

FC 23959

**CIVICUS: World Alliance for Citizen Participation**

**AGGREGATED  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2004**



**DOUGLAS  
& VELDEN**  
CHARTERED ACCOUNTANTS

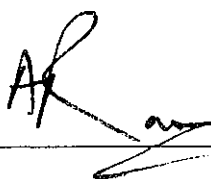
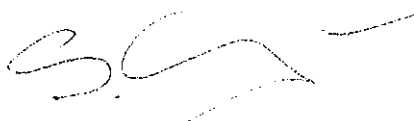
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APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The financial statements set out on pages 2 to 27 have been approved by the Board of Directors and are hereby signed on on their behalf by :-

  
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\_\_\_\_\_

## **REPORT OF THE INDEPENDENT AUDITORS**

### **TO THE MEMBERS**

#### **CIVICUS: World Alliance for Citizen Participation**

We have audited the aggregated annual financial statements of CIVICUS: World Alliance for Citizen Participation set out on pages 2 to 11 for the year ended 31 December 2004. These financial statements are the responsibility of the directors, while our responsibility is to express an opinion on these financial statements based on our audit.

#### **Scope**

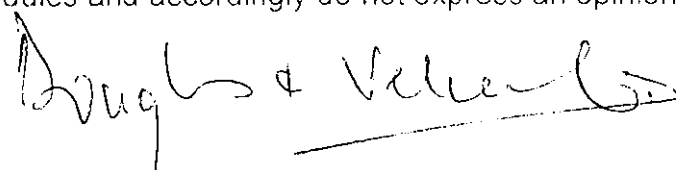
We conducted our audit in accordance with statements of South African Auditing Standards which require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

#### **Audit opinion**

In our opinion, the financial statements fairly present, in all material respects, the financial position of the company at 31 December 2004 and the results of its operations and cash flows for the year then ended in accordance with South African and International statements of generally accepted accounting practice.

#### **Supporting schedules**

The supporting schedules set out on pages 12 to 27 do not form part of the financial statements and are presented as additional information. We have not audited these schedules and accordingly do not express an opinion thereon.



**Douglas & Velcich**  
**Chartered Accountants (SA)**  
**Registered Accountants and Auditors**

**Johannesburg**  
**10 March 2005**

## CIVICUS: World Alliance for Citizen Participation

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**REPORT OF THE DIRECTORS FOR  
THE YEAR ENDED 31 DECEMBER 2004**

Your directors present their report, together with the audited financial statements of the company for the year ended 31 December 2004.

**General**

The principal activity of the company is to engage in programs that promote active citizenship, pluralism, voluntary action and private philanthropy.

**Results of activities for the year**

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

**Share capital and dividends**

The company has no share capital and its memorandum and articles of association prohibit the payment of dividends to members.

**Equipment**

During the year under review, the company acquired equipment to the value of 2004. \$19,420 (2003: \$48,392)

**Post balance sheet events**

No material fact or circumstance has occurred between the balance sheet date and the date of this report

**Statements of responsibility**

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with generally accepted accounting practice and in the manner required by the Companies Act, 1973.

The directors are also responsible for the company's systems of internal control. These are designed to provide reasonable, but not absolute assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future

**Directors**

The following were directors during the period under review -

A Cruz (Uruguay) (appointed 26/03/2004)	A Rao (India)	S H Longwe (Zambia)
C Dockendorff (Chile) (appointed 26/03/2004)	S L Bulman (UK)	S Etherington (UK)
JJ Wygnanski (Poland) (appointed 26/03/2004)	A F Fowler (SA)	K S Naidoo (SA)
M Patten (Canada) (appointed 26/03/2004)	A Kandil (Egypt)	
P Shiras (USA) (appointed 26/03/2004)	S Salahuddin (Pakistan)	
R Stuart (Canada) (appointed 26/03/04)	D Robinson (New Zealand) (appointed 26/03/2004)	

M Akuhata-Brown (New Zealand) (resigned 26/03/2004)  
 P Johnston (Canada) (resigned 26/03/2004)  
 K K Allen (USA) (resigned 26/03/2004)  
 S Munro-Knight (Barbados) (resigned 26/03/2004)  
 E L Mbogori (Zimbabwe) (resigned 26/03/2004)

