & hosting	69 246	5 000	18 394	26 764			19 088	
Cleaning	5 962	210	1 972	630			3 149	
Repairs & Maintenance	4 183	459	3 518	50			156	
Telephone & postage	30 948	2 299	7 416	14 880			6 353	
Printing & Stationery	8 082	286	904	4 544			2 348	
Refreshments	4 310	378	1 169	1 027			1 736	
Transport	623		170	61			392	
Other/Sundries	18 794		-	15 495			976	2 323
<b>SERVICES</b>								
Accounting Fees	75 931	1 000	19 078	35 023			20 830	
Accounting Fees -2012	32 955		22 956	6 250				3 749
Audit Fees	30 039		30 039	-				
Bank Charges	12 903	2 566	4 930	2 762			2 645	
Insurance	3 589	1 174	1 384	510			521	
Other services	3 250			3 250				
<b>CAPITAL ITEMS</b>								
Depreciation	20 491			13 784			2 829	3 878
<b>GOVERNANCE</b>								
NWG Meeting	41 561		2 220	39 341				
National Summit	118 768			109 789				8 979
<b>POPULAR EDUCATION</b>								
Transport	48 477		17 383	28 940				2 154
Catering	15 081		3 026	5 286	5 500			1 269
Fees	66 666		18 750		44 000	1 750		2 166
Other	21 665		8 537	5 727	1 950	402		5 049
<b>TRAINING SCHOOL (financed directly by FES)</b>								
Transport	19 071		15 100		3 971			
Catering	2 665		1 250		1 415			
Other	5 596		674		4 922			
<b>MOBALISATION</b>								
Fees for services	50 000		50 000					
Transport	116 632	6 557	35 462	27 263		38 965		8 385
Catering	18 570	560	9 298	7 594				1 118
Other	13 394	1 572	515	9 507		1 800		
<b>COMMUNICATION/MEDIA</b>								
Publications	34 356				2 900	31 456		
Electronic communications	9 000	6 792	418				1 790	
Materials & distributions	2 601	2 601						
<b>TOTAL EXPENDITURE</b>	<b>1 769 009</b>	<b>97 271</b>	<b>497 367</b>	<b>397 851</b>	<b>107 358</b>	<b>330 092</b>	<b>300 000</b>	<b>39 070</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>145 368</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>145 368</b>
Opening balance	(30 719)							(30 719)
Closing balance	114 649	-	-	-	-	-	-	114 649

The supplementary schedule is unaudited.