GLOBAL CAMPAIGN FOR EDUCATION NPC
(Registration number 2006/008358/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Mazars
Registered Auditor
Issued 08 April 2020

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Promotion of education as a basic human right and to mobilise public pressure on governments and the international community to fulfil their promises to provide free compulsory public basic education for all people, in particular to children, woman and all disadvantaged, deprived sections of society.
Directors	RM Zuniga Castillo AV Wulff CD Weavers E Wakil B Oegaard AM Navarro Herrera RE Matsas JR Guevara RP Gaire D Altman RMI Sabbah MJ Maluleke N Baboo S Dembele I Alhousseini
Registered office	6 Blackwood Avenue Parktown, Johannesburg Gauteng 2193
Business address	6 Blackwood Avenue Parktown, Johannesburg Gauteng 2193
Postal address	P.O. Box 521733 Saxonwold Johannesburg, Gauteng 2132
Auditors	Mazars Registered Auditor
Company registration number	2006/008358/08
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were independently compiled by: Omar Vaid Accountant
Issued	08 April 2020

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Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, 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 the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing 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 pages 4 to 6.

The annual financial statements set out on pages 7 to 23, which have been prepared on the going concern basis, were approved by the directors on 08 April 2020 and were signed on their behalf by:

Director

Independent Auditor's Report

To the Shareholders of Global Campaign for Education NPC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Global Campaign for Education NPC set out on pages 9 to 20, which comprise the statement of financial position as at 31 December 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Global Campaign for Education NPC as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

In forming our opinion on the company financial statements, which is not modified, we draw your attention to the director's view which is noted in Note 18.

Since the balance sheet date, the company has assessed the impact of COVID-19 on the annual financial statements and considered the potential impact on the business. While it is envisaged that there will be a negative impact on the performance of the company over the remainder of the financial year, the full impact of COVID-19 cannot be reasonable estimated at this time. The note referred to elaborate on the directors' determination as to why COVID-19 is not considered an adjusting subsequent event.

Management will continue to assess the financial impact of COVID-19 and its implication on the company's financial condition, liquidity, operations, suppliers, industry and workforce, while placing the health and safety of employees first.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled “Global Campaign for Education NPC for the year ended 31 December 2019,” which includes the Directors’ Report as required by the Companies Act of South Africa. The other information does the separate financial statements and our auditor’s reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditor’s report. This description, which is located at page 6, forms part of our auditor’s report.

Mazars

Mazars
Partner: Miles Fisher
Registered Auditor
Date: 08 April 2020
Address: Johannesburg

Appendix

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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.

We communicate with the directors 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.

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Global Campaign for Education NPC for the year ended 31 December 2019.

1. Nature of business

Global Campaign for Education NPC was incorporated in South Africa and is engaged in the promotion of education as a basic human right and to mobilise public pressure on governments and the international community to fulfil their promises to provide free compulsory public basic education for all people, in particular to children, woman and all disadvantaged, deprived sections of society. The company has a registered branch in the United Kingdom.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Directors

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

Directors	Nationality	Changes
RM Zuniga Castillo	Peruvian	Appointed 17 November 2018
AV Wulff	Belgian	Appointed 17 November 2018
CD Weavers	British	Appointed 17 November 2018
E Wakil	Labanese	Appointed 17 November 2018
B Oegaard	Norwegian	Appointed 17 November 2018
AM Navarro Herrera	Honduran	Appointed 17 November 2018
RE Matsas	Belgian	Appointed 17 November 2018
JR Guevara	Australian	Appointed 17 November 2018
RP Gaire	Nepali	Appointed 17 November 2018
D Altman	Israeli	Appointed 17 November 2018
C Croso	Brazilian	Resigned 17 November 2018
MJL Fouilhoux	French	Resigned 17 November 2018
DJ Archer	British	Resigned 17 November 2018
MLA Khan	Indian	Resigned 17 November 2018
RK Choudhury	Bangladeshi	Resigned 17 November 2018
RMI Sabbah	Palestinian	
MJ Maluleke	South African	
N Baboo	South African	
MYM Abbas	Sudan	Resigned 17 November 2018
S Dembele	Burkino Faso	
J Rigg	American	Resigned 17 November 2018
I Alhousseini	Nigerian	
MRL Tamayo	Ecuadorian	Resigned 17 November 2018
K Boe	Danish	Resigned 17 November 2018
FMJ Roselaers	Dutch	Resigned 17 November 2018

4. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

As at 31 December 2019, the company's investment in property, plant and equipment amounted to R143 710 (2018: R248 719), of which R4 068 (2018: R74 664) was added in the current year through additions.

