

**CORRUPTION WATCH (RF) NPC
REGISTRATION NO.K2011/118829/08**

(NPO REGISTRATION NO. 102-843-NPO)

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021**

**CORRUPTION WATCH (RF) NPC
REGISTRATION NO.K2011/118829/08**

(NPO REGISTRATION NO. 102-843-NPO)

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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Annual Financial Statements for the year ended 31 December 2021

General Information

**Country of
incorporation and
domicile** South Africa

**Nature of business
and principal activities** The company is a civil society initiative which contributes to reducing corruption in South Africa. Corruption Watch focuses on the abuse of public resources (and we also deal with abuse of union resources and charitable resources which are donated by the public). Corruption Watch contributes to reducing corruption in two ways:

- Firstly, by encouraging people to resist corruption

- Secondly, by helping to make the policy, social and political environment in South Africa less conducive to corruption.

The core business of Corruption Watch (CW) was described in the pre-launch period as 'gathering, analysis and dissemination of information that will enable citizens and their organised representatives, as well as public sector agencies and institutions, to combat corruption'.

Directors The following directors held office for the year under review:-

M Msimang (Chairperson)	T Leoka
AL Brown	Dr MJ Qobo
F Cachalia	G McLaren-Ushewokunze

DH Lewis (Executive Director) - resigned 31 December 2021

Legal form Non Profit Company with members

Registration numbers	Company registration	K2011/118829/08
	NPO registration	102-843-NPO

**Registered office and
business address**

87 De Korte Street
Johannesburg
2001

Website address corruptionwatch.org.za

Principal Bankers Standard Bank of South Africa Limited

Preparer The annual financial statements were internally prepared by L Ntambw.

Level of assurance These annual financial statements have been audited independently in compliance with the MOI and the Companies Act of South Africa.

CORRUPTION WATCH (RF) NPC
REGISTRATION NO.K2011/118829/08

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DIRECTORS' RESPONSIBILITIES AND APPROVAL

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are required by the Companies Act of South Africa, 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 year then ended, in conformity with its accounting policies. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards 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 controls established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets out 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 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 controls provides reasonable assurance that the financial records may be relied on for the presentation 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 31st December 2022 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.

Although the board of directors is primarily responsible for the financial affairs of the company, it is supported by the company's external auditors.

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 2 to 3.

The financial statements set out on pages 4 to 21, which have been prepared on the going concern basis, were approved by the board of directors on the 28th March 2022 and were signed on its behalf by:

Mzukisi Qobo



29 March 2022



INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS

CORRUPTION WATCH (RF) NPC
REGISTRATION NO. K2011/118829/08
(NPO REGISTRATION NO. 102-843-NPO)

P O BOX 32707
 BRAAMFONTEIN
 2017
 SOUTH AFRICA

TEL (011) 403 3835
 FAX (011) 339 7762

Unqualified Opinion

We have audited the financial statements of Corruption Watch (RF) NPC set out on pages set out on pages 5 to 21, which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the financial year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements fairly present, in all material respects, the financial position of Corruption Watch (RF) NPC as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with its accounting policies, International Financial Accounting Standards for Small and Medium - sized Entities and the Companies Act of South Africa.

Basis for Unqualified 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 Company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code), together with the ethical requirements that are relevant to our audit of financial statements in South Africa. We have fulfilled our other ethical requirements in accordance with these requirements and the IRBA Code. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Part A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualifying our opinion above, we draw attention to the following matter :

1. As explained in note 1.11 to the financial statements, the management of the company allocates project related expenses against grant income on the basis of budgets and its assessment as to which project has incurred the expense concerned. We have relied on management's allocations of such costs, and the resultant accrual or deferral of grant income on the basis set out in note 1.11, for the purposes of our audit.

Other Information

The Board of Directors is responsible for the other information, which comprises the Report of the Directors, set out on page 4.

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 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 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 Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with their accounting policies, the International Financial Reporting Standards for Small and Medium - sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 judgment 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 management.
- Conclude on the appropriateness of management's 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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. We have communicated with those charged with governance on all relationships and other matters, which may reasonably be thought to bear on our independence and, where applicable, related safeguards.



