

**THE RIGHT 2 KNOW CAMPAIGN
(REGISTRATION NUMBER 132 - 307 NPO)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The R2K campaign promotes human rights and democracy by advocating for the right to know - that is to be free to access and to share information.
Directors	Alison Tilley Carina Conradie Dale T Mckinley Hennie Van Vuuren Julie Reid Meshack Mbangula Roegschanda Pascoe Nomvula Sikakane Nkosingiphile Mpanza Khaya Xintolo
Registered office	107 Community House 41 Salt River Road Salt River 7925
Postal address	107 Community House 41 Salt River Road Salt River 7925
Bankers	Standard bank
Auditors	RSM Betty & Dickson (Cape Town)
Registration number	132 - 307 NPO

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Index

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

	Page
Directors' Responsibilities and Approval	3
Independent Auditor's Report	4 - 5
Directors' Report	6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Funds	9
Statement of Cash Flows	10
Accounting Policies	11 - 12
Notes to the Annual Financial Statements	13 - 15

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

Analysis of funds and expenditure statement	16
---	----

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

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 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 entity 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 entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity 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 entity'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 page 6 to 16, which have been prepared on the going concern basis, were approved by:

Director

Director

Date

Independent Auditor's Report

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 2014, 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 entity's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with 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.

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 2014, 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 (Cape Town)
Registered Auditors

Per: Andrew Galloway CA(SA) RA
Partner

Date
Cape Town

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Directors' Report

The directors submit their report for the year ended 31 December 2014.

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 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.

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Statement of Financial Position as at 31 December 2014

Figures in Rand	Note(s)	2014	2013
Assets			
Non-Current Assets			
Property, plant and equipment	2	99 061	70 891
Current Assets			
Receivables	3	84 302	142 989
Cash and cash equivalents	4	178 350	329 245
		262 652	472 234
Total Assets		361 713	543 125
Funds and Liabilities			
Funds			
Accumulated surplus		163 934	114 650
Liabilities			
Current Liabilities			
Loan from ISS	5	-	89 269
Payables	6	113 337	198 600
Deferred income	7	84 442	140 606
		197 779	428 475
Total Funds and Liabilities		361 713	543 125

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Statement of Comprehensive Income

Figures in Rand	Notes(s)	2014	2013
Revenue			
Grant income		3 204 956	1 729 939
Donations		37 196	109 082
	8	<u>3 242 152</u>	<u>1 839 021</u>
Other income			
Fees earned		-	33 229
Rental income		12 000	11 000
Other income		18 832	31 127
Interest received		825	-
		<u>31 657</u>	<u>75 356</u>
Operating expenses			
Programme management			
		(757 938)	(506 434)
Coordination		(362 130)	(185 126)
Overheads		(194 582)	(142 150)
Accounting services		(86 382)	(108 886)
Audit fees		(40 940)	(30 039)
Bank charges		(15 552)	(12 903)
Finance costs		(77)	-
Insurance		(5 397)	(3 589.00)
Other services		(3 251)	(3 250)
Capital items		(14 317)	-
Donations made		(2 716)	-
Depreciation		(32 594)	(20 491)
Programme expenditure			
		(2 466 587)	(1 262 574)
Coordination		(1 239 611)	(678 473)
Governance		(252 472)	(160 328)
Popular education		(177 390)	(151 887)
Training school	9	(59 555)	(27 333)
Mobilisation		(436 053)	(198 596)
Communication / media		(301 506)	(45 957)
Total expenditure		<u>(3 224 525)</u>	<u>(1 769 008)</u>
Surplus for the year		<u>49 284</u>	<u>145 369</u>

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Statement of Changes in Funds

Figures in Rand	Accumulated surplus
Balance at 01 January 2013	(30 719)
Surplus for the year	145 369
Balance at 01 January 2014	114 650
Surplus for the year	49 284
Balance at 31 December 2014	163 934

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Statement of Cash Flows

Figures in Rand	Note(s)	2014	2013
Cash flows from operating activities			
Cash receipts		3 275 507	1 805 395
Cash paid to suppliers and employees		(3 263 199)	(1 482 775)
Cash generated from operations	10	12 308	322 620
Interest income		825	-
Finance cost		(77)	-
Net cash from operating activities		13 056	322 620
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(74 682)	(16 613)
Donations received of property, plant and equipment		-	(74 769)
Net cash from investing activities		(74 682)	(91 382)
Cash flows from financing activities			
Movement in loans		(89 269)	-
Net cash from financing activities		(89 269)	-
Total cash movement for the year		(150 895)	231 238
Cash at the beginning of the year		329 245	98 007
Total cash at end of the year	4	178 350	329 245

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with 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.

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.

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:

Item	Average useful life
Computer equipment	3 years
Computer software	2 years
Furniture and fittings	6 years
Other office equipment	3 - 5 years

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 entity 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 entity 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 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.

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Accounting Policies

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.

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.

