

**EIS-AFRICA (A Network for the Co-operative Management of  
Environmental Information in Africa) (Association Incorporated  
under section 21 of the South African Companies Act)**

Annual financial statements  
for the year ended 28 February 2009

# **EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)**

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## **General Information**

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Service-oriented knowledge network
<b>Directors</b>	Wilbur Ottichilo (Ex officio) Georges Tadonki Craig von Hagen Craig Schwabe Mary Goretti Kitutu Frank Turyatunga Patrice Sanou Dan Tunstall (Ex officio) Andre Bassole (Ex officio) Paul Bartel (Ex officio) Douglas Richardson (Ex officio) Shuaib Lwasa Hussein Farah
<b>Business address</b>	C/O CSIR-Building 4E Meiring Naude Road Brummeria 0184
<b>Postal address</b>	Postnet Suite 156 Private Bag x15 Menlo Park 0102 South Africa
<b>Auditors</b>	Grant Thornton Chartered Accountants (S.A.) Registered Auditor
<b>Company registration number</b>	2000/019394/08

# **EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)**

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## **Index**

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

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# Report of the Independent Auditors

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## **To the members of EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21)**

We have audited the accompanying annual financial statements of EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act), which comprise the directors' report, the balance sheet as at 28 February 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 13.

### **Directors' Responsibility for the Financial Statements**

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with the South African Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities, and in the manner required by the Companies Act of South Africa as amended. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual 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.

### **Auditors' Responsibility**

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

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

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

### **Opinion**

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the company as of 28 February 2009, and of its financial performance and its cash flows for the year then ended in accordance with the South African Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities, and in the manner required by the Companies Act of South Africa as amended.

### **Emphasis of Matter**

Without qualifying our opinion, we draw attention to Note 2 in the Directors' Report, which indicates that the company incurred a loss of \$4 747 during the year ended 28 February 2009 and, as of that date, the company's liabilities exceed its assets by \$6 912.

### **Accounting and Secretarial Duties**

Without qualifying our opinion, we draw your attention to the fact that with the written consent of all shareholders, 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 14 to 15 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

**Additional Information**

We draw attention to the fact that a register of directors as required by section 215 of the Companies Act in South Africa, has not been maintained

**Grant Thornton  
Chartered Accountants (S.A.)  
Registered Auditor**

**Per: N Kyriacou  
Chartered Accountant (S.A.)  
Registered Auditor**

**04 September 2009**

# **EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)**

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## **Directors' Responsibilities and Approval**

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The directors are required by the Companies Act of South Africa as amended, 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 South African Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities. 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 South African Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities 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 of directors 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 28 February 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 pages 3 and 4.

The annual financial statements set out on pages 6 to 15, which have been prepared on the going concern basis, were approved by the board of directors on 04 September 2009 and were signed on its behalf by:

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**Director**

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**Director**

# EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## Directors' Report

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The directors submit their report for the year ended 28 February 2009.

### 1. Review of activities

#### Main business and operations

The company is engaged in service-oriented knowledge network 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 loss of the company was \$ 4,747 (2008: loss \$ 40,575), after taxation of \$ - (2008: \$ -).

### 2. Going concern

We draw attention to the fact that at 28 February 2009, the company had accumulated losses of \$ (6,912) and that the company's total liabilities exceed its assets by \$ (6,912).

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

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to obtain grants.

### 3. Post balance sheet events

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

### 4. Authorised and issued share capital

The company has no share capital.