DC Douglas RA (IRBA 605581)
Douglas & Velcich
Chartered Accountants (S.A.)

Johannesburg
6 April 2022

**CORRUPTION WATCH (RF) NPC
REGISTRATION NO.K2011/118829/08**

(NPO REGISTRATION NO. 102-843-NPO)

**REPORT OF THE DIRECTORS FOR THE
YEAR ENDED 31 DECEMBER 2021**

Your board of directors presents its report, together with the audited financial statements of the company for the financial year ended 31 December 2021.

NATURE OF ACTIVITIES

The company is a civil society initiative which contributes to reducing corruption in South Africa. Corruption Watch focuses on the abuse of public resources (and we also deal with abuse of union resources and charitable resources which are donated by the public).

Corruption Watch contributes to reducing corruption in two ways:

- Firstly, by encouraging people to **resist** corruption
- Secondly, by helping to make the policy, social and political environment in South Africa less conducive to corruption.

The core business of Corruption Watch (CW) was described in the pre-launch period as 'gathering, analysis and dissemination of information that will enable citizens and their organised representatives, as well as public sector agencies and institutions, to combat corruption'.

RESULTS

The results for the year are fully disclosed in the attached financial statements.

POST FINANCIAL POSITION EVENTS

No material fact or circumstance has occurred between the financial position date and the date of the audit report.

EQUIPMENT

During the year under review, the company acquired equipment costing R74,019 (2020:R191,626).

DIRECTORS

The following directors served during the year under review :-

M Msimang (Chairperson)	Dr MJ Qobo
AL Brown	G McLaren-Ushewokunze
F Cachalia	
T Leoka	

DH Lewis (Executive Director) - resigned 31 December 2021

AUDITORS

Douglas and Velcich were retained as auditors for the year under review.

CORRUPTION WATCH (RF) NPC
REGISTRATION NO.K2011/118829/08

(NPO REGISTRATION NO. 102-843-NPO)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021 R	2020 R
ASSETS		17 432 673	16 387 320
Non current assets		354 027	675 502
Equipment	3	195 897	271 710
Investments	4	158 130	403 792
Current assets		17 078 646	15 711 818
Accounts receivable	5	630 094	550 045
Accrued income	6	-	149 220
Investments	4	8 526 519	7 902 202
Cash and cash equivalents	7	7 922 034	7 110 351
Total assets		17 432 673	16 387 320
RESERVES AND LIABILITIES		17 432 673	16 387 320
Reserves		3 420 111	2 171 551
Accumulated surplus		672 438	426 720
Equipment fund		195 897	271 710
Sustainability fund		2 551 776	1 473 121
Current liabilities		14 012 563	14 215 769
Accounts payable	8	164 315	457 779
Deferred income	9	13 661 975	13 531 884
Provision for leave pay	10	186 273	226 106
Total reserves and liabilities		17 432 673	16 387 320

CORRUPTION WATCH (RF) NPC
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 R	2020 R
INCOME		23 467 177	23 015 988
Grants and donations	11	22 814 037	22 385 589
Contract income		397 949	337 000
Interest received	12	254 043	288 182
Sundry income		1 148	5 217
EXPENDITURE		22 597 273	22 243 000
Assets expensed directly		13 222	35 207
Audit fees		64 330	59 160
Bank charges		61 063	58 258
Communication costs		99 389	85 192
Consulting fees		156 740	72 600
Depreciation	3	149 832	120 387
Director's emoluments	13	980 275	317 283
Donations		-	185 250
Fundraising costs		149 734	199 840
Insurance		28 676	122 611
Interest and penalties		-	20 997
Office supplies		94 576	91 120
Printing and stationery		2 233	13 226
Programme costs	13/14	17 454 688	17 429 456
Rent, parking, water and electricity		256 016	287 028
Repairs and maintenance		5 275	4 240
Salaries, wages and contributions		3 038 847	2 852 616
Secretarial fees		-	2 500
Staff training and welfare		9 750	228 526
Strategic expenses		31 014	-
Travel and accommodation		1 613	57 503
SURPLUS FOR THE YEAR		869 905	772 987
OTHER COMPREHENSIVE INCOME		378 655	238 448
Interest and dividends received on investment		418 062	341 666
Management fees on investment		(21 006)	-
Fair value adjustment on investment		(18 402)	(103 218)
TOTAL COMPREHENSIVE INCOME		1 248 560	1 011 436