The secretary of the company is A Cruz

## AGGREGATED BALANCE SHEET AT 31 DECEMBER 2004

	Notes	JHB 2004 \$	WASHINGTON 2004 \$	TOTAL 2004 \$	JHB 2003 \$	WASHINGTON 2003 \$	TOTAL 2003 \$
<b>ASSETS</b>		<b>410,733</b>	<b>448,820</b>	<b>859,553</b>	<b>608,962</b>	<b>633,907</b>	<b>1,242,869</b>
Non - current assets		284,092	3,586	287,678	299,449	9,661	309,110
Equipment	2	45,464	3,586	49,050	50,933	9,661	60,594
Loan to Property company	3	238,628	-	238,628	248,516	-	248,516
Current assets		126,641	445,234	571,875	309,513	624,246	933,759
Accounts receivable		8,539	11,756	20,295	28,439	64,897	93,336
Accrued income	4	-	141,643	141,643	32,440	180,437	212,877
Cash at bank		118,102	291,835	409,937	248,634	378,912	627,546
<b>Total assets</b>		<b>410,733</b>	<b>448,820</b>	<b>859,553</b>	<b>608,962</b>	<b>633,907</b>	<b>1,242,869</b>
<b>RESERVES AND LIABILITIES</b>		<b>410,733</b>	<b>448,820</b>	<b>859,553</b>	<b>608,962</b>	<b>633,907</b>	<b>1,242,869</b>
Reserves		333,702	314,979	648,681	422,780	433,284	856,064
Retained income		144,439	314,979	459,418	301,987	433,284	735,271
Foreign currency translation reserve		189,263	-	189,263	120,793	-	120,793
Current liabilities		77,031	133,841	210,872	186,181	200,624	386,805
Accounts payable		77,031	133,841	210,872	75,784	90,794	166,578
Deferred income	5	-	-	-	110,397	109,830	220,227
<b>Total reserves and liabilities</b>		<b>410,733</b>	<b>448,820</b>	<b>859,553</b>	<b>608,962</b>	<b>633,907</b>	<b>1,242,869</b>

## CIVICUS: World Alliance for Citizen Participation

AGGREGATED INCOME STATEMENT FOR  
THE YEAR ENDED 31 DECEMBER 2004

	Note	JHB 2004 \$	WASHINGTON 2004 \$	TOTAL 2004 \$	JHB 2003 \$	WASHINGTON 2003 \$	TOTAL 2003 \$
<b>INCOME</b>		<b>1,804,314</b>	<b>1,163,821</b>	<b>2,968,135</b>	<b>1,067,226</b>	<b>572,895</b>	<b>1,640,121</b>
Grants	6	633,942	1,404,288	2,038,230	397,783	1,138,009	1,535,792
Allocations		420,135	(420,135)	-	647,759	(647,759)	-
Membership dues		4,519	45,928	51,447	984	67,613	68,597
Miscellaneous income		1,798	18,362	20,160	-	8,787	8,787
Civil Society Development Fund		-	200	200	-	1,134	1,134
Participation Fund		117,456	56,772	174,228	-	-	-
Sales - Publications		2	974	976	8,883	2,818	11,701
World Assembly registration		35,934	53,738	89,672	-	-	-
World Assembly Botswana - income		584,423	-	584,423	-	-	-
Profit on disposal of assets		-	2,250	2,250	-	-	-
Interest received		6,106	444	6,550	11,816	2,293	14,110
<b>EXPENDITURE</b>		<b>1,961,862</b>	<b>1,282,126</b>	<b>3,243,988</b>	<b>964,081</b>	<b>756,751</b>	<b>1,720,832</b>
Accommodation		76,148	33,203	109,351	48,149	17,717	65,866
Advertising		2,027	-	2,027	12,310	-	12,310
Auditors' remuneration	7	11,989	8,698	20,687	7,262	14,580	21,842
Bad debt expense		-	-	-	2,485	-	2,485
Bank charges		3,445	6,437	9,882	3,987	6,851	10,838
Communications - programmes		15,876	-	15,876	19,172	-	19,172
Computer maintenance		-	-	-	-	3,970	3,970
Conference registration		21	5,259	5,280	531	-	531
Consultancy costs		52,755	110,899	163,654	15,525	120,184	135,709
Currency exchange losses		1,207	-	1,207	1,063	-	1,063
Entertainment		1,383	-	1,383	4,168	-	4,168
Equipment hire		21,342	-	21,342	5,691	-	5,691
Depreciation		24,887	5,810	30,697	13,534	9,119	22,653
General expenses		1,464	-	1,464	475	1,741	2,216
General grants		-	67,067	67,067	-	-	-
Insurance		2,101	22,683	24,784	2,270	22,128	24,398
Interest paid		291	-	291	38	-	38
Internet expense		36,873	6,044	42,917	35,689	5,965	41,654
Legal fees		2,890	1,106	3,996	111	3,420	3,531
Newsletters, magazines and books		4,787	-	4,787	1,743	-	1,743
Postage and freight		16,496	2,995	19,491	31,031	2,735	33,766
Relocation costs		29,296	-	29,296	11,878	-	11,878
Rent, water and electricity		50,534	27,919	78,453	3,963	38,946	42,909
Repairs, maintenance and cleaning		11,380	2,798	14,178	9,488	5,159	14,647
Reports		10,593	-	10,593	13,096	-	13,096
Salaries, wages and contributions		707,640	182,818	890,458	527,377	252,459	779,836
Seminars and conference		-	379	379	-	13,682	13,682
Staff development		984	-	984	520	-	520
Staff recruitment		4,539	-	4,539	7,382	1,791	9,173
Stationery, photocopying and printing		65,456	2,002	67,458	42,631	2,245	44,876
Subscriptions		14	1,562	1,576	245	1,383	1,628
Supplies		1,225	1,578	2,803	620	21,889	22,509
Telephone, fax and email		63,072	9,931	73,003	50,317	11,632	61,949
Translations		12,295	-	12,295	14,716	-	14,716
Travel - international		99,567	277,718	377,285	46,327	188,540	234,867
Travel - local		24,840	16,719	41,559	9,862	10,615	20,477
Conference expenses		2,964	484,590	487,554	-	-	-
World Assembly Botswana - Expenses		584,423	-	584,423	-	-	-
Website maintenance		17,059	3,911	20,970	20,423	-	20,423
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>(157,548)</b>	<b>(118,305)</b>	<b>(275,853)</b>	<b>103,144</b>	<b>(183,856)</b>	<b>(80,712)</b>
<b>BALANCE AT BEGINNING OF YEAR</b>		<b>301,987</b>	<b>433,284</b>	<b>735,271</b>	<b>198,843</b>	<b>617,139</b>	<b>815,982</b>
<b>BALANCE AT END OF YEAR</b>		<b>144,439</b>	<b>314,979</b>	<b>459,418</b>	<b>301,987</b>	<b>433,284</b>	<b>735,271</b>