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Notes to the Annual Financial Statements

Figures in Rand

2014

2013

2. Property, plant and equipment

	2014			2013		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Computer equipment	64 129	(30 315)	33 814	53 700	(16 633)	37 067
Computer software	4 699	(2 733)	1 966	2 400	(800)	1 600
Furniture and fittings	35 282	(8 939)	26 343	35 282	(3 058)	32 224
Other office equipment	42 954	(6 016)	36 938	-	-	-
Total	147 064	(48 003)	99 061	91 382	(20 491)	70 891

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Disposals	Depreciation	Total
Computer equipment	37 067	29 429	(19 000)	(13 682)	33 814
Computer software	1 600	2 299	-	(1 933)	1 966
Furniture and fixtures	32 224	-	-	(5 881)	26 343
Other office equipment	-	42 954	-	(6 016)	36 938
	70 891	74 682	(19 000)	(27 512)	99 061

3. Receivables

SARS	9 042	-
Deposits	3 000	3 000
Friedrich Ebert Stiftung	-	33 809
Heinrich Boll Stiftung	34 049	46 692
Open Society Foundation	-	52 995
Other receivables	38 211	6 493
	84 302	142 989

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	392	6 369
Bank balances	177 958	322 876
	178 350	329 245

5. Loan from ISS

ISS loan	-	(89 269)
----------	---	----------

The loan was interest free, unsecured and repaid in full during the year.

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Notes to the Annual Financial Statements

Figures in Rand	2014	2013
6. Payables		
Bonus payable	-	42 906
Grant repayable - Friedrich Ebert Stiftung (FES)	-	36 450
Other payables	-	4 157
Trade payables	1 712	-
Accrued leave pay	44 575	-
Accrued expenses	67 050	115 087
	113 337	198 600
7. Deferred income		
Deferred income consists of:		
Open Society Foundation of SA	-	140 606
Bread for The World	84 442	-
	84 442	140 606
8. Revenue		
Grant income	3 204 956	1 729 939
Donations	37 196	109 082
	3 242 152	1 839 021
The amount included in revenue arising from funding contracts included in revenue are as follows:		
Open Society Foundation of SA	411 024	497 367
Norwegian People's Aid	525 626	397 851
MAGI (Transfer from ISS)	-	97 271
Heinrich Boll Stiftung SA	305 002	330 092
Friedrich Ebert Stiftung	74 551	107 358
Claude Leon Foundation	300 000	300 000
Bread for The World	1 165 905	-
Bertha Foundation	422 848	-
	3 204 956	1 729 939
9. Operating expenses		
Training school	59 555	27 333

The bulk of training school expenses were paid directly to service providers by the Friedrich Ebert Stiftung (FES)

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Notes to the Annual Financial Statements

Figures in Rand	2014	2013
10. Cash generated from operations		
Profit before taxation	49 284	145 369
Adjustments for:		
Depreciation	32 594	20 491
Loss on sale of assets	13 917	-
Interest received	(825)	-
Finance costs	77	-
Changes in working capital:		
Receivables	58 688	(33 626)
Payables	(85 263)	147 051
Deferred income	(56 164)	43 335
	12 308	322 620

11. Taxation

No provision has been made for 2014 tax as the entity is exempt in terms s10(1)(cN) as read together with s30 of the Income Tax Act.

THE RIGHT 2 KNOW CAMPAIGN
(Registration number 132 - 307 NPO)
Annual Financial Statements for the year ended 31 December 2014

Analysis of funds and expenditure statement

Notes	Total	Open Society Foundation	Claude Leon Foundation	Norwegian People's Aid	Bertha Foundation	Heinrich Boll Stiftung	Brot fur die Welt	Friedrich Ebert Stiftung (FES Media)	Own Funds
Income									
Grants	3 255 721	411 024	300 000	525 626	422 848	271 325	1 250 347	74 551	-
Donations	37 196								37 196
Rental income	12 000								12 000
Other income	5 599								5 599
Interest received	825								825
Sundry income	13 233								13 233
Total Income	3 324 574	411 024	300 000	525 626	422 848	271 325	1 250 347	74 551	68 853
Expenditure									
Coordination	1 601 743	203 662	164 318	66 884	318 000	256 800	547 504		44 575
Overheads	197 296	24 747	32 854	7 377	30 000		99 603		2 715
Services	151 970	34 954	56 572	4 725			55 270		449
Capital items - covered by funders	75 081		7 750	54 781			12 550		
Capital items - capitalised at year end, depreciation & loss of fixed assets	(28 170)								(28 170)
Governance	252 472		35 682	168 884			47 906		
Popular education	177 390	72 936		48 033	56 000		421		
Training school	59 555						59 555		
Mobilisation	436 054	39 725		174 942			221 387		
Communication/Media	301 506	35 000	2 824		18 848	48 574	121 709	74 551	
Total expenditure	3 224 897	411 024	300 000	525 626	422 848	305 374	1 165 905	74 551	19 569
Net Surplus (deficit)	99 677	-	-	-	-	(34 049)	84 442	-	49 284
Opening Balance	114 650								114 650
Closing Balance	214 327	-	-	-	-	(34 049)	84 442	-	163 934

Note 1: This line includes the re-allocation of capital items to the statement of financial position, depreciation and other adjustments to assets in line with accounting policies and reporting frameworks.

The supplementary schedule is unaudited.