

the dirco



"We will have a South Africa which will live in peace with its neighbours and with the rest of the world. It will base its foreign relations on mutually advantageous assistance among the peoples of the world."

OR Tambo in 1976

The Department of International Relations and Cooperation (the dirco)
OR TAMBO BUILDING
460 Soutpansberg Road
Reitondale
Pretoria
0084

Tel: +27 12 351 1000
www.dirco.gov.za

TABLE OF CONTENT

African Renaissance and International Co-operation Fund for the year ended 31 March 2010

Accounting Officer's Report for year ended 31 March 2010	5-6
Performance information	7
Accounting Policies and Related Matters	8-9
Report of the Auditor-General	10-11
Statement of Financial Performance	12
Statement of Financial Position	12
Statement of Changes in Net Assets	13
Cash Flow Statement	13
Notes to the Annual Financial Statements	14-15
Schedule 1 - Payables	16
Schedule 2 - Receivables	16

ACCOUNTING OFFICER'S REPORT for the year ended 31 March 2010

Report by the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa.

1. INTRODUCTION

The African Renaissance and International Co-operation Fund (hereafter referred to as the Fund) was established in terms of section 2(1) of the African Renaissance and International Co-operation Fund Act, 2000 (Act No. 51 of 2000) and is under the control of the Director-General: Department of International Relations and Cooperation (DG). The current Act replaced the former Economic Co-operation Promotion Loan Fund Act, 1968 (Act No. 68 of 1968) that was repealed on 22 January 2001. The report covers the activities of the Fund during the 2009/2010 financial year in terms of the objectives and goals of the Act.

2. PURPOSE OF THE FUND

The purpose of the Fund is to promote economic co-operation between the Republic of South Africa and other countries by granting loans and/or rendering of other financial assistance in respect of development projects in such countries. Therefore, the Fund will enable the South African government to identify and fund, in a proactive way:

- co-operation between the Republic of South Africa and other countries, in particular African countries;
- promotion of democracy and good governance;
- prevention and resolution of conflict;
- socio-economic development and integration;
- humanitarian assistance; and
- human resource development.

Loans or other financial assistance are granted in accordance with an agreement entered into by the country in question and the Minister of International Relations and Cooperation (hereafter referred to as the Minister). Assistance granted is subject to such terms and conditions as may be agreed upon by that country and the Minister, acting in each case in consultation with the Minister of Finance.

An Advisory Committee has been established to manage the Fund and to also make recommendations to the Minister and the Minister of Finance on the disbursement of funds through loans or other financial assistance.

The Advisory Committee consists of the following members:

- the Director-General of International Relations and Cooperation or the delegate of the Director-General.
- three officers of the department appointed by the Minister.
- two officers of the National Treasury appointed by the Minister of Finance.

3. RELATED PARTIES

Due to the urgency of some of the projects as well as the lengthy process to be followed to finalise the projects, the Department of International Relations and Cooperation had to utilise its own funds after the approval of the Director-General or the Minister. This is done with a view of claiming it back from the Fund once a letter of concurrence has been received from the Minister of Finance. This has

resulted in the opening of control accounts (Payables and Receivables) in the books of the Department and the Fund. This arrangement poses a risk to the Department, as the amount owed by the Fund is not enforceable in the event that the Minister of Finance does not issue the letter of concurrence. The Department has endeavoured during the year under review to keep such an arrangement to the minimum.

4. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

4.1 Income

In terms of the Act, income, amongst other sources, consists of money appropriated by Parliament for the Fund. During the year under review, an amount of R631.4 million was appropriated and subsequently transferred by the Department of International Relations and Cooperation to the Fund.

The interest received of R34 million from investments relates to the amount deposited with the Corporation for Public Deposits in the South African Reserve Bank.

4.2 Expenditure

During the year under review an amount of R331 million was approved to fund the following projects:

a) South Africa's participation in the AU Observer Mission to the Sudan general elections – R4 million.