**AGGREGATED CASH FLOW STATEMENT FOR THE  
YEAR ENDED 31 DECEMBER 2004**

	JHB 2004 \$	WASHINGTON 2004 \$	TOTAL 2004 \$	JHB 2003 \$	WASHINGTON 2003 \$	TOTAL 2003 \$
<b>Cash flows from operating activities</b>						
Deficit/(surplus) for the year	(157,548)	(118,305)	(275,853)	103,144	(183,856)	(80,711)
Adjusted for						
Depreciation	24,887	5,810	30,697	13,534	9,119	22,653
Foreign translation reserve	68,470	-	68,470	97,764	-	97,764
(Decrease)/(increase) in deferred income	(110,397)	(109,830)	(220,227)	110,397	(76,696)	33,701
Decrease/(increase) in accrued income	32,440	38,794	71,234	(32,440)	(74,268)	(106,708)
Profit on sale of fixed assets	-	(2,250)	(2,250)	-	-	-
Interest received	(5,106)	(444)	(6,550)	(11,816)	(2,293)	(14,109)
Interest paid	291	-	291	38	-	38
<b>Operating surplus before working capital changes</b>	<b>(147,963)</b>	<b>(186,225)</b>	<b>(334,188)</b>	<b>280,621</b>	<b>(327,994)</b>	<b>(47,373)</b>
<b>Working capital changes</b>	<b>21,148</b>	<b>96,189</b>	<b>117,336</b>	<b>59,791</b>	<b>94,145</b>	<b>153,935</b>
Decrease/(increase) in accounts receivable	19,900	53,141	73,041	(654)	72,725	72,071
Increase in accounts payable	1,248	43,048	44,295	60,445	21,420	81,865
<b>Cash generated/(utilised) by operations</b>	<b>(126,815)</b>	<b>(90,037)</b>	<b>(216,851)</b>	<b>340,412</b>	<b>(233,849)</b>	<b>106,563</b>
Interest received	5,106	444	6,550	11,816	2,293	14,109
Interest paid	(291)	-	(291)	(38)	-	(38)
<b>Net cash outflow/(inflow) from operating activities</b>	<b>(121,000)</b>	<b>(89,593)</b>	<b>(210,593)</b>	<b>352,190</b>	<b>(231,556)</b>	<b>120,634</b>
<b>Cash flows utilised/(generated) in investing activities</b>	<b>(19,420)</b>	<b>2,516</b>	<b>(16,904)</b>	<b>(41,589)</b>	<b>(6,803)</b>	<b>(48,392)</b>
Acquisition of equipment	(19,420)	-	(19,420)	(41,589)	(6,803)	(48,392)
Proceeds from sale of assets	-	2,516	2,516	-	-	-
<b>Cash flows generated/(utilised) in financing activities</b>	<b>9,888</b>	<b>-</b>	<b>9,888</b>	<b>(126,739)</b>	<b>-</b>	<b>(126,739)</b>
Loan receivable - Property company	9,888	-	9,888	(126,739)	-	(126,739)
<b>Net decrease/(increase) in cash and cash equivalents</b>	<b>(130,533)</b>	<b>(87,077)</b>	<b>(217,609)</b>	<b>183,862</b>	<b>(238,359)</b>	<b>(54,497)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>248,634</b>	<b>378,912</b>	<b>627,546</b>	<b>64,772</b>	<b>617,271</b>	<b>682,043</b>
<b>Cash and cash equivalents at end of year</b>	<b>118,101</b>	<b>291,836</b>	<b>409,937</b>	<b>248,634</b>	<b>378,912</b>	<b>627,546</b>

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**NOTES TO THE AGGREGATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2004****1. ACCOUNTING POLICIES**

The financial statements, which constitute an aggregation of the results and balances of the Johannesburg and Washington offices of the organisation, are prepared on the historical cost basis, and incorporate the following principal accounting policies:

**1.1 Equipment and depreciation**

Equipment is stated at cost less provision for depreciation. Depreciation is calculated to write off the cost of equipment over the estimated useful lives on the straight line method at the following rates :

Computer equipment	-	33.3% per annum
Office furniture and equipment	-	20% per annum

**1.2 Income recognition**

Income from grants is generally brought to account in the financial year to which it relates. All other income is brought to account as and when received.

