

Water Institute of Southern Africa (Association Incorporated Under Section 21)
(Registration number 2000/001140/08)
Annual Financial Statements
for the year ended 31 December 2009

RMS Chartered Accountants (SA)
Registered Auditors
Issued 26 February 2010

Water Institute of Southern Africa (Association Incorporated Under Section 21)

(Registration number 2000/001140/08)

Annual Financial Statements for the year ended 31 December 2009

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Non-profit Organisation
Directors	C.M. Esterhuyse J.S. Swart S.D. Freese H.G. Snyman M.I. Msibi J.E. Burgess R.M. Brown B. Nel J.W. Wilken K.C. Pietersen A.M. Mancotywa
Registered office	1st Floor Building No 5 Constantia Park 546 16th Road Randjes Park X7 Midrand 1685
Business address	1st Floor Building No 5 Constantia Park 546 16th Road Randjes Park X7 Midrand 1685
Postal address	P.O. Box 6011 Halfway House 1685 First National Bank Limited Nedbank Limited Standard Bank Limited Investec Private Bank
Bankers	
Auditors	RMS Chartered Accountants (SA) Registered Auditors
Company registration number	2000/001140/08

Water Institute of Southern Africa (Association Incorporated Under Section 21)

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

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RMS

CHARTERED ACCOUNTANTS (SA)
GEKROONDE REKENMEESTERS (SA)

REPORT OF THE INDEPENDENT AUDITORS

To the members of Water Institute of Southern Africa (Association Incorporated Under Section 21)

We have audited the annual financial statements of Water Institute of Southern Africa (Association Incorporated Under Section 21) which comprise the directors' report, the balance sheet as at 31 December 2009, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 22.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 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 estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

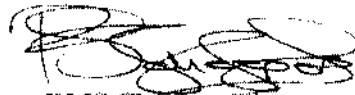
In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the company as of 31 December 2009, and of its financial performance and its cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa.

Accounting and secretarial duties

Without qualifying our opinion, we draw your attention to the fact that with the written consent of the members, we have performed certain accounting and secretarial duties.

Supplementary information

We draw your attention to the fact that the supplementary information set out on pages 23 to 24 do 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.



RMS Chartered Accountants (SA)

Per: RM Scheepers CA (SA)

Registered Auditors

Pretoria

26 February 2010

Water Institute of Southern Africa (Association Incorporated Under Section 21)

(Registration number 2000/001140/08)

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Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa 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 company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

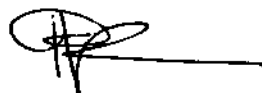
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal 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 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.

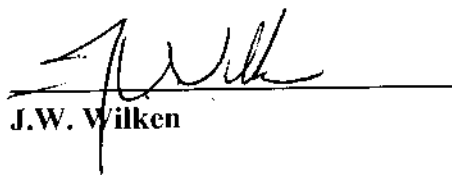
The directors have reviewed the company's cash flow forecast for the year to 31 December 2010 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page s 3 to 4.

The annual financial statements set out on pages 6 to 24, which have been prepared on the going concern basis, were approved by the board on 26 February 2010 and were signed on its behalf by:



K.C. Pietersen



J.W. Wilken

Pretoria

26 February 2010

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Annual Financial Statements for the year ended 31 December 2009

Directors' Report

The directors submit their report for the year ended 31 December 2009.

1. Incorporation

The company was incorporated on 27 January 2000 and obtained its certificate to commence business on the same day.

2. Review of activities

Main business and operations

The company is engaged in the exchange of information and views to improve water resource management and operates principally in South Africa.

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.

Net surplus of the company was R 1,830,280 (2008: R 2,410,954 surplus).

3. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year.

4. Non-current assets

The company acquired non-current assets to the value of R 22,214 during the year.

There were no changes in the policy relating to the use of non-current assets during the year.

5. Directors

The directors of the company during the year and to the date of this report are as follows:

Name
C.M. Esterhuysen
J.S. Swart
S.D. Freese
H.G. Snyman
M.I. Msibi
J.E. Burgess
R.M. Brown
B. Nel
J.W. Wilken
K.C. Pietersen
A.M. Mancotywa

Water Institute of Southern Africa (Association Incorporated Under Section 21)

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Annual Financial Statements for the year ended 31 December 2009

Directors' Report

6. Secretary

The company had no formally appointed secretary during the year.