The South African Government made available an amount of R4 million towards South Africa's participation in the African Union (AU) Observer Mission in respect of April 2010 general elections in Sudan. The observation of the election process is important to South Africa, in ensuring that the prescripts of the Declaration on Elections, Democracy and Governance in Africa and other related protocols are adhered to. South Africa deployed 36 officials/observers to form part of the AU Observer Mission. The R4 million covered mainly accommodation, transport, S&T allowance, vaccination, stationery, general equipment and communications.

b) Cuban Medical Brigade in Sierra Leone – R24 million

The South African government contributed R24 million to fund 20 Cuban doctors in a project to offer medical services to the Sierra Leone Government for a period of three years. The assistance to the Sierra Leone Government operates through the trilateral agreement between South Africa, Cuba and Sierra Leone. The project would be undertaken within a signed Memorandum of Understanding (MoU) between South Africa and Sierra Leone. The funds will be transferred in three payments of R8, 000,000 over three years subject to annual reviews.

c) The establishment of the African Ombudsman Research Centre (AORC) – R3 million

A contribution of R3 million has been granted to the South African Office of the Public Protector for the establishment of an African Research Centre at the University of KwaZulu-Natal. The AORC will serve as a focal point for Ombudsman

Offices in Africa for coordination of activities in supporting Ombudsman offices in Africa. It will provide information and training, as well as liaison with all stakeholders charged with the responsibility of promoting and protecting good governance and the upholding of Human Rights in Africa and the World. The funds will be disbursed in two instalments of R1.5 million per annum.

d) Zimbabwe Economic Recovery Programme - R300 million

The South African government contributed R300 million towards supporting the economic recovery programme in Zimbabwe. The decision to provide this funding was informed by the financing gap identified in the revised budget tabled by the Zimbabwean Minister of Finance in March 2009. The disbursement of the funds is managed through a Short Term Support Agreement that has been entered between the two governments in May 2009.

4.3 Payables

Payables are as a result of projects that were recommended by the Advisory Committee but the funds were not yet disbursed to the projects at year end. DIRCO payable is as a result of payments made by the Department of International Relations and Cooperation for the approved projects on behalf of the Fund, however at year end these funds were not yet refunded to the Department.

4.3.1 African Cup of Nations – Mali 2002

In prior years, an amount of R29, 042 million was included in the Payables as an amount payable to the Department of International Relations and Cooperation. The amount was expensed in the 2002/03 financial year of DIRCO.

During the current financial year this transaction was reversed by adding the R29, 042 million to accumulated surplus and reducing the payables because the amount was written off in the books.

4.4 SADPA

One of the priority objectives of the South African Government is the consolidation of its international assistance. Consequently Cabinet approved the establishment of the South African Development Partnership Agency. The development of a framework commenced during 2009/10 financial year and it is envisaged that this task will be completed during the 2010/11 financial year. It is also envisaged that the SADPA will replace the African Renaissance and International Co-operation Fund.

5. SCOPA RESOLUTIONS

There are no outstanding SCOPA resolutions.

The financial position of the African Renaissance and International Co-operation Fund as at 31 March 2010 and the results of its operations are set out in the attached annual financial statements:

- Statement of Financial Performance
- Statement of Financial Position
- Statement of Changes in Net Assets
- Cash Flow Statement
- Notes to the Annual Financial Statements
- Schedule 1 – Payables
- Schedule 2 – Receivables

The Accounting Officer has approved the above-mentioned financial statements.



Dr A Ntsaluba
Director-General: International Relations and Cooperation
Date: 28 July 2010