Directors' Report

5. Events after the reporting period

The Global Campaign for Education (GCE) is an employers' organisation representing over 100 national and regional education coalitions and international organisations. The organisation is funded by its members by way of subscription fees and other partners through grants.

In light of the COVID-19 global epidemic, the South African Government, announced a nation-wide lockdown for 21 days with effect from 26 March 2020 and ending on 16 April 2020, during which all people in South Africa were to remain at home and essential services as defined by Government would remain fully operational. Various entities were granted an exemption from this lockdown and would continue with production over this period with a significant scale down of activity in certain sectors.

The GCE is aware that its members and funding partners are adopting mitigation strategies to manage the financial crisis that will emerge from the lock-down, and beyond. GCE also plans to reassess timing and deferral of non-essential expenditure for cash preservation.

In view of the above, Management assessed the impact of COVID-19 and identified that there was no significant impact on the GCE ability to continue as a going concern and that the GCE would be able to meet its financial demands over the next 12 months.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

6. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

7. Auditors

Mazars was appointed as auditors for the company for 2019.

At the AGM, the shareholder will be encouraged to reappoint Mazars as the independent external auditors of the company and to confirm Mr Miles Fisher as the designated lead audit partner for the 2020 financial year.

8. Liquidity and solvency

The directors have performed the required liquidity and solvency tests as required by the Companies Act 71 of 2008 and they are satisfied with the financial position and performance of the company.

Statement of Financial Position as at 31 December 2019

Figures in Rand	Notes	2019	2018
Assets			
Non-Current Assets			
Property, plant and equipment	2	143 710	248 719
Intangible assets	3	124 927	171 033
		268 637	**419 752**
Current Assets			
Trade and other receivables	4	28 922 847	25 477 845
Cash and cash equivalents	5	9 584 895	35 358 016
		38 507 742	**60 835 861**
Total Assets		**38 776 379**	**61 255 613**
Equity and Liabilities			
Equity			
Accumulated surplus		25 324 529	24 608 769
Liabilities			
Current Liabilities			
Trade and other payables	7	13 451 850	36 646 844
Total Equity and Liabilities		**38 776 379**	**61 255 613**

Statement of Comprehensive Income

Figures in Rand	Notes	2019	2018
Grant income and revenue	9	100 910 750	134 031 379
Grant disbursements	10	(84 660 919)	(108 386 646)
Gross surplus		**16 249 831**	**25 644 733**
Other income	11	3 608 795	6 249 980
Operating expenses		(19 156 823)	(28 538 786)
Operating surplus	12	**701 803**	**3 355 927**
Investment revenue	13	13 957	12 486
Surplus for the year		**715 760**	**3 368 413**

Statement of Changes in Equity

Figures in Rand	Accumulated surplus	Total equity
Balance at 01 January 2018	**21 240 356**	**21 240 356**
Surplus for the year	3 368 413	3 368 413
Balance at 01 January 2019	**24 608 769**	**24 608 769**
Surplus for the year	715 760	715 760
Balance at 31 December 2019	**25 324 529**	**25 324 529**

Statement of Cash Flows

Figures in Rand	Notes	2019	2018
Cash flows from operating activities			
Cash (used in) generated from operations	15	(25 783 010)	20 762 843
Interest income	13	13 957	12 486
Net cash from operating activities		**(25 769 053)**	**20 775 329**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(4 068)	(74 664)
Purchase of other intangible assets	3	-	(178 499)
Net cash from investing activities		**(4 068)**	**(253 163)**
Total cash movement for the year		**(25 773 121)**	**20 522 166**
Cash at the beginning of the year		35 358 016	14 835 850
Total cash at end of the year	5	**9 584 895**	**35 358 016**

Accounting Policies

General information

Global Campaign for Education NPC is a company incorporated and domiciled in South Africa.