(NPO REGISTRATION NO. 102-843-NPO)

STATEMENT OF CHANGES IN RESERVES FOR
THE YEAR ENDED 31 DECEMBER 2021

	Accumulated Surplus R	Equipment Fund R	Sustainability Fund R	Total R
Balance at 31 December 2019	-	200 472	959 643	1 160 115
Total comprehensive income	772 987	-	238 448	1 011 436
Surplus for the year	772 987	-	-	772 987
Interest and dividends received on investment	-	-	341 666	341 666
Fair value adjustment on investment	-	-	(103 218)	(103 218)
Transfer (to) equipment fund	(191 626)	191 626	-	-
Acquisition during the year	(191 626)	191 626	-	-
Depreciation during the year	120 387	(120 387)	-	-
Transfer (to) sustainability fund	(275 029)	-	275 029	-
Balance at 31 December 2020	426 720	271 710	1 473 121	2 171 551
Total comprehensive income	869 905	-	378 655	1 248 560
Surplus for the year	869 905	-	-	869 905
Interest and dividends received on investment	-	-	418 062	418 062
Management fees on investment	-	-	(21 006)	(21 006)
Fair value adjustment on investment	-	-	(18 402)	(18 402)
Transfer (to) equipment fund	(74 019)	74 019	-	-
Acquisition during the year	(74 019)	74 019	-	-
Depreciation during the year	149 832	(149 832)	-	-
Transfer (to) sustainability fund	(700 000)	-	700 000	-
Balance at 31 December 2021	672 438	195 897	2 551 776	3 420 111

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STATEMENT OF CASH FLOWS FOR THE
YEAR ENDED 31 DECEMBER 2021

	Note	2021 R	2020 R
Cash flows from operating activities			
Cash receipts from funders and donors		23 492 446	24 370 678
Cash paid to programmes, suppliers and employees		(22 860 787)	(22 355 465)
Cash generated from operations	17	631 659	2 015 213
Interest received	12	672 105	629 848
Net cash inflow from operating activities		1 303 764	2 645 061
Cash flows (utilised in) investing activities		(492 081)	(533 292)
Acquisition of equipment, at cost	3	(74 019)	(191 626)
Interest reinvested	4	(418 062)	(341 666)
Net increase in cash and cash equivalents		811 683	2 111 769
Cash and cash equivalents at beginning of year		7 110 351	4 998 582
Cash and cash equivalents at end of year	7	7 922 034	7 110 351

(NPO REGISTRATION NO. 102-843-NPO)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES

1. The financial statements have been prepared in accordance with International Financial Reporting Standards for Small, Medium - sized Entities and the Companies Act of South Africa. The financial statements have been prepared on the historical cost basis, except for financial instruments, and incorporate the following principal accounting policies set out below.

1.1 SIGNIFICANT JUDGEMENTS

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the 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 financial statements.

1.2 EQUIPMENT

The cost of an item of tangible assets 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.

Costs include costs incurred initially to acquire an item of tangible assets 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 tangible assets, the carrying amount of the replaced part is derecognised.

Any capital costs of less than R7,000 are expensed directly to profit or loss, as per the guidelines provided by SARS.

Tangible assets are carried at cost less accumulated depreciation and any impairment losses.

Depreciation is provided on all tangible assets other than freehold land, to write down the cost, less residual value, by equal instalments over their useful lives as follows:

Item	Useful life
Computer equipment	3 years
Office equipment	3 years
Office furniture	4 years

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

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2021 (Continued)**

ACCOUNTING POLICIES (Continued)

1.2 EQUIPMENT (Continued)

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

1.3 FINANCIAL INSTRUMENTS

Measurement

Financial instruments carried on the statement of financial position include bank balances, accounts receivable and accounts payable. Financial instruments are initially measured at cost as at trade date, which includes transaction costs. Subsequent to initial recognition, the following instruments are measured as set out below :-

Investments

Investments in financial assets are initially recognised at cost. Subsequently, financial assets are re-measured at fair value through profit and loss.