AFRICAN RENAISSANCE ANNUAL PERFORMANCE ASSESSMENT

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORMANCE MEASURES/ SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET			
			Target/ Measures	Actual	Not Achieved	Way forward
To support the promotion of democracy & good governance in identified African countries	Support peace process initiatives in identified countries of the African continent	Provided funding for South Africa's participation in the 2010 Sudan general elections	Evaluate project proposal	Approved R4 million to fund South African participation in the 2010 Sudan general elections		
	Assist and support in the institutional restructuring and reform of Government in the identified African countries	.	Provide funding of R4 million for the South African participation in the 2010 Sudan general elections			
To support the development of skills and capacity in the identified African countries	To provide support in developing educational programmes and management training as well as to assist public service reform in Africa	Funding approved for the establishment of the Office of the African Ombudsman Research Centre at the University of KwaZulu –Natal.	Provide funds through the Office of the Public Protector.	Approved R3 million for the establishment of the Office of the African Ombudsman Research Centre at the University of Kwazulu –Natal	Rebuilding of the Oxbow Military Base	The conceptualisation of the project lies with the Bilateral Desk. The Desk has not submitted the project proposal to the ARF. The Desk will be approached to find out if the project is still feasible.
		Implement the Unisa/DFA Goss project in the Sudan	Continue to train Government of South Sudan officials in administration	Trained Government of South Sudan officials in administration		
Provide and support humanitarian assistance and disaster relief in Africa and elsewhere in the world	Assisted countries that are in need of disaster relief by providing funds as well as human and technical resource	Provided funding to support economic revitalisation in Zimbabwe.	Provide funds through the ARF to support the Economic Recovery Programme in Zimbabwe.	Approved the payment of R300 million to support the Economic Recovery Programme in Zimbabwe.		
Promote implementation of bilateral agreements between South Africa and partner countries within areas of development	Provided funding for the implementation of bilateral agreements between South Africa and partner countries within areas of development	Funding approved for the following bilateral projects: Cuban Medical Brigade in Sierra-Leone	Evaluate project proposals	Approved R24 million for the funding of a Cuban Medical Brigade in Sierra-Leone.		
			Provide funds through the ARF for the implementation of the projects			

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS for the ended 31 March 2010

1. BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board.

1.1 The cash flow statement can only be prepared in accordance with the direct method

1.2 Specific information has been presented separately on the statement of financial position such as:

- receivables from non-exchange transactions, including taxes and transfers;
- taxes and transfers payable;
- trade and other payables from non-exchange transactions must be presented separately on the statement of financial position

1.3 Amount and nature of any restrictions and cash balances is required.

1.4 The following GRAP Standards have been approved but are not yet effective:

STANDARD OF GRAP	EFFECTIVE DATE OF STANDARDS
GRAP 18 – Segment Reporting	Unknown
GRAP 21 – Impairment of Non-cash- generating assets	Unknown
GRAP 23 – Revenue from Non-exchange Transactions (Taxes and Transfers)	1 April 2010
GRAP 24 – Presentation of Budget Information in Financial Statements	1 April 2010
GRAP 25 – Employee Benefits	1 April 2011
GRAP 26 – Impairment of Cash –generating Assets	1 April 2010
GRAP 103 – Heritage Assets	1 April 2010
GRAP 104 – Financial Instruments	1 April 2011

GRAP 18, GRAP 21, GRAP 25, GRAP 26 and GRAP 103

It is unlikely that these standards will have a material effect on the entity due to the nature of the entity.

GRAP 23, GRAP24, and GRAP 104

The adoption of these standards is not expected to impact the result of the entity, but may result in more disclosure than is currently provided in the annual financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Going concern

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

2.2 Currency

These financial statements are presented in South African Rand since that is the functional currency in which the entity transactions are denominated.

3. REVENUE

Revenue from state contributions and interest from investments is accounted for on the accrual basis. Interest on loans is brought into account in the year in which it is capitalised or accrued. Interest on loans is calculated bi-annually in arrears on the balance outstanding, and where withdrawals were made during the period, from the date of each withdrawal. In accordance with international practice interest is calculated on the basis of a 360 day year, consisting of 12 months of 30 days each. Interest is not charged on instalments in arrears.

4. COMPARATIVE FIGURES

The comparative figures shown in these financial statements are limited to the figures shown in the previous year's audited financial statements and such other comparative figures that the Department may reasonably have available for reporting in terms of the Public Finance Management Act. Where necessary figures included in prior period financial statement are reclassification to ensure compliance with all the required standard of reporting.

5. DEBTS WRITTEN OFF

In terms of the current Act "the Minister may, in consultation with the Minister of Finance and upon recommendation of the Advisory Committee, write off or convert to grants any outstanding debts owed to the previous Economic Co-operation Promotions Loans Fund".