Accrued income thus comprises grants or portions thereof which are intended for use in the current period, but received after year end. They are included in income and brought to account as a current asset.

Deferred income comprises income received in advance of the period to which it relates, is excluded from income, and is accounted for as a current liability.

**1.3 Foreign currency translation**

All assets and liabilities have been converted into U.S. Dollars at the rates applicable at year end. Items of income and expenditure in South Africa have been converted at the weighted average rate of transfers into the South African bank account.

Profits and losses on translation at year end are taken to a foreign currency translation reserve.



## CIVICUS: World Alliance for Citizen Participation

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2004 (Continued)

## 2. EQUIPMENT

JOHANNESBURG OFFICE	Computer equipment R	Office furniture R	Total R
<b>31 December 2004</b>			
<b>Net book value 1 January 2004</b>	<b>225,563</b>	<b>108,812</b>	<b>334,375</b>
At cost	332,144	132,819	464,963
Accumulated depreciation	(106,581)	(24,007)	(130,588)
Additions during the year	54,557	26,050	80,607
Depreciation for the year	(127,037)	(30,936)	(157,973)
<b>Net book value 31 December 2004</b>	<b>153,083</b>	<b>103,926</b>	<b>257,009</b>
At cost	386,701	158,869	545,570
Accumulated depreciation	(233,618)	(54,943)	(288,561)
<b>31 December 2003</b>			
<b>Net book value 1 January 2003</b>	<b>139,128</b>	<b>64,709</b>	<b>203,837</b>
At cost	168,177	68,741	236,918
Accumulated depreciation	(29,049)	(4,032)	(33,081)
Additions during the year	163,967	64,078	228,045
Depreciation for the year	(77,532)	(19,975)	(97,507)
<b>Net book value 31 December 2003</b>	<b>225,563</b>	<b>108,812</b>	<b>334,375</b>
At cost	332,144	132,819	464,963
Accumulated depreciation	(106,581)	(24,007)	(130,588)
<b>WASHINGTON OFFICE</b>	<b>Computer equipment \$</b>	<b>Office furniture \$</b>	<b>Total \$</b>
<b>31 December 2004</b>			
<b>Net book value 1 January 2004</b>	<b>9,661</b>	-	<b>9,661</b>
At cost	72,704	-	72,704
Accumulated depreciation	(63,043)	-	(63,043)
Disposals during the year	(265)	-	(265)
At cost	(2,781)	-	(2,781)
Accumulated depreciation	2,516	-	2,516
Additions during the year	-	-	-
Depreciation for the year	(5,810)	-	(5,810)
<b>Net book value 31 December 2004</b>	<b>3,586</b>	-	<b>3,586</b>
At cost	69,923	-	69,923
Accumulated depreciation	(66,337)	-	(66,337)
<b>31 December 2003</b>			
<b>Net book value 1 January 2003</b>	<b>11,977</b>	-	<b>11,977</b>
At cost	65,901	-	65,901
Accumulated depreciation	(53,924)	-	(53,924)
Additions during the year	6,803	-	6,803
Depreciation for the year	(9,119)	-	(9,119)
<b>Net book value 31 December 2003</b>	<b>9,661</b>	-	<b>9,661</b>
At cost	72,704	-	72,704
Accumulated depreciation	(63,043)	-	(63,043)

**NOTES TO THE AGGREGATED FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2004 (Continued)**

	2004 \$	2003 \$
<b>3. Loan to Property company</b>		
Golden Trading 713 CC	<u>238,628</u>	<u>248,516</u>
The loan has been advanced to the above corporation, to acquire and renovate the organisation's new head office in Newtown, Johannesburg.		
There are no fixed terms of repayment and the loan is interest free		
<b>4. ACCRUED INCOME</b>		
<b>JOHANNESBURG OFFICE</b>	-	32,440
Swedish International Development Cooperation Agency	-	32,440
<b>WASHINGTON OFFICE</b>	141,643	180,437
C S. Mott Foundation	-	117,989
Ford Foundation	-	51,712
World Bank	141,643	10,736
	<u>141,643</u>	<u>212,877</u>
<b>5. DEFERRED INCOME</b>		
<b>JOHANNESBURG OFFICE</b>	-	110,397
NOVIB	-	110,397
<b>WASHINGTON OFFICE</b>	-	109,830
American Express Foundation	-	30,000
Carnegie Corporation	-	70,000
Participation fund	-	3,000
Conference registration	-	6,830
	<u>-</u>	<u>220,227</u>

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2004 (Continued)