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, unless noted below, 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 Significant judgements and sources of estimation uncertainty

Key sources of estimation uncertainty

Depreciation of property, plant and equipment

Depreciation on assets is calculated using the straight-line method to allocate their cost to residual values over the period management expects to use the asset. Property, plant and equipment are depreciated over their useful lives, taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining lives of the assets and projected disposable values.

Impairment of financial assets

The company assesses its trade receivables for impairment on an ongoing basis. In determining whether an impairment loss should be recorded in profit or loss, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows of that financial asset.

The impairment for trade receivables is calculated on an individual basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date.

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indicators that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value-in-use of tangible assets are inherently uncertain and could materially change over time.

Useful lives and residual values of intangible assets

Management determines the estimated residual values and useful lives of intangible assets. The useful lives are determined on the company's expectation of use of the intangible asset and the residual values are determined on the company's expected amount to dispose the intangible assets at the end of the useful lives.

Going concern

Management expects that there will be adequate resources to continue in operational existence for the foreseeable future. Accordingly, the company continues to adopt the going concern basis in preparing its annual financial statements.

Accounting Policies

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

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. Cost includes 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

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

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

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

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 years
Office equipment	Straight line	5 years
Computer equipment	Straight line	5 years

The depreciation charge for each period is recognised in profit or loss.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Intangible assets

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

Item	Useful life
Computer software	3 years

The residual value, amortisation period and amortisation method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

Accounting Policies

1.4 Financial instruments

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, including transaction costs for those that are not at fair value through profit or loss.

Subsequent measurement

Loans and receivables are subsequently measured at amortised cost.

Financial liabilities are subsequently measured at amortised cost.

Trade and other receivables

Trade and other receivables are classified as loans and receivables.

Most membership fees are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method.

Project receivables

Project receivables are financial assets recognised in terms of a contract between Global Campaign for Education NPC and its regions in respect of grant receivables. The receivable is expensed in line with the recognition of grant expenses provided by the regions.

Cash and cash equivalents

Cash and cash equivalents are classified as loans and receivables.

Trade and other payables

Trade and other payables are classified as financial liabilities at amortised cost.

1.5 Grant income and revenue

Grant income

Grant income is recognised where there is reasonable assurance that:

- the entity will comply with the conditions attaching to them; and
- the grants will be received.

Grants are recognised as income over the period necessary to match them with the related costs that they are intended to compensate.

A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Grants related to income are presented as a credit in profit or loss. Grant income and related grant expenditure are earned and incurred on an agency basis as grants are disbursed to respective secretariats to be used for designated projects and are accounted for on a net basis.

Accounting Policies

1.5 Grant income and revenue (continued)

Revenue

Revenue represents the net amount receivable for membership fees to member representatives after deducting sales or value added taxes as membership income.

Revenue is recognised in the Statement of Comprehensive Income and the corresponding entry is processed to the Statement of Financial Position (accounts receivable or bank) or the expense item when it is probable that future economic benefits will flow to the company and these benefits can be measured reliably.

Interest income comprises interest on funds invested. Interest is recognised, in profit or loss, using the effective interest rate method.

1.6 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 leave pay 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.

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:
- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor’s expected inflationary cost increases.

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

1.8 Borrowing costs

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

1.9 Foreign exchange

Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

All transactions in foreign currencies are initially recorded in Rand, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

1.10 Related parties

A related party is related to an entity if any of the following situations apply to it:
- Individual control: The party is controlled or significantly influenced by a member of key management personnel or by a person who controls the entity.
- Key Management: The party is a member of an entity's or its parent's key management personnel.

All transactions entered into with related parties are under terms no more favourable than those with third parties.

2. Property, plant and equipment

	2019			2018		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Furniture and fixtures	145 835	(103 209)	42 626	245 960	(174 167)	71 793
Office equipment	12 440	(4 549)	7 891	70 861	(65 092)	5 769
Computer equipment	215 438	(122 245)	93 193	433 161	(262 004)	171 157
Total	**373 713**	**(230 003)**	**143 710**	**749 982**	**(501 263)**	**248 719**

Reconciliation of property, plant and equipment - 2019

	Opening balance	**Additions**	**Asset write off**	**Depreciation**	**Closing balance**
Furniture and fixtures	71 793	-	-	(29 167)	42 626
Office equipment	5 769	4 068	-	(1 946)	7 891
Computer equipment	171 157	-	(25 868)	(52 096)	93 193
	248 719	**4 068**	**(25 868)**	**(83 209)**	**143 710**