Accounts receivable

Accounts receivable is stated at cost less provision for impairment losses.

Cash and cash equivalents

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk in change in value.

Cash and cash equivalents are measured at fair value.

Accounts payable

Accounts payable which are short - term obligation, are stated at their nominal value.

1.4 IMPAIRMENT

The carrying amounts of assets are reviewed at financial position date to determine whether there is any indication of impairment. If there is such indication, the assets are written down to the estimated recoverable amounts. The recoverable amount is the higher of the net selling price and the value in use.

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2021 (Continued)**

ACCOUNTING POLICIES (Continued)

1.5 EQUIPMENT FUND

An equipment fund is maintained to separate from accumulated funds the funding of non-current assets, which are not available for the short term funding of operations.

The fund is maintained at a value equal to the carrying value of equipment in the statement of financial position. Depreciation and profits or losses on disposal are charged against operating income each year and adjusted against the fund.

1.6 PROVISIONS

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

1.7 LEASES AS LESSEE

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

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

1.8 REVENUE RECOGNITION

Income from grants is brought to account in the financial period to which it relates.

All other income is brought to account as and when received.

1.9 INTEREST INCOME

Interest is brought to account as and when received.

1.10 EXPENDITURE

Expenditure is accounted for on the accrual basis of accounting.

1.11 PROJECT ACCOUNTING AND EXPENSE ALLOCATION

In terms of its contractual obligations to donors, the company's policy is to allocate project expenses that are clearly identifiable as such, directly against project funds.

Indirect and shared costs are apportioned on the basis of management estimates.

Accrued and deferred grant income is based on the balance of the project fund after taking into account the direct, indirect and shared costs as described above. The unexpended surplus of the project fund is deferred to the following year or the deficit is accrued in the year under review.

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2021 (Continued)**

ACCOUNTING POLICIES (Continued)

1.12 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 medical aid contributions), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employee renders service that increases their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2021 (Continued)

2. FINANCIAL RISK MANAGEMENT

2.1 Financial risk factors

The company's activities could expose it to a variety of financial risks: market risk (including fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out by the trustees, who evaluate financial risks.

(a) Market risk

The company is exposed to currency risk to the extent that some grants are denominated in foreign currency. The company however does not operate internationally and therefore its exposure to any foreign exchange risk is limited. Management regularly reviews the relevant rates of exchange and amends budgets if necessary.

(b) Credit risk

The company's credit risk is attributable to accounts receivable, accrued income and liquid funds. The credit risk on liquid funds is limited because the counter party is a bank with credit rating assigned by international credit-rating agencies. The company has no significant credit risk arising from its receivables or accrued income in the current year.

(c) Liquidity risk

Using cash flow forecasting, management maintains adequate levels of cash to fund ongoing obligations.

(d) Cash flow and fair value interest rate risk

The company has minimal exposure to interest rate risk as surplus funds are invested in local interest-bearing accounts.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2021 (Continued)

3. EQUIPMENT

31 December 2021

Net book value - 1 January 2021

At cost	255 398	589	15 724	271 710
Accumulated depreciation	1 661 660	45 463	212 746	1 919 869
Additions during the year	(1 406 262)	(44 874)	(197 023)	(1 648 159)
Depreciation for the year	36 560	-	37 459	74 019
	(132 624)	-	(17 208)	(149 832)

Net book value - 31 December 2021

At cost	159 334	589	35 974	195 897
Accumulated depreciation	1 698 220	45 463	250 205	1 993 888
	(1 538 886)	(44 874)	(214 231)	(1 797 991)

31 December 2020

Net book value - 1 January 2020

At cost	173 618	-	26 854	200 471
Accumulated depreciation	1 572 128	44 874	212 746	1 829 749
Additions during the year	(1 398 510)	(44 874)	(185 893)	(1 629 277)
Depreciation for the year	191 037	589	-	191 626
	(109 257)	-	(11 130)	(120 387)