	2004 \$	2003 \$
<b>6. GRANTS</b>		
<b>JOHANNESBURG OFFICE</b>	<b>633,942</b>	<b>397,783</b>
Swedish International Development Cooperation Agency	100,805	151,476
- Received	133,245	119,036
- Accrued in 2003	(32,440)	32,440
Canadian International Development Agency	61,508	59,223
Cordaid	24,350	-
Development Corporation Ireland	123,856	-
Inter American Foundation	26,933	-
Oxfam Great Britain	60,360	-
NOVIB	223,957	130,672
- Received	113,560	241,069
- Deferred from 2003	110,397	(110,397)
World Bank	-	10,000
- Received	-	10,000
Action Aid Ghana	12,173	46,412
<b>WASHINGTON OFFICE</b>	<b>1,404,288</b>	<b>1,138,009</b>
Ford Foundation	307,088	51,712
- Received	358,800	-
- Accrued in 2003	(51,712)	51,712
The Atlantic Philanthropies	500,000	600,000
American Express Foundation	30,000	-
- Received	-	30,000
- Deferred from 2003	30,000	(30,000)
C S. Mott Foundation	132,011	117,989
- Received	250,000	-
- Accrued in 2003	(117,989)	117,989
Carnegie Corporation	155,000	70,000.00
- Received	85,000	140,000
- Deferred from 2003	70,000	(70,000)
Conrad N. Hilton Foundation	5,000	5,000
Gender at work	9,948	-
Bristol-Myers Squibb	10,000	-
Vanguard Charitable Endowment	5,000	-
UN MDG Campaign	22,500	-
Canadian International Development Agency	-	13,295
- Received	-	46,964
- Accrued in 2002	-	(33,669)
Department for International Development	-	2,751
- Received	-	75,251
- Accrued in 2002	-	(72,500)
United Nations Development Fund	20,000	-
- Received	20,000	-
United Nations Development Fund for Women	-	8,103
- Received	-	-
- Deferred from 2003	-	8,103
David and Lucile Packard Foundation	-	178,423
- Received	-	-
- Deferred from 2003	-	178,423
World Bank	207,741	90,736
- Received	218,477	80,000
- Accrued in 2003	(10,736)	10,736
Sundry donor	-	-
	<b>2,038,230</b>	<b>1,535,792</b>

## CIVICUS: World Alliance for Citizen Participation

**NOTES TO THE AGGREGATED FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2004 (Continued)**

	2004 \$	2003 \$
<b>7. AUDITORS' REMUNERATION</b>		
<b>JOHANNESBURG OFFICE</b>	<b>11,989</b>	<b>7,262</b>
Current year	7,089	5,552
Underprovision - 2002	-	1,710
Other services	4,900	-
	<b>11,989</b>	<b>7,262</b>
<b>WASHINGTON OFFICE</b>	<b>8,698</b>	<b>14,580</b>
<b>8. UNITED STATES ACCOUNTING CONVENTIONS</b>		
In accordance with United States accounting conventions, the following funds were released from restricted funds during the current year:		
Civil Society Index	-	158,282
David and Lucile Packard Foundation	-	158,282
Civil Society Watch - General	-	20,141
David and Lucile Packard Foundation	-	20,141
Gender at work	-	8,103
United Nations Development Fund for Women	-	8,103
Joint Facilitation Committee	121,916	-
World Bank	121,916	-
Website	-	831
I 2 Foundation	-	831
World Assembly	-	-
	<b>121,916</b>	<b>187,357</b>

**9. PENSION PLAN****WASHINGTON OFFICE**

CIVICUS has a defined contribution pension plan which covers all of its employees. CIVICUS determines its discretionary contribution to the plan on an annual basis. Total pension expense incurred for the year ended 31 December 2004 was approximately \$5,990.

**CIVICUS: World Alliance for Citizen Participation****NOTES TO THE AGGREGATED FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2004 (Continued)****10. COMMITMENTS****Washington Office Lease**

In March 2002, CIVICUS entered into a non-cancelable operating lease for its office space which will expire on 31 March 2007. The lease includes a clause for rent escalation of 3% per year. Rent expense was \$27,919 for the year ended 31 December 2004.

Aggregate future minimum annual rental payments are as follows:

<b>Year ending</b>	<b>\$</b>
31 December 2005	34,512
31 December 2006	35,547
31 December 2007	8,952
	<u><b>79,011</b></u>

**11. TAXATION****JOHANNESBURG OFFICE**

No provision has been made for South African normal income tax as the directors consider that the company will qualify for exemption in terms of section 10(1)(cN) as read with section 30 of the Income Tax Act. The application for approval of its exemption is currently in process.

**WASHINGTON OFFICE**

CIVICUS is exempt from the payment of Federal income taxes on its exempt activities under section 501(c)(3) of the Internal Revenue Code and the Internal Revenue Service has determined that it is not a private foundation.