Reconciliation of property, plant and equipment - 2018

	Opening balance	**Additions**	**Depreciation**	**Closing balance**
Furniture and fixtures	94 539	6 316	(29 062)	71 793
Office equipment	7 443	-	(1 674)	5 769
Computer equipment	155 772	68 348	(52 963)	171 157
	257 754	**74 664**	**(83 699)**	**248 719**

3. Intangible assets

	2019			2018		
	Cost	**Accumulated amortisation**	**Carrying value**	**Cost**	**Accumulated amortisation**	**Carrying value**
Computer software	230 533	(105 606)	124 927	230 533	(59 500)	171 033

Reconciliation of intangible assets - 2019

	Opening balance	**Amortisation**	**Total**
Computer software	171 033	(46 106)	124 927

Reconciliation of intangible assets - 2018

	Opening balance	**Additions**	**Amortisation**	**Total**
Computer software	52 034	178 499	(59 500)	171 033

Notes to the Annual Financial Statements

Figures in Rand	2019	2018

4. Trade and other receivables

Trade receivables	311 889	1 159 416
Employee costs in advance	286 707	187 447
Deposits	82 922	84 574
Prepaid expenses	510 002	1 514
Project receivables	27 124 018	23 047 490
Sundry debtors	516 931	816 749
Value added taxation	90 378	180 655
	28 922 847	**25 477 845**

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	3 157	806
Bank balances	9 581 738	35 357 210
	9 584 895	**35 358 016**

6. Financial assets by category

Trade and other receivables	911 742	2 060 739
Cash and cash equivalents	9 584 895	35 358 016
	10 496 637	**37 418 755**

7. Trade and other payables

Trade payables	278 980	1 125 267
Accrued audit fees	110 000	100 000
Accrued leave pay	451 132	278 452
Deferred grant income	12 358 272	34 250 806
Other payables	87 240	302 583
Payroll accruals	166 226	589 736
	13 451 850	**36 646 844**

8. Financial liabilities by category

Trade and other payables	366 220	1 427 850

9. Grant income and revenue

Donations received as agent	99 545 217	132 869 444
Membership fee received	1 365 533	1 161 935
	100 910 750	**134 031 379**

Notes to the Annual Financial Statements

Figures in Rand	2019	2018

9. Grant income and revenue (continued)

Grants received - CSEF	96 229 761	124 055 646
Grants received - CORE	1 411 022	1 507 426
Grants received - OSISA 2015	545 617	60 000
World Assembly - Invoices	-	1 567 284
Grants Received - IBIS 2016-2018	1 200 765	1 176 766
Grants Received - GIZ	-	4 502 322
Grants Received - GIZ Senegal	22 191	-
Grants Received - GIZ Education	47 401	-
Grants Received - GIZ Burkino Faso	31 652	-
Grants Received - GIZ Conamept	32 560	-
Grants Received - GIZ Malawi	5 727	-
Grants Received - GIZ Ethopia	18 521	-
Membership Fees - CORE	1 365 533	1 161 935
	100 910 750	**134 031 379**

10. Grant disbursements

Grant expenses - Africa Coalitions	32 507 343	44 936 973
Grant expenses - Regional Secretariat Africa	9 012 135	8 904 415
Grant expenses - RFMA Africa	3 880 445	3 981 993
	45 399 923	**57 823 381**
Grant expenses - Asia Pacific Coalitions	15 648 373	20 354 623
Grant expenses - Regional Secretariat Asia Pacific	5 451 094	7 700 981
	21 099 467	**28 055 604**
Grant expenses - Latin America Coalitions	4 493 555	6 769 275
Grant expenses - Regional Secretariat Latin America	3 997 910	3 996 273
Grant expenses - RFMA Latin America	1 161 762	1 022 023
	9 653 227	**11 787 571**
Grant expenses - MEEE	5 263 287	8 142 264
Grant expenses - Regional Secretariat MEEE	3 245 015	2 577 826
	8 508 302	**10 720 090**
Total - Grant expenses	**84 660 919**	**108 386 646**

11. Other income

Profit on exchange differences	851 403	6 070 513
Other income	2 757 392	179 467
	3 608 795	**6 249 980**

Notes to the Annual Financial Statements

Figures in Rand	2019	2018

12. Operating surplus

Operating surplus for the year is stated after accounting for the following:

Operating lease charges		
Premises		
• Contractual amounts	439 408	478 759
Amortisation on intangible assets	46 107	59 500
Depreciation on property, plant and equipment	83 209	83 699
Employee costs	11 343 258	12 087 025

13. Investment revenue

Interest revenue		
Bank	13 957	12 486

14. Taxation

No provision has been made for 2019 and 2018 tax as the company is exempt from income tax. The Public Benefit Organisation taxation exemption number is 930022755.