Assets scrapped during the year

At cost	-	-	-	-
Accumulated depreciation	(101 505)	-	-	(101 505)
	101 505	-	-	101 505

Net book value - 31 December 2020

At cost	255 398	589	15 724	271 710
Accumulated depreciation	1 661 660	45 463	212 746	1 919 869
	(1 406 262)	(44 874)	(197 023)	(1 648 159)

(NPO REGISTRATION NO. 102-843-NPO)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2021 (Continued)

	2021 R	2020 R
4. INVESTMENTS		
STANLIB Unit trusts		
Balance at beginning of the year	7 902 202	7 708 737
Funds invested during the year	-	-
Interest and dividends received and reinvested	418 062	341 666
Management fees	(21 006)	-
Fair value adjustment	(62 072)	(148 201)
Balance at end of year	8 237 186	7 902 202
Standard Bank - Quantum Plus SA Investment		
Balance at beginning of the year	403 792	358 809
Funds withdrawn during the year	-	-
Interest received and reinvested	-	-
Fair value adjustment	43 671	44 983
Balance at end of year	447 463	403 792
Total investments	8 684 649	8 305 994
5. ACCOUNTS RECEIVABLE		
Lease and telephone deposits	107 870	107 870
Prepaid expenses	255 636	29 789
VAT receivable	266 588	412 386
	630 094	550 045
6. ACCRUED INCOME		
GiZ	-	105 693
Sigrid Rausing Trust	-	43 527
	-	149 220
7. CASH AND CASH EQUIVALENTS		
Current account	784 747	2 068 384
Marketlink accounts	4 141 514	4 053 673
Money market account	2 995 515	986 754
Petty cash	258	1 540
	7 922 034	7 110 351
8. ACCOUNTS PAYABLE		
Accruals	-	-
Sundry creditors	164 315	457 779
	164 315	457 779

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2021 (Continued)

	2021 R	2020 R
9. DEFERRED INCOME		
Grants and donations		
ABSA Bank	640 106	678 000
Anglo American Group Foundation	-	64 128
Anglo Gold Ashanti Chairman's Fund	190 636	312 576
Anonymous funder	-	526 448
The Ball Family Foundation	348 939	250 000
Claude Leon Foundation	142 973	156 321
The Crimeline Foundation	565 179	1 549 712
The ELMA Foundation	1 163 528	2 182 178
The Ford Foundation	937 419	-
Kirsh Foundation	288 739	419 896
The Mary Oppenheimer & Daughters Foundation	103 079	594 772
Millennium Trust	2 805 908	1 336 382
Open Society Foundation for South Africa	2 139 172	322 062
Oppenheimer Memorial Trust	1 668 054	1 437 653
Raith Foundation	-	702 666
Sigrid Rausing Trust	1 122 587	-
Standard Bank of South Africa	91 063	500 000
Tides Foundation	-	1 499 738
Transparency International e.V (Secretariat)	-	22 814
Transparency International UK	954 593	323 558
Yellowwoods Social Investments	500 000	500 000
	13 661 975	13 378 904
Contract income		
Funds for City of New York	-	152 979
	13 661 975	13 531 884
10. PROVISION FOR LEAVE PAY		
Balance at beginning of the year	226 106	336 694
Additions during the year	663 726	695 827
(Utilised) during the year	(703 559)	(806 415)
	186 273	226 106
11. GRANTS AND DONATIONS		
ABSA Bank	37 894	-
Received	-	678 000
Deferred to 2021	678 000	(678 000)
Deferred to 2022	(640 106)	-
Anglo Gold Ashanti Chairman's Fund	840 046	1 233 821
Received	775 918	916 950
Deferred to 2020	-	380 999
Deferred to 2021	64 128	(64 128)
Balance carried forward	877 940	1 233 821

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 THE YEAR ENDED 31 DECEMBER 2021 (Continued)**