In terms of Section 268A of the Companies Act, 1973 only a public company having a share capital is required to formally appoint a secretary.

7. Auditors

RMS Chartered Accountants (SA) will continue in office in accordance with section 270(2) of the Companies Act.

Water Institute of Southern Africa (Association Incorporated Under Section 21)

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Annual Financial Statements for the year ended 31 December 2009

Statement of Financial Position

	Note(s)	2009 R	2008 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	1,484,653	1,513,644
Other financial assets	3	55,647	-
		<u>1,540,300</u>	<u>1,513,644</u>
Current Assets			
Inventories	4	9,601	28,560
Trade and other receivables	5	1,266,776	1,964,817
Prepayments		594,656	484,165
Cash and cash equivalents	6	6,359,555	3,833,921
		<u>8,230,588</u>	<u>6,311,463</u>
Total Assets		<u>9,770,888</u>	<u>7,825,107</u>
Equity and Liabilities			
Equity			
Reserves		1,952,159	1,800,404
Retained surplus		6,621,537	4,943,012
		<u>8,573,696</u>	<u>6,743,416</u>
Liabilities			
Non-Current Liabilities			
Operating lease liability		-	34,458
Current Liabilities			
Trade and other payables	7	1,197,192	1,047,233
Total Liabilities		<u>1,197,192</u>	<u>1,081,691</u>
Total Equity and Liabilities		<u>9,770,888</u>	<u>7,825,107</u>

Water Institute of Southern Africa (Association Incorporated Under Section 21)

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Annual Financial Statements for the year ended 31 December 2009

Statement of Comprehensive Income

	Note(s)	2009 R	2008 R
Revenue	8	1,370,630	1,352,777
Other income		3,989,366	4,832,393
Operating expenses		<u>(3,858,425)</u>	<u>(3,934,953)</u>
Operating surplus (deficit)	9	1,501,571	2,250,217
Investment revenue	10	486,807	349,345
Finance costs	11	<u>(158,098)</u>	<u>(188,608)</u>
Surplus (deficit) for the year		1,830,280	2,410,954
Other comprehensive income		-	-
Total comprehensive surplus (deficit)		<u>1,830,280</u>	<u>2,410,954</u>

1 (Association Incorporated Under Section 21)

number 2009

Share capital	Branches and divisions	Bursary fund	Total reserves	Retained surplus	Total equity
R	R	R	R	R	R
-	986,713	567,242	1,553,955	2,778,507	4,332,462
-	-	-	-	2,410,954	2,410,954
-	176,510	-	176,510	(176,510)	-
-	-	69,939	69,939	(69,939)	-
-	<u>176,510</u>	<u>69,939</u>	<u>246,449</u>	<u>2,164,505</u>	<u>2,410,954</u>
-	1,163,223	637,181	1,800,404	4,943,012	6,743,416
-	-	-	-	1,830,280	1,830,280
-	93,254	-	93,254	(93,254)	-
-	-	58,501	58,501	(58,501)	-
-	<u>93,254</u>	<u>58,501</u>	<u>151,755</u>	<u>1,678,525</u>	<u>1,830,280</u>
-	1,256,477	695,682	1,952,159	6,621,537	8,573,696

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Water Institute of Southern Africa (Association Incorporated Under Section 21)

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Annual Financial Statements for the year ended 31 December 2009

Statement of Cash Flows

	Note(s)	2009 R	2008 R
Cash flows from operating activities			
Cash receipts from customers		5,875,391	5,962,120
Cash paid to suppliers and employees		(3,600,605)	(4,328,735)
Cash generated from operations	14	2,274,786	1,633,385
Interest income		486,807	349,345
Finance costs		(158,098)	(188,608)
Net cash from operating activities		2,603,495	1,794,122
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(22,214)	(283,495)
Sale of property, plant and equipment	2	-	-
Net movement in financial assets		(55,647)	-
Prepayments		-	(383,854)
Net cash from investing activities		(77,861)	(667,349)
Cash flows from financing activities			
Repayment of other financial liabilities		-	(77,248)
Net cash from financing activities		-	(77,248)
Total cash movement for the year		2,525,634	1,049,525
Cash at the beginning of the year		3,833,921	2,784,396
Total cash at end of the year	6	6,359,555	3,833,921

Water Institute of Southern Africa (Association Incorporated Under Section 21)

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Annual Financial Statements for the year ended 31 December 2009

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice, and the Companies Act of South Africa. 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.

