

RHODES UNIVERSITY

PUBLIC SERVICE ACCOUNTABILITY MONITOR
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2023

RHODES UNIVERSITY
PUBLIC SERVICE ACCOUNTABILITY MONITOR
Annual Financial Statements for the year ended 31 December 2023

	Page
Independent Auditors Report	1 - 3
Income Statement	4
Balance Sheet	5
Statement of Changes in Reserves	6
Notes to the Annual Financial Statements	7 - 12

The annual financial statements for the year ended 31 December 2023 set out on pages 3 to 9 were approved by the Management Committee of the Public Service Accountability Monitor and are signed on its behalf.



Mr Jay Kruise
Director



Mrs Vongai Maroyi
Financial Manager

19 February 2026

Date

Independent auditor's report

To the Management of the Public Service Accountability Monitor

Opinion

We have audited the financial statements of Public Service Accountability Monitor set out on pages 4 to 12, which comprise the balance sheet as at 31 December 2023, and the income statement and statement of changes in reserves for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of Public Service Accountability Monitor for the year ended 31 December 2023 are prepared, in all material respects, in accordance with the basis of accounting described in note 1 to the financial statements.

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 organisation 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 - Basis of Accounting and Restriction on Distribution and Use

We draw attention to note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to provide information to the Public Service Accountability Monitor project in complying with the financial reporting provisions of the project's contract stipulations. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Public Service Accountability Monitor project and should not be distributed to or used by parties other than the Public Service Accountability Monitor project. Our opinion is not modified in respect of this matter.

Emphasis of Matter – Going Concern

We draw attention to note 8 in the financial statements, which describes the impact of the recent reduced donor funding, on the going concern of the project. Our opinion is not modified in respect of this matter.

Audit. Tax. Advisory.

Responsibilities of management for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the basis of accounting described in note 1, for determining that the basis of preparation is acceptable in the circumstances and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organisation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the project or to cease operations, or has no realistic alternative but to do so.

Management are responsible for overseeing the organisation's financial reporting process.

Auditor's responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional 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 organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation'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 organisation to cease to continue as a going concern.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies control that we identify during our audit.

Nexia SAB&T

Nexia SAB&T
Jakobus Stefanus du Toit
Registered Auditor
Port Elizabeth
Date:

RHODES UNIVERSITY
PUBLIC SERVICE ACCOUNTABILITY MONITOR
Income Statement for the year ended 31 December 2023

	Notes	R 2023	2022
Income			
Grants received from funders	5	8 109 247	8 478 761
Add: Miscellaneous income		898 695	714 208
Interest		151 289	106 535
Short Course Fees & Sundry Income		337 751	280 056
Consulting & Management Fees		409 655	327 616
Total Income for the year		9 007 941	9 192 969
Less Expenditure			
		11 150 463	8 353 672
Human Resources	7.1	7 084 094	5 821 819
Mapping Research	7.6	263 135	224 336
Travel	7.2	878 633	354 957
Conferences & Meetings	7.3	2 291 092	1 206 262
Other Direct Costs	7.4	273 306	264 149
Indirect Costs	7.5	360 203	482 150
Net surplus / (deficit) for the year		- 2 142 521	839 297

RHODES UNIVERSITY
PUBLIC SERVICE ACCOUNTABILITY MONITOR
Statement of Changes in Reserves for the year ended 31 December 2023

	R 2023	R 2022
Retained Earnings		
PSAM reserves on hand at the beginning of the current period	5 778 698	4 939 402
Net (deficit) / surplus for the year	- 1 242 521	839 297
PSAM reserves on hand at the end of the period	<u>4 536 177</u>	<u>5 778 698</u>
Represented by: PSAM current projects donor funding	1 732 881	2 376 200
PSAM unencumbered reserves	2 803 296	3 402 499
	<u>4 536 177</u>	<u>5 778 698</u>

RHODES UNIVERSITY
PUBLIC SERVICE ACCOUNTABILITY MONITOR
Notes to the financial statements - 31 December 2023

1. Accounting Policies

The financial statements have been prepared on the accrual basis under the historic cost convention.