	2021 R	2020 R
11. GRANTS AND DONATIONS (Continued)		
Balance brought forward	877 940	1 233 821
Anglo Gold Ashanti Chairman's Fund	121 941	84 378
Deferred to 2020	-	396 954
Deferred to 2021	312 576	(312 576)
Deferred to 2022	(190 636)	-
Anonymous funder	526 448	2 616 930
Deferred to 2020	-	3 143 378
Deferred to 2021	526 448	(526 448)
The Ball Family Foundation	151 061	-
Received	250 000	250 000
Deferred to 2021	250 000	(250 000)
Deferred to 2022	(348 939)	-
Claude Leon Foundation	1 263 348	1 107 543
Received	1 250 000	1 250 000
Deferred to 2020	-	13 865
Deferred to 2021	156 321	(156 321)
Deferred to 2022	(142 973)	-
The Crimeline Foundation	984 533	721 645
Received	-	2 271 357
Deferred to 2021	1 549 712	(1 549 712)
Deferred to 2022	(565 179)	-
The David and Elaine Potter Foundation	885 000	419 331
Received	885 000	-
Deferred to 2020	-	419 331
The ELMA Foundation	3 018 649	1 110 699
Received	2 000 000	2 000 000
Deferred to 2020	-	1 292 877
Deferred to 2021	2 182 178	(2 182 178)
Deferred to 2022	(1 163 528)	-
The Ford Foundation	490 653	2 805 237
Received	1 428 071	-
Deferred to 2020	-	2 805 237
Deferred to 2022	(937 419)	-
GiZ	679 729	262 940
Received	785 422	124 113
Deferred to 2020	-	33 134
Accrued in 2020	(105 693)	105 693
Kirsh Foundation	381 157	80 104
Received	250 000	500 000
Deferred to 2021	419 896	(419 896)
Deferred to 2022	(288 739)	-
Balance carried forward	9 380 458	10 442 628

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2021 (Continued)

	2021 R	2020 R
11. GRANTS AND DONATIONS (Continued)		
Balance brought forward	9 380 458	10 442 628
The Mary Oppenheimer & Daughters Foundation	1 241 693	158 590
Received	750 000	750 000
Deferred to 2020	-	3 362
Deferred to 2021	594 772	(594 772)
Deferred to 2022	(103 079)	-
Millennium Trust	1 030 474	1 163 618
Received	2 500 000	2 500 000
Deferred to 2021	1 336 382	(1 336 382)
Deferred to 2022	(2 805 908)	-
Oppenheimer Memorial Trust	469 598	62 347
Received	700 000	750 000
Deferred to 2020	-	750 000
Deferred to 2021	1 437 653	(1 437 653)
Deferred to 2022	(1 668 054)	-
Open Society Foundation for South Africa	2 682 890	1 177 938
Received	4 500 000	1 500 000
Deferred to 2021	322 062	(322 062)
Deferred to 2022	(2 139 172)	-
Overseas Development Institute	123 945	138 094
Received	123 945	138 094
Raith Foundation	702 666	1 102 152
Received	-	1 378 125
Deferred to 2020	-	426 693
Deferred to 2021	702 666	(702 666)
Roy Mcalpine Charitable Trust	500 000	-
Received	500 000	-
Sigrid Rausing Trust	1 728 737	3 446 875
Received	2 894 850	3 448 695
Accrued in 2019	-	(45 346)
Accrued in 2020	(43 527)	43 527
Deferred to 2022	(1 122 587)	-
Standard Bank of South Africa	908 937	-
Received	500 000	500 000
Deferred to 2021	500 000	(500 000)
Deferred to 2022	(91 063)	-
Tides Foundation	1 499 738	1 451 159
Received	-	1 608 906
Deferred to 2020	-	1 341 992
Deferred to 2021	1 499 738	(1 499 738)
Transparency International e.V (Secretariat)	1 792 642	306 347
Received	2 724 421	557 628
Accrued in 2019	-	(228 467)
Deferred to 2021	22 814	(22 814)
Deferred to 2022	(954 593)	-
Balance carried forward	22 061 779	19 449 748

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2021 (Continued)