15. Cash (used in) generated from operations

Surplus before taxation	715 760	3 368 413
Adjustments for:		
Depreciation and amortisation	129 316	143 199
Investment revenue	(13 957)	(12 486)
Asset write-off	25 868	-
Changes in working capital:		
Trade and other receivables	(3 445 002)	(13 695 291)
Trade and other payables	(23 194 995)	30 959 008
	(25 783 010)	**20 762 843**

16. Commitments

Operating leases – as lessee (expense)

Minimum lease payments due		
- within one year	328 728	350 092
- in second to fifth year inclusive	328 728	657 456
	657 456	**1 007 548**

Global Campaign for Education NPC entered into a 3-year lease agreement for the rental of property commencing on 1 January 2017 for an amount R290 953 escalating at 10% per annum.

Global Campaign for Education NPC entered into a new 3-year lease commencing 1 January 2019 for an amount of R954,495.76 escalating at 10% per annum for the main office and a new 1-year lease has been entered into commencing 1 January 2019 for an amount of R53,052.

17. Directors' remuneration

The directors are not remunerated by the company as they perform their roles on a voluntary basis.

18. Events after the reporting period

The Global Campaign for Education (GCE) is an employers' organisation representing over 100 national and regional education coalitions and international organisations. The organisation is funded by its members by way of subscription fees and other partners through grants.

In light of the COVID-19 global epidemic, the South African Government, announced a nation-wide lockdown for 21 days with effect from 26 March 2020 and ending on 16 April 2020, during which all people in South Africa were to remain at home and essential services as defined by Government would remain fully operational. Various entities were granted an exemption from this lockdown and would continue with production over this period with a significant scale down of activity in certain sectors.

The GCE is aware that its members and funding partners are adopting mitigation strategies to manage the financial crisis that will emerge from the lock-down, and beyond. GCE also plans to reassess timing and deferral of non-essential expenditure for cash preservation.

In view of the above, Management assessed the impact of COVID-19 and identified that there was no significant impact on the GCE ability to continue as a going concern and that the GCE would be able to meet its financial demands over the next 12 months.

Detailed Income Statement

Figures in Rand	Notes	2019	2018
Grant income and revenue	9	**100 910 750**	**134 031 379**
Grant disbursements		**(84 660 919)**	**(108 386 646)**
Gross surplus		**16 249 831**	**25 644 733**
Other income			
Other income		2 757 392	179 467
Interest received	13	13 957	12 486
Profit on exchange differences		851 403	6 070 513
		3 622 752	**6 262 466**
Expenses (Refer to page 23)		**(19 156 823)**	**(28 538 786)**
Surplus for the year		**715 760**	**3 368 413**

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

Detailed Income Statement

Figures in Rand	Notes	2019	2018
Operating expenses			
Auditors remuneration		116 966	133 902
Bad debts		941 402	-
Bank charges		192 503	198 772
CIPC registration		19 345	7 965
Cleaning		50 998	46 878
Computer expenses		234 726	319 641
Consulting fees		69 143	564 023
Depreciation on property, plant and equipment		129 316	143 199
Design cost		121 608	63 782
Employee costs		11 343 258	12 087 025
Entertainment		18 219	22 811
Hire and purchase of equipment		113 121	112 162
Insurance		60 008	75 277
Lease rentals on operating lease		439 408	478 759
Meeting and events		1 166 587	2 594 239
Office supplies		5 838	777
Other expenses		52 587	128 143
Postage		35 604	10 376
Printing and stationery		58 780	111 432
Project evaluation		-	113 549
Security		22 426	18 269
Telephone and fax		128 472	159 351
Translation expenses		625 630	836 676
Travel - local		3 155 781	10 262 316
Website hosting		55 097	49 462
		19 156 823	**28 538 786**

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