## CIVICUS: World Alliance for Citizen Participation

## GENERAL MANAGEMENT

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	<b>884,910</b>	<b>871,115</b>
Publication - sales	-	11,701
Sundry income	2,709	8,787
Grants received	861,554	777,751
Action Aid Ghana	12,173	-
American Express Foundation	30,000	-
C S Mott Foundation	100,000	100,000
Carnegie Corporation	155,000	70,000
Conrad N. Hilton Foundation	5,000	5,000
DFID	-	2,751
Gender at work	9,948	-
UN MDG Campaign	22,500	-
Inter American Foundation	26,933	-
The Atlantic Philanthropies	500,000	600,000
Project overhead recovery	-	65,123
Interest income and other	20,648	7,753
<b>EXPENDITURE</b>	<b>880,291</b>	<b>876,091</b>
Advertising	480	12,605
Annual license fees	225	-
Auditors' remuneration	20,384	20,132
Bank charges	9,883	-
Depreciation	30,211	22,410
Electricity and water	12,162	-
Employee costs	444,505	422,301
General expenses	1,993	-
Insurance	22,710	18,134
Interest expense	228	38
Internet and web maintenance	14,335	46,906
Legal costs	3,997	-
Office supplies and other	6,780	49,618
Postage and delivery	6,705	13,259
Printing and reproduction	13,434	26,905
Professional fees and contract services	50,898	62,309
Relocation costs	13,110	5,621
Rent	65,165	33,627
Repairs, maintenance and cleaning	8,476	-
Subscriptions	1,212	-
Telephone	14,819	48,963
Travel, conferences and meetings	138,580	93,263
<b>Deficit for the year</b>	<b>4,619</b>	<b>(4,976)</b>
<b>Transfer (to)/from activities and programs</b>	<b>(229,894)</b>	<b>(246,857)</b>
Affinity Group of NGO Associations	32,011	-
Civil Society Index	75,071	-
Civil Society Watch-General	65,407	-
Civil Society Watch-Zimbabwe	1,927	-
Fundraising	(38,297)	(79,460)
Gender at work	-	(8,123)
Joint Facilitation Committee	(26,540)	-
Legitimacy and Transparency	(13,813)	-
Membership Development and Services	66,520	-
Millennium Development Goals	6,675	-
Other programs	(67,335)	-
Participatory Governance	(24,164)	-
World Assembly	(307,358)	(159,274)
<b>Balance at beginning of year</b>	<b>684,693</b>	<b>936,526</b>
<b>Balance at end of year</b>	<b>459,418</b>	<b>684,693</b>

## CIVICUS: World Alliance for Citizen Participation

## AFFINITY GROUP OF NGO ASSOCIATIONS

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	<b>32,011</b>	<b>17,989</b>
Grant received		
C S Mott Foundation		
Received	50,000	-
Accrued in 2003	(17,989)	17,989
<b>EXPENDITURE</b>	<b>-</b>	<b>17,989</b>
Employee costs	-	17,989
<b>Surplus for the year</b>	<b>32,011</b>	<b>-</b>
<b>Transfer to general management</b>	<b>(32,011)</b>	<b>-</b>
<b>Balance at beginning of year</b>	<b>-</b>	<b>-</b>
<b>Balance at end of year</b>		

## CIVICUS: World Alliance for Citizen Participation

## CIVIL SOCIETY INDEX

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	<b>382,353</b>	<b>376,471</b>
Grants received	378,861	368,981
Swedish International Development Cooperation Agency	100,805	151,476
World bank	68,342	-
Cordaid	24,350	-
Development Corporation Ireland	123,856	-
Canadian International Development Agency	61,508	59,223
David and Lucile Packard Foundation	-	158,282
Other income	59	-
Interest Income	3,433	7,490
<b>EXPENDITURE</b>	<b>307,281</b>	<b>255,927</b>
Employee costs	125,567	112,285
Governance allocation	34,452	-
Insurance	1,398	1,525
Office supplies and other	3,032	1,662
Postage and delivery	792	502
Professional fees and contract services	2,833	8,568
Project overheads	3,791	30,883
General grants	67,067	-
Relocation costs	3,612	2,861
Telephone	2,441	1,901
Travel and meetings	62,296	95,740
<b>Surplus for the year</b>	<b>75,071</b>	<b>120,544</b>
<b>Transfer to general management.</b>	<b>(75,071)</b>	<b>831</b>
<b>Balance at beginning of year</b>	<b>-</b>	<b>(121,375)</b>
Balance as previously reported	-	36,907
prior year adjustment	-	(158,282)
<b>Balance at end of year</b>	<b>-</b>	<b>-</b>



## CIVICUS: World Alliance for Citizen Participation

## CIVIL SOCIETY WATCH - GENERAL

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	<b>157,432</b>	<b>80,949</b>
Grants received	<b>156,273</b>	<b>60,808</b>
NOVIB	113,560	103,521
Deferred from 2003	42,713	(42,713)
Interest Income	1,159	-
Transfer from September 11th Survey	-	20,141
<b>EXPENDITURE</b>	<b>92,024</b>	<b>80,949</b>
Employee costs	54,800	43,766
Insurance	1,398	1,398
Office supplies and other	18,586	12,849
Postage and delivery	1,197	3,829
Professional fees and contract services	6,002	7,944
Relocation costs	586	2,771
Telephone	1,525	51
Travel and meetings	7,931	8,341
<b>Surplus for the year</b>	<b>65,407</b>	-
<b>Transfer to general management</b>	<b>(65,407)</b>	-
<b>Balance at beginning of year</b>	-	-
<b>Balance at end of year</b>	-	-