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

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

Item	Depreciation Rates
Buildings	0.00%
Furniture and fixtures	20.00%
Office equipment	20.00%
IT equipment	33.33%
IT software	50.00%
Exhibition equipment	20.00%
Photographic equipment	33.33%
Mine water - audio equipment	20.00%

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

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

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Annual Financial Statements for the year ended 31 December 2009

Accounting Policies

1.2 Financial instruments

Classification

The company classifies financial assets and financial liabilities into the following categories:

- Loans and receivables
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category.

Initial recognition and measurement

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

The company 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 profit or loss, transaction costs are included in the initial measurement of the instrument.

Subsequent measurement

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Fair value determination

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment of financial assets

At each reporting date the company assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

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Accounting Policies

1.2 Financial instruments (continued)

For amounts due to the company, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

Impairment losses are recognised in profit or loss.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in profit or loss except for equity investments classified as available-for-sale.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

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Annual Financial Statements for the year ended 31 December 2009

Accounting Policies

1.2 Financial instruments (continued)

Bank overdraft and borrowings

Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the company's accounting policy for borrowing costs.

1.3 Tax

Current tax assets and liabilities

No current tax or deferred tax assets or liabilities or expenses are recognised as the company is exempt from tax.

1.4 Inventories

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.5 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.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and 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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Annual Financial Statements for the year ended 31 December 2009

Accounting Policies

1.6 Revenue

The company earns revenue from subscriptions.

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.

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

1.7 Borrowing costs

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

1.8 Accounting treatment of branches and divisions

All funds available to branches and divisions are shown as branch and division funds. All income and expenditure is accounted for in the company's income statement. The net result of the branches and divisions is then transferred to their fund accounts at the end of the year.

1.9 Conference account

The biennial conference account is audited every two years, at the conclusion of the year in which the event is held.

Water Institute of Southern Africa (Association Incorporated Under Section 21)

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Annual Financial Statements for the year ended 31 December 2009

Notes to the Annual Financial Statements

	2009			2008		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Buildings	1,355,759	-	1,355,759	1,355,759	-	1,355,759
Furniture and fixtures	112,610	(40,866)	71,744	116,882	(30,561)	86,321
Office equipment	23,765	(5,926)	17,839	30,234	(18,906)	11,328
IT equipment	126,005	(93,809)	32,196	191,905	(153,930)	37,975
Computer software	53,578	(53,564)	14	67,526	(55,530)	11,996
Exhibition equipment	37,754	(30,767)	6,987	53,144	(43,447)	9,697
Photographic equipment	1,356	(1,243)	113	6,839	(6,272)	567
Mine water - audio equipment	17,108	(17,107)	1	17,108	(17,107)	1
Total	1,727,935	(243,282)	1,484,653	1,839,397	(325,753)	1,513,644

Reconciliation of property, plant and equipment - 2009

	Opening balance	Additions	Disposals	Depreciation	Total
Buildings	1,355,759	-	-	-	1,355,759
Furniture and fixtures	86,321	-	(1)	(14,576)	71,744
Office equipment	11,328	8,500	(1)	(1,988)	17,839
IT equipment	37,975	13,714	(2)	(19,491)	32,196
Computer software	11,996	-	-	(11,982)	14
Exhibition equipment	9,697	-	(1)	(2,709)	6,987
Photographic equipment	567	-	(1)	(453)	113
Mine water - audio equipment	1	-	-	-	1
	1,513,644	22,214	(6)	(51,199)	1,484,653

Details of properties

Midrand

Constantia Park, Building No 5, 1st Floor, 546 16th Road, Randjes Park, Midrand

- Purchase price: 07 November 2007	1,240,000	1,240,000
- Additions since purchase or valuation	115,759	115,759
	1,355,759	1,355,759

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Notes to the Annual Financial Statements