	2021 R	2020 R
11. GRANTS AND DONATIONS (Continued)		
Balance brought forward	22 061 779	19 449 748
Transparency International UK	323 558	2 632 232
Received	-	1 950 006
Deferred to 2020	-	1 005 784
Deferred to 2021	323 558	(323 558)
Yellowwoods Social Investments	-	-
Received	-	500 000
Deferred to 2021	500 000	(500 000)
Deferred to 2022	(500 000)	-
Others	428 701	303 609
	22 814 037	22 385 589
Total summary		
Received	23 246 328	23 875 482
Accrued in 2019	-	(273 813)
Accrued in 2020	(149 220)	149 220
Deferred to 2020	-	12 013 605
Deferred to 2021	13 378 904	(13 378 904)
Deferred to 2022	(13 661 975)	-
	22 814 037	22 385 589
12. NET INTEREST RECEIVED		
Interest earned - savings accounts	3 791	4 703
Interest earned - call deposit accounts	250 252	283 479
Statement of comprehensive income	254 043	288 182
Interest earned - Stanlib unit trusts	418 062	341 666
Statement of changes in reserves	418 062	341 666
Total interest earned	672 105	629 848
13. DIRECTOR'S EMOLUMENTS		
Executive director - DH Lewis		
Normal salary	1 560 697	1 569 252
Severance pay	668 136	-
	2 228 833	1 569 252

The portion of the director's emoluments related to programme costs of R1,248,558 (2020 : R1,269,135) has been allocated to the relevant programme costs reflected in note 14.

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
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	2021	2020
	R	R
14. PROGRAMME COSTS		
Campaigns	3 098 801	2 597 896
Communication	7 322 827	7 877 681
Legal policy and investigation	3 366 061	3 348 439
Research	796 381	770 543
Stakeholder management	2 870 617	2 834 898
	17 454 688	17 429 456
15. COMMITMENTS		
The company has the following commitments in respect of agreements over office premises and photocopier as follows:		
Payable within one year	228 000	275 960
Payable thereafter	-	-
	228 000	275 960
16. TAXATION		
No provision has been made for taxation as the company has qualified for exemption from income tax as a public benefit organisation under section 10(1)(cN) as read with section 30 of the Income Tax Act.		
17. CASH GENERATED FROM OPERATIONS		
Surplus for the year	869 905	772 987
Adjustment:		
Interest received	(254 043)	(288 182)
Depreciation	149 832	120 387
Decrease in accrued income	149 220	124 593
Increase in deferred income	130 091	1 518 279
(Decrease) in provision for leavepay	(39 834)	(110 588)
Operating surplus before working capital changes	1 005 172	2 137 477
Changes in working capital	(373 513)	(122 264)
(Increase) in accounts receivable	(80 049)	(181 786)
(Decrease)/increase in accounts payable	(293 464)	59 521
Cash generated from operations	631 659	2 015 213

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2021 (Continued)**

18. RELATED PARTIES

Director's emoluments

refer notes 13/14

19. CONTINGENT LIABILITY

An action for defamation has been instituted against Corruption Watch by Ms B. Magoda relating to an allegedly defamatory letter that was published on Corruption Watch's website. Corruption Watch wrote to the Minister of Agriculture, Land Reform and Rural Development enquiring about corruption within his Department and mentioned Ms Magoda in the letter. Ms Magoda has claimed R500 000 plus interest in her summons against Corruption Watch. Corruption Watch pleads that the statements concerning Ms Magoda in the letter were not defamatory to her and alternatively, were true and published in the public interest.

In the alternative, Corruption Watch contends that the statements concerned matters of public interest; the steps taken prior to publication were fair and reasonable in the circumstances; the information contained in the statements was based on reliable information from reliable sources; the statements were published in the bona fide and reasonable belief that they were true; and the tone of the statements was measured and responsible. The pleadings in the matter have closed.

Dario has indicated that if we are unsuccessful, he estimates the amount of award to the plaintiff being between R50 – R150k, and of course taxed legal costs of the other side.

20. GOING CONCERN

The existence of the company is dependent on the continued support of its donors, by way of grants. Should the grants be withdrawn it is highly unlikely that the company will be able to continue as a going concern. Donors have agreed to continue supporting the company in 2022.