The principal accounting policies applied in the preparation of these financials statements are set out below

1.1 Income

Income is generally recognised at the fair value of the consideration received for goods and services rendered. Public Sector Accountability Monitor recognises income when the amount can be reliably measured, it is probable that the future economic benefits will flow to the entity and when specific criteria have been met for each of the activities as described below.

1.1.1 Grant Income

Grants are recognised as income in the financial year to which they relate, as set out in the contract relevant to each grant.

1.1.2 Interest Income

Interest is recognised on a time allocation basis, calculated monthly based on the balance in the investment account and the effective interest rate over the period it was in the investment account.

1.1.3 Other Income

Other income is recognised on the accrual basis unless collectability is in doubt.

1.2 Equipment

Equipment is not capitalised, but is expensed in the year of acquisition.

1.3 Accounts receivable

Accounts receivable are carried at fair value of the consideration to be received of goods and services that have been rendered or supplied.

1.4 Accounts Payable

Accounts payable are carried at the fair value of the consideration to be paid for goods and services that have been received or supplied and invoiced or formally agreed with the supplier and invoiced.

1.5 Foreign translation

A foreign currency transaction is recognised in SA Rands, by applying the payment rate to the foreign currency amount. The payment rate is the actual exchange rate at the date of payment or receipt .

RHODES UNIVERSITY
PUBLIC SERVICE ACCOUNTABILITY MONITOR

Notes to the financial statements - 31 December 2023 (continued)

2. Accounts receivable

	2023	2022
	R	R
Funds due from funders - Ahmed Kathrada Foundation	-	2 272 763
Funds due from funders - Oxfam via Global Integrity for the Kuyenda Project)	-	490 814
Sundry Receivables	898 766	325 324
	898 766	3 088 901
	898 766	3 088 901

3. Current accounts with Rhodes University (excludes accruals)

PSAM General Fund -Fincore Ledger 17400	2 661 783	2 799 475
PSAM General Ledger 17401	-	14 250
PSAM Legal Fees Fincore Ledger 17410	188 878	188 878
PSAM CORE -Fincore ledger 17412	-	309
PSAM Running Ledger 17414	-	37 794
Beit Trust 2022 -Fincore Project EFNR100166	150 673	255 532
PSAM Project Portfolio 17450	-	264 506
Hewlett Foundation -Fincore Project EFNR100074	66 155	437 473
PSAM OSF Fincore EFNR100128	-	-
PSAM Action Aid International SDC (Fincore Project SCNS100002	-	1 729
PSAM Action Aid International SDC (Fincore Project SCNS100004	67 607	-
PSAM Action Aid International SDC (Fincore Project SCNS100008	267 031	1 024 240
PSAM Global Integrity(Fincore EFNR100070/81	56 723	56 723
PSAM KUYENDA Global Integrity EFNR100138	387 438	176 606
PSAM Short Course Fincore Project SHCO100021	-	45 931
PSAM EJP - Fincore Project EFNR100139	2 084	-
PSAM Civacts A4a (Ahmed Kathrada-Fi	-	261 483
EFNR100181 - (Civacts A4A) - (Ahmed Kathrada)	999 061	116 310
EFNR100197- (Civacts A4A) - (Ahmed Kathrada)	-	-
SHCO100044 (Short Course) -Income = Course fees & accreditation fees	-	1 280
	72 194.89	-
	4 409 440	3 205 916
	4 409 440	3 205 916

4. Accounts payable

Accruals	772 029	516 119
	772 029	516 119
	772 029	516 119

RHODES UNIVERSITY
PUBLIC SERVICE ACCOUNTABILITY MONITOR

Notes to the financial statements - 31 December 2023 (continued)

	2023 R	2022 R
5. Grants / contract funding from Funders		
The Beit Trust (30,000 GBP)	616 758	632 306
Action Aid International	-	2 272 763
Action Aid International SCNS100004 ()	1 232 699	
Action Aid International SCNS100008 ()	1 647 215	
Open Society Policy Centre (EJP) (US\$ 150,000) -EFNR100139	-	2 385 225
Open Society Foundation - EFNR1000128		800 000
Open Society Foundation - EFNR1000169	900 000	-
Global Partnership for Education Grant through Global Integrity EFNR100	-	1 127 842
Global Integrity - EU Kuyenda Project EFNR100138	1 681 730	
EU funded A4A Project (Ahmed Kathrada Foundation _ EFNR100154	427 170	1 260 625
EU funded A4A Project -EFNR100181	2 502 369	
Rhodes University Conference Grant	9 007 941	8 478 761