## CIVICUS: World Alliance for Citizen Participation

## CIVIL SOCIETY WATCH - ZIMBABWE

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	<b>7,875</b>	<b>44,188</b>
Grants received		
NOVIB	7,875	44,188
Received	-	52,063
Deferred from 2003	7,875	(7,875)
<b>EXPENDITURE</b>	<b>5,948</b>	<b>44,188</b>
Employee costs	1,103	4,188
Office supplies and other	589	54
Postage and delivery	-	106
Project overheads	4,010	26,695
Travel and meetings	246	13,145
<b>Surplus for the year</b>	<b>1,927</b>	<b>-</b>
<b>Transfer to general management</b>	<b>(1,927)</b>	<b>-</b>
<b>Balance at beginning of year</b>	<b>-</b>	<b>-</b>
<b>Balance at end of year</b>	<b>-</b>	<b>-</b>

## CIVICUS: World Alliance for Citizen Participation

## FUNDRAISING

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
INCOME	-	-
EXPENDITURE	38,297	79,460
Employee costs	26,090	35,380
Insurance	-	26
Office supplies and other	5	3,245
Postage and delivery	60	3,544
Relocation costs	3,566	-
Rent	-	1,197
Telephone	857	2,324
Travel and meetings	7,718	33,744
Deficit for the year	(38,297)	(79,460)
Transfer from general management	38,297	79,460
Balance at beginning of the year	-	-
Balance at end of year	-	-

## CIVICUS: World Alliance for Citizen Participation

## JOINT FACILITATION COMMITTEE

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	<b>139,399</b>	<b>147,148</b>
Grant received		
Johannesburg office	70,000	56,412
Action Aid	-	46,412
Received	-	46,412
World Bank	70,000	10,000
Received	70,000	10,000
Washington office	69,399	90,736
World Bank	69,399	90,736
Received	80,135	80,000
Accrued in 2003	(10,736)	10,736
<b>EXPENDITURE</b>	<b>165,939</b>	<b>147,148</b>
Depreciation	486	243
Employee costs	47,971	101,916
Insurance	1,285	1,048
Internet and web maintenance	25,624	4,774
Office supplies and other	11,717	1,761
Postage and delivery	6,439	420
Professional fees and contract services	5,700	1,064
Project overheads	8,760	7,545
Telephone and fax	42,047	8,021
Travel and meetings	15,909	20,356
<b>Deficit for the year</b>	<b>(26,540)</b>	<b>-</b>
<b>Transfer from general management</b>	<b>26,540</b>	<b>-</b>
<b>Balance at beginning of the year</b>	<b>-</b>	<b>-</b>
<b>Balance at end of year</b>	<b>-</b>	<b>-</b>

## LEGITIMACY AND TRANSPARENCY

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	<b>59,809</b>	<b>25,676</b>
Grants received		
NOVIB	59,809	25,676
Received	-	85,485
Deferred to 2004	59,809	(59,809)
<b>EXPENDITURE</b>	<b>73,622</b>	<b>25,676</b>
Employee costs	35,190	20,021
Insurance	699	699
Office supplies and other	3,995	314
Postage and delivery	337	4
Professional fees and contract services	14,103	64
Relocation costs	4,057	-
Telephone	1,176	40
Travel and meetings	14,065	4,534
<b>Deficit for the year</b>	<b>(13,813)</b>	<b>-</b>
<b>Transfer from general management</b>	<b>13,813</b>	<b>-</b>
<b>Balance at beginning of year</b>	<b>-</b>	<b>-</b>
<b>Balance at end of year</b>	<b>-</b>	<b>-</b>

## CIVICUS: World Alliance for Citizen Participation

## MEMBERSHIP DEVELOPMENT AND SERVICES

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	<b>51,647</b>	<b>68,597</b>
Civil society development fund	200	-
Membership dues	51,447	68,597
<b>EXPENDITURE</b>	<b>35,706</b>	<b>18,019</b>
Advertising	63	-
Employee costs	27,542	7,298
Office supplies and other	63	628
Postage and delivery	3,110	3,869
Professional fees and contract services	1,056	78
Relocation costs	3,434	-
Telephone	-	11
Travel and meetings	438	2,453
Web maintenance	-	3,682
<b>Surplus for the year</b>	<b>15,941</b>	<b>50,578</b>
<b>Balance at beginning of the year</b>	<b>50,578</b>	<b>-</b>
<b>Transfer to general management</b>	<b>(66,520)</b>	
<b>Balance at end of year</b>	<b>-</b>	<b>50,578</b>