6. FINANCIAL INSTRUMENTS

The Fund's principal financial assets are Cash and Cash Equivalents, Receivables and Long Term Loans granted to other countries. These financial assets are reported at fair value at year end as reduced by provision for impairment. Financial liabilities are classified according to the substance of the agreement or arrangement entered into.

The main financial liabilities of the Fund are amounts due to the Department of International Relations and Cooperation for loans that are awaiting concurrence letters from the Minister of Finance, as well as amounts owed to outside parties in respect of projects approved in terms of the African Renaissance and International Cooperation Fund Act, 2000 (Act No. 51 of 2000).

7. IMPAIRMENT OF ASSETS

The carrying amounts of the Fund's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. In arriving at the recoverable amount management uses its judgment. The impairment loss is recognised in the statement of financial performance as an expense whenever the carrying amount of an asset exceeds its estimated recoverable amount.

8. ROUNDING

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

9. RELATED PARTY TRANSACTIONS

Related party is the Department of International Relations and Cooperation that controls the Fund in making financial and operating decisions. Specific information with regards to the department's transactions is included in the disclosure notes.

10. SUBSEQUENT EVENTS

There have been no significant subsequent events after year end that impacts on the financial statements.



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Report of the Auditor-General to Parliament on the Financial Statements of the African Renaissance and International Co-operation Fund for the year ended 31 March 2010

REPORT ON THE FINANCIAL STATEMENTS

Introduction

I have audited the accompanying financial statements of the African Renaissance and International Co-operation Fund, which comprise the statement of financial position as at 31 March 2010, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 12 to 16.

Accounting Officer's responsibility for the financial statements

The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and in the manner required by the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error: selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

As required by section 188 of the Constitution of South Africa 1996 (Act No.108 of 1996) and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25

of 2004) (PAA) and section 6(1) of the African Renaissance and International Co-operation Fund Act, 2000 (Act No 51 of 2000), my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and General Notice 1570 of 2009 issued in Government Gazette 32758 of 27 November 2009. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the African Renaissance and International Co-operation Fund for the year ended 31 March 2010, and its financial performance and its cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice and in the manner required by the PFMA.

Emphasis of matter

I draw attention to the matter below. My opinion is not modified in respect of this matter:

Restatement of corresponding figures

As disclosed in note 13 to the financial statements, the corresponding figures for 31 March 2009 have been restated as a result of misstatements to payables and receivables in the financial statements of the African Renaissance and International Co-operation Fund.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA of South Africa and General notice 1570 of 2009, issued in Government Gazette No. 32758 of 27 November 2009 I include below my findings on the report on predetermined objectives, compliance with the PFMA and financial management (internal control).

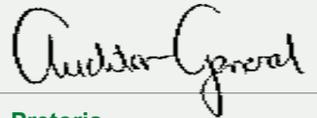
Findings Predetermined Objectives

No matters to report.

INTERNAL CONTROL

I consider internal control relevant to my audit of the financial statements and the report on the predetermined objectives and compliance with the PFMA, but not for the purposes of expressing an opinion on the effectiveness of the internal control. The matters reported are limited to the deficiencies identified during the audit.

Findings No matters to report.



Pretoria
29 July 2010



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2010

	Notes	Restated	
		2009/10 R'000	2008/09 R'000
Revenue			
Transfers and Subsidies Received	1	631,371	698,925
Other income	2	33,885	46,174
Total revenue		665,256	745,099
Expenditure			
Local and foreign aid assistance	4	(331,000)	(475,600)
Total expenditure		(331,000)	(475,600)
Surplus for the year	3	334,256	269,499

STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2010

	Notes	Restated	
		2009/10 R'000	2008/09 R'000
ASSETS			
Current assets			
Loans and Receivables	7	6,000	41,282
Cash and cash equivalents	8	1,031,982	698,725
Total current assets		1,037,982	740,007
Non Current Assets			
Loans and Receivables	7	29,875	-
Total non-current assets		29,875	-
TOTAL ASSETS		1,067,857	740,007
LIABILITIES			
Current liabilities			
Trade and other payables	6	38,695	-
Local and foreign aid assistance