6. Correction to comparatives

In 2022, PSAM received R900,000 that was not recognised as a current asset with a corresponding deferred income liability. The error has been corrected retrospectively by recognising R900,000 within the Rhodes current account (receivable) and deferred income (liability) at 31 December 2022. The correction resulted in an increase in receivables and deferred income liability with R900,000.

Effect of Restatements on Comparative Amounts for the Year Ended 31 December 2022

	As previously reported	Adjustment	As restated
Balance sheet			
Current accounts with Rhodes University (Asset)	3 205 916	900 000	4 105 916
Deferred income (Liability)	-	900 000 -	900 000

RHODES UNIVERSITY
PUBLIC SERVICE ACCOUNTABILITY MONITOR

Notes to the financial statements - 31 December 2023 (continued)

	2023 R	2022 R
7. Expenditure	11 150 463	8 353 672
7.1.1 Human Resources	7 084 094	5 821 819
HR costs - Staff salaries	6 059 876	5 397 270
HR costs - Staff benefits	142 184	103 959
HR costs - Consultants	882 034	320 590
7.1.2 Mapping Research	263 135	224 336
	263 135	224 336
7.2 Travel	878 633	354 957
MAP: Travel cost of the MAP programme head & staff	267 210	105 920
RLP: Regional travel by RLP head & staff (Tanzania, Zimbabwe, Mozambique & Zambia)	599 008	218 755
RLP: Travel by MEL framework consultant		
CORE Travel: National & International travel: Mainly undertaken by the PSAM Director	12 416	30 283
7.3 Conferences & Meetings	2 291 092	1 206 262
MAP staff: Attending workshops and meetings	268 184	134 295
RLP: "Lessons Learned" Regional Workshop	305 842	285 305
RLP: "Fundamentals Plus" Regional Workshop	1 138 089	75 319
RLP: Short course "Fundamentals of Social Accountability"	578 976	711 343
7.4 Other Direct Costs	273 306	264 149
7.4.1 Administration Costs	214 224	116 860
7.4.1.1 MAP Administration Costs	32 027	15 248
7.4.1.2 RLP Administration Costs	144 338	1 379
7.4.1.4 CORE Administration Costs	27 860	68 858
Copier maintenance charges & printing costs.	8 094	4 610
Banking fees	1 572	6 194
Journal subscriptions	-	4 344
Courier & postage costs	1 221	1 126
Stationery	3 236	6 169
Cleaning materials & general office maintenance	5 047	19 895
Rental of archival storage facility	10 801	11 040
Security costs	8 362	3 475
Office teas, catering at events	5 715	10 295
Equipment & general repair costs	-	1 710
Audit fee	10 000	31 375
7.4.3 Legal Fees		
7.4.4 Marketing and Dissemination	20 922	27 637
Communications (mobile and fixed lines)	20 922	23 773
Website maintenance	-	3 864
7.4.5 Equipment (Laptops, dictaphones, pull-up boards, screen monitors .)	38 160	106 792
7.4.6 Staff wellness & development.	-	2 470
7.4.7 Contingency & sundry costs	-	10 390
7.5 Indirect Cost overhead	360 203	482 150
Overhead admin overhead paid to Rhodes University	360 203	355 496

PSAM management overheads

	126 654
--	---------

RHODES UNIVERSITY
PUBLIC SERVICE ACCOUNTABILITY MONITOR
Notes to the financial statements - 31 December 2023 (continued)

8. Going concern

Management assessed PSAM's ability to continue as a going concern in February 2026. Based on available information, PSAM has sufficient resources to operate through 2024 / 25, and the going concern basis remains appropriate for the 2023 financial statements.

PSAM is experiencing funding constraints in 2026 due to reduction in global donor funding and has reduced staffing accordingly. Management is monitoring funding and adjusting operations as needed. Management does not intend to liquidate or cease operations within the next six months.