## CIVICUS: World Alliance for Citizen Participation

## MILLENNIUM DEVELOPMENT GOALS

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	<b>80,360</b>	-
Grant received		
United Nations Development Fund	20,000	-
Oxfam Great Britain	60,360	-
<b>EXPENDITURE</b>	<b>73,685</b>	-
Repairs, maintenance and cleaning	2,592	-
Employee costs	13,316	-
Office supplies and other	187	-
Postage and delivery	308	-
Printing and reproduction	2,814	-
Telephone	10,442	-
Travel, conferences and meetings	44,026	-
<b>Surplus for the year</b>	<b>6,675</b>	-
<b>Transfer to general management</b>	<b>(6,675)</b>	-
<b>Balance at beginning of year</b>	-	-
<b>Balance at end of year</b>	-	-

## CIVICUS: World Alliance for Citizen Participation

## OTHER PROGRAMS AND PUBLICATIONS

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	<b>974</b>	-
Publication - sales	831	-
Sundry income	143	-
<b>EXPENDITURE</b>	<b>68,309</b>	-
Employee costs	64,996	-
Internet and web maintenance	-	-
Office supplies and other	8	-
Postage and delivery	635	-
Travel and meetings	2,670	-
<b>Deficit for the year</b>	<b>(67,335)</b>	-
<b>Transfer from general management</b>	<b>67,335</b>	-
<b>Balance at beginning of year</b>	-	-
<b>Balance at end of year</b>	-	-



## CIVICUS: World Alliance for Citizen Participation

## PARTICIPATORY GOVERNANCE

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
INCOME	-	-
EXPENDITURE	24,164	-
Employee costs	19,069	-
Insurance	699	-
Office supplies and other	682	-
Travel and meetings	3,714	-
Deficit for the year	(24,164)	-
Transfer from general management	24,164	-
Balance at beginning of year	-	-
Balance at end of year	-	-

## CIVICUS: World Alliance for Citizen Participation

## SEPTEMBER 11th SURVEY

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	-	-
Grants received		
David and Lucile Packard Foundation	-	-
Received	-	-
Deferred to 2003	-	20,141
Transfer to Civil Society Watch - General	-	(20,141)
<b>EXPENDITURE</b>	-	-
Balance for the year	-	-
Balance at beginning of year	-	-
Balance at end of year	-	-

## CIVICUS: World Alliance for Citizen Participation

## GENDER AT WORK/UNIFEM

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	-	<b>21,398</b>
Grants received		
Canadian International Development Agency	-	13,295
United Nations Development Fund for Women	-	8,103
Received	-	-
Deferred from 2003	-	8,103
<b>EXPENDITURE</b>	-	<b>29,521</b>
Internet and web maintenance	-	1,000
Office supplies and other	-	122
Postage and delivery	-	12
Professional fees and contract services	-	4,037
Telephone	-	267
Travel and meetings	-	24,083
<b>Deficit for the year</b>	-	<b>(8,123)</b>
<b>Transfer from general management</b>	-	<b>8,123</b>
<b>Balance at beginning of year</b>	-	-
<b>Balance at end of year</b>	-	-

## CIVICUS: World Alliance for Citizen Participation

## WEBSITE

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
INCOME	-	-
EXPENDITURE	-	-
Deficit for the year	-	-
Balance at beginning of year	-	831
Transfer to Civil Society Index	-	(831)
Balance at end of year	-	-

## CIVICUS: World Alliance for Citizen Participation

## WORLD ASSEMBLY

INCOME STATEMENT FOR THE YEAR  
ENDED 31 DECEMBER 2004

	2004 \$	2003 \$
<b>INCOME</b>	<b>1,171,365</b>	<b>51,712</b>
Participation fund	174,228	-
Received	171,228	3,000
Deferred from 2003	3,000	(3,000)
Grants received		
Ford Foundation	307,088	51,712
Received	358,800	-
Accrued in 2003	(51,712)	51,712
Vanguard Charitable Endowment	5,000	-
Bristol-Myers Squibb	10,000	-
Registration fees	89,672	-
World Assembly Botswana - income	584,423	-
Sundry donor	954	-
<b>EXPENDITURE</b>	<b>1,478,723</b>	<b>210,986</b>
Advertising	1,515	20,824
Employee costs	43,840	49,383
Entertainment and conference costs	487,715	-
Insurance	1,500	1,406
Internet and web maintenance	6,657	11,704
Office supplies and other	48,930	29,159
Postage and delivery	3,524	1,520
Professional fees and contract services	46,971	50,040
Relocation costs	-	364
Rent	-	4,122
Telephone	623	509
Translations costs	7,285	-
Travel and meetings	245,740	41,955
World Assembly Botswana - expenses	584,423	-
<b>Deficit for the year</b>	<b>(307,358)</b>	<b>(159,274)</b>
<b>Transfer from general management</b>	<b>307,358</b>	<b>159,274</b>
<b>Balance at beginning of year</b>	<b>-</b>	<b>-</b>
<b>Balance at end of year</b>	<b>-</b>	<b>-</b>