	2009 R	2008 R
3. Other financial assets		
Loans and receivables		
International Water Resource Association	55,647	-
The loan is unsecured, interest free and has no fixed terms of repayment.		
Non-current assets		
Loans and receivables	55,647	-
4. Inventories		
Operators' handbooks	2,132	17,848
Design guides	2,876	3,297
Operators' handbook on compact disks	4,593	7,415
	9,601	28,560
5. Trade and other receivables		
Trade receivables	1,266,776	1,926,057
Deposits	-	38,760
	1,266,776	1,964,817
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	823	7,592
Bank balances	6,358,732	3,826,329
	6,359,555	3,833,921
7. Trade and other payables		
Amounts received in advance	-	1,029,138
VAT	112,474	18,095
Water capacity and skills development conference	34,250	-
Drinking water quality conference	226,984	-
Salaries and wages net payments	(4,846)	-
Future expenses	226,039	-
Deposits received	598,070	-
Other payables	4,221	-
	1,197,192	1,047,233

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Notes to the Annual Financial Statements

	2009 R	2008 R
8. Revenue		
Rental income	-	84,446
Subscriptions	1,370,630	1,268,331
	<u>1,370,630</u>	<u>1,352,777</u>
9. Operating surplus		
Operating surplus (deficit) for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	<u>22,790</u>	<u>227,313</u>
Loss on sale of property, plant and equipment	(6)	-
Depreciation on property, plant and equipment	51,199	65,050
Employee costs	<u>2,100,206</u>	<u>1,937,663</u>
10. Investment revenue		
Interest revenue		
Other interest	<u>486,807</u>	<u>349,345</u>
11. Finance costs		
Other interest paid	<u>158,098</u>	<u>188,608</u>
12. Taxation		
No provision has been made for 2009 tax as the company is exempt from income tax in terms of Section 30.		
Receipts by or accrued to the association are exempt in terms of Section 10 (1)(d)(iv)(bb) of the South African Income Tax Act, No 58, 1962.		
Donations by or to the association are exempt from donation tax in terms of Section 56(1)(h) of the aforementioned Act.		
13. Auditors' remuneration		
Fees	66,402	111,933
Tax and secretarial services	-	20,348
Expenses	-	60,000
	<u>66,402</u>	<u>192,281</u>

Water Institute of Southern Africa (Association Incorporated Under Section 21)

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Annual Financial Statements for the year ended 31 December 2009

Notes to the Annual Financial Statements

	2009 R	2008 R
14. Cash generated from operations		
Surplus before taxation	1,830,280	2,410,954
Adjustments for:		
Depreciation and amortisation	51,199	65,050
Loss on sale of assets	6	-
Interest received	(486,807)	(349,345)
Finance costs	158,098	188,608
Movements in operating lease assets and accruals	(34,458)	(3,115)
Changes in working capital:		
Inventories	18,959	(9,690)
Trade and other receivables	698,041	2,310,087
Prepayments	(110,491)	-
Trade and other payables	149,959	(2,979,164)
	<u>2,274,786</u>	<u>1,633,385</u>

15. Related parties

Relationships

Associate of key management

International Water Resource Association

Related party balances

Loan accounts - Owing (to) by related parties

International Water Resource Association

55,647

-

16. Directors' emoluments

No emoluments were paid to the directors during the year.

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Annual Financial Statements for the year ended 31 December 2009

Notes to the Annual Financial Statements

	2009 R	2008 R
17. Conference, workshop and exhibition income		
Conference, workshop and exhibition income		
AfricaSan+5 conference	(15,000)	-
Afriwater conference	11,386	-
Appropriate technologies conference	-	(30,479)
Business re-engineering of NCWSTI	-	3,217
Drinking water quality conference	879,742	1,502
Dutch twinning CMA training	-	6,910
Eseta 2007 conference	-	(27,557)
FBW impact assessment	-	2,745
Gauteng waste water treatment	-	701,754
IMWA conference	1,076,436	(5,006)
Masibambane projects	-	2,014
Membrane technology division conference	164,885	-
Model bylaws	-	4,920
Municipal assistance	(3,481)	10,462
Philosophy and strategy - CMA's	-	49,815
Reach Exhibitions (Pty) Ltd	-	210,000
Retail water tariff	-	7,680
Small wastewater treatment systems	220,710	-
Sustain conference	-	(424)
WISA Africa (Zambia) conference	-	(151,790)
Water management conference	-	(51,276)
Water group APP/ISD	-	1,377
WISA 2008	(178,941)	-
	2,155,737	735,864
18. Publications		
Publications income		
Handbooks	61,367	23,604
Annual magazine	62,719	52,193
WISA directory	331,116	344,852
Publications expenses		
Annual magazine	(45,000)	(53,350)
WISA directory	(191,817)	(189,175)
	218,385	178,124