### 5. Directors

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

Name	Nationality	Changes
Wilbur Ottichilo (Ex officio)	Keyna	
Georges Tadonki	Zimbabwe	
Craig von Hagen	South Africa	
Anna Ballance	United Kingdom	Resigned 29 October 2008
Craig Schwabe	South Africa	
Mary Goretti Kitutu	Uganda	
Frank Turyatunga	Norway	
Charles Sebukeera	Kenya	Resigned 29 October 2008
Chris Ambala	Kenya	Resigned 29 October 2008
Patrice Sanou	Burkina Faso	
Dan Tunstall (Ex officio)	USA	Appointed 29 October 2008
Andre Bassole (Ex officio)	Burkina Faso	Appointed 29 October 2008
Paul Bartel (Ex officio)	USA	Appointed 29 October 2008
Douglas Richardson (Ex officio)	USA	Appointed 29 October 2008
Shuaib Lwasa	Uganda	Appointed 29 October 2008
Hussein Farah	Kenya	Appointed 29 October 2008

### 6. Auditors

Grant Thornton will continue in office in accordance with section 270(2) of the Companies Act.

# EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## Balance Sheet

	2009	2008
	\$	\$
<b>Assets</b>		
<b>Current Assets</b>		
Trade and other receivables	295	11,046
Cash and cash equivalents	26,399	4,554
	<b>26,694</b>	<b>15,600</b>
<b>Total Assets</b>	<b>26,694</b>	<b>15,600</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Accumulated loss	(6,912)	(2,165)
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables	4,812	15,131
Deferred revenue	28,794	2,634
	<b>33,606</b>	<b>17,765</b>
<b>Total Equity and Liabilities</b>	<b>26,694</b>	<b>15,600</b>

# EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## Income Statement

	2009	2008
	\$	\$
Revenue	56,977	119,145
Other income	2,636	4,761
Operating expenses	(64,226)	(164,481)
<b>Operating loss</b>	<b>(4,613)</b>	<b>(40,575)</b>
Finance costs	(134)	-
<b>Loss for the year</b>	<b>(4,747)</b>	<b>(40,575)</b>

# **EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)**

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## **Statement of Changes in Equity**

	<b>Accumulated loss \$</b>
<b>Balance at 01 March 2007</b>	<b>38,410</b>
Changes in equity	
Loss for the year	(40,575)
Total changes	(40,575)
<b>Balance at 01 March 2008</b>	<b>(2,165)</b>
Changes in equity	
Loss for the year	(4,747)
Total changes	(4,747)
<b>Balance at 28 February 2009</b>	<b>(6,912)</b>

# EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## Cash Flow Statement

	2009	2008
	\$	\$
<b>Cash flows from operating activities</b>		
Cash generated from (used in) operations	20,633	(48,177)
Finance costs	(134)	-
Profit on exchange differences	1,346	676
<b>Net cash from operating activities</b>	<b>21,845</b>	<b>(47,501)</b>
<b>Total cash movement for the year</b>	<b>21,845</b>	<b>(47,501)</b>
Cash at the beginning of the year	4,554	52,055
<b>Total cash at end of the year</b>	<b>26,399</b>	<b>4,554</b>

# **EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)**

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## **Accounting Policies**

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### **1. Presentation of Annual Financial Statements**

The annual financial statements have been prepared in accordance with the South African Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities, and the Companies Act of South Africa as amended. 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 American Dollars.

These accounting policies are consistent with the previous period.

#### **1.1 Financial instruments**

##### **Financial instruments at amortised cost**

Financial instruments may be designated to be measured at amortised cost less any impairment using the effective interest method. These include trade and other receivables, loans and trade and other payables. At the end of each reporting period, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

##### **Financial instruments at fair value**

All other financial instruments are measured at fair value through profit and loss.

#### **1.2 Revenue**

Revenue consists of grant income and is recognised by reference to the stage of completion of the transaction at balance sheet date. Stage of completion is determined by expenses incurred to date.

#### **1.3 Deferred Revenue**

Income received in advance is deferred and recognised over the period of the relevant project.

# EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## Notes to the Annual Financial Statements

	2009 \$	2008 \$
<b>2. Trade and other receivables</b>		
Deposits	295	398
Grant revenue receivable	-	10,648
	<b>295</b>	<b>11,046</b>
<b>3. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	1,821	23
Bank balances	24,578	4,531
	<b>26,399</b>	<b>4,554</b>
<b>4. Trade and other payables</b>		
Trade payables	4,812	6,359
Accrued expenses	-	5,426
Other payables	-	3,346
	<b>4,812</b>	<b>15,131</b>
<b>5. Operating loss</b>		
Operating profit for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Premises		
• Contractual amounts	6,017	7,152
Loss on exchange differences	(1,346)	(677)
Employee costs	34,171	110,740
<b>6. Finance costs</b>		
Late payment interest	134	-
<b>7. Taxation</b>		
No provision has been made for tax for 2008 as the company is exempt from taxation in terms of section 10(1)(d) (iv)(bb) of the Income Tax Act.		
<b>8. Auditors' remuneration</b>		
Fees	3,174	3,563
Tax and secretarial services	1,158	1,739
Expenses	5,177	-
	<b>9,509</b>	<b>5,302</b>

# EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## Notes to the Annual Financial Statements

	2009 \$	2008 \$
<b>9. Cash generated from (used in) operations</b>		
Loss before taxation	(4,747)	(40,575)
<b>Adjustments for:</b>		
Finance costs	134	-
Profit on exchange differences	(1,346)	(677)
<b>Changes in working capital:</b>		
Trade and other receivables	10,751	(10,153)
Trade and other payables	(10,319)	14,297
Deferred revenue	26,160	(11,069)
	<b>20,633</b>	<b>(48,177)</b>
<b>10. Related parties</b>		
Relationships		
Directors		Wilbur Ottichilo (Ex officio) Georges Tadonki Anna Ballance (Resigned) Craig Von Hagen Craig Schwabe Mary Goretti Kitutu Frank Turyanga Charles Sebukeera (Resigned) Chris Ambala (Resigned) Patrice Sanou Dan Tunstall (Ex officio) Andre Bassole (Ex officio) Paul Bartel (Ex officio) Douglas Richardson (Ex officio) Shuaib Lwasa Hussein Farah Sives Govender
Members of key management		
<b>Related party balances</b>		
<b>Amounts included in Trade receivable (Trade Payable) regarding related parties</b>		
Sives Govender	58	(3,234)
<b>Compensation to directors and other key management</b>		
Short-term employee benefits	33,500	57,933

# EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## Detailed Income statement

	2009 \$	2008 \$
<b>Revenue</b>		
Grant income	56,977	119,145
<b>Other income</b>		
Membership fees	901	455
Miscellaneous income	389	3,629
Profit on exchange differences	1,346	677
	<b>2,636</b>	<b>4,761</b>
<b>Expenses (Refer to page 15)</b>	<b>(64,226)</b>	<b>(164,481)</b>
<b>Operating loss</b>	<b>(4,613)</b>	<b>(40,575)</b>
Finance costs	5 6 (134)	-
<b>Loss for the year</b>	<b>(4,747)</b>	<b>(40,575)</b>

# EIS-AFRICA (A Network for the Co-operative Management of Environmental Information in Africa) (Association Incorporated under section 21 of the South African Companies Act)

(Registration number 2000/019394/08)

Annual Financial Statements for the year ended 28 February 2009

## Detailed Income statement

		2009	2008
		\$	\$
<b>Operating expenses</b>			
Auditors remuneration	8	9,509	5,302
Bank charges		697	888
Computer expenses		41	939
Consulting and professional fees		-	5,036
Employee costs		34,171	110,740
Entertainment		39	-
Fines and penalties		200	3,698
Internet and e mailing expenses		4,001	6,769
Lease rentals on operating lease		6,017	7,152
Loan written off		-	867
Loss from theft of cash		-	1,536
Postage		56	624
Printing and stationery		1,218	2,331
Relocation expenses		-	852
Repairs and maintenance		66	210
Software expenses		-	394
Subscriptions		-	10
Telephone and fax		2,046	3,619
Training		-	1,324
Travel - local		6,165	12,190
		<b>64,226</b>	<b>164,481</b>