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Annual Financial Statements for the year ended 31 December 2009

Notes to the Annual Financial Statements

	2009 R	2008 R
19. eWisa development		
Heading		
Subscriptions	(147,281)	(199,825)
Less: Paid to developer	118,105	139,764
Development costs	83,644	102,766
Data capturing	72,000	59,990
	126,468	102,695
20. Branches and divisions - accumulated surplus		
Branches and divisions		
Anaerobic and sludge processes	123,957	118,685
Community water supply and sanitation	109,058	100,335
Eastern Cape	13,824	15,412
Industrial water	13,723	16,303
Kwa-Zulu Natal	-	(12,439)
Management and institutional affairs	369,404	339,858
Membrane technology	310,069	111,583
Mine water	90,653	264,032
Nutrient management	-	20,708
Oxidation and disinfection	61,583	63,731
Water care	46,391	27,039
Water distribution	106,748	84,689
Water related health	2,902	2,670
Western Cape	8,165	10,618
	1,256,477	1,163,224

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Annual Financial Statements for the year ended 31 December 2009

Detailed Income Statement

	Note(s)	2009 R	2008 R
Revenue			
Rental income		-	84,446
Subscriptions		1,370,630	1,268,331
	8	<u>1,370,630</u>	<u>1,352,777</u>
Cost of sales		-	-
Gross surplus		<u>1,370,630</u>	<u>1,352,777</u>
Other income			
Branches and divisions surplus		151,755	246,449
Conference, workshop and exhibition income	17	2,155,737	735,864
Gains on disposal of assets		-	-
Implementing agent fees		1,128,262	3,239,946
Interest received	10	486,807	349,345
Publications	18	455,202	420,649
Royalties received		-	27,308
Secretarial fees received		-	(11,000)
Sponsorships		24,561	-
Watertec		70,599	75,000
Web and other sundry income		3,250	98,177
		<u>4,476,173</u>	<u>5,181,738</u>
Expenses (Refer to page 24)		<u>(3,858,425)</u>	<u>(3,934,953)</u>
Operating surplus (deficit)	9	<u>1,988,378</u>	<u>2,599,562</u>
Finance costs	11	(158,098)	(188,608)
Surplus (deficit) for the year		<u>1,830,280</u>	<u>2,410,954</u>

Water Institute of Southern Africa (Association Incorporated Under Section 21)

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Annual Financial Statements for the year ended 31 December 2009

Detailed Income Statement

	Note(s)	2009 R	2008 R
Operating expenses			
Accounting fees		6,947	-
Assistance to branches		22,547	-
Auditors remuneration	13	66,402	192,281
Bad debts		48,271	-
Badges, cd's and manuals		41,400	14,790
Bank charges		31,509	39,452
Cleaning		57,232	51,287
Computer expenses		16,706	43,986
Consulting and professional fees		34,628	99,141
Corporate clothing		11,775	8,880
Depreciation, amortisation and impairments		51,199	65,050
Discount allowed		-	346
Employee costs		2,100,206	1,937,663
Entertainment		73,213	93,193
General expenses		20,294	22,376
Gifts		1,500	4,880
Insurance		13,600	13,357
Lease rentals on operating lease		22,790	227,313
Legal expenses		28,567	5,587
Levies		25,993	-
Loss on disposal of assets		6	-
Postage		14,785	21,248
Presidential projects		24,066	44,777
Printing and stationery		65,678	64,230
Promotions		117,446	113,873
Publications	18	236,817	242,525
Recruitment expenses		-	5,800
Repairs and maintenance		5,261	13,093
Subscriptions		15,212	49,035
Telephone and fax		126,602	105,017
Training		69,875	30,085
Travel - local		317,292	288,477
Utilities		26,314	-
Workshop expenses		37,824	34,516
eWisa development	19	126,468	102,695
		3,858,425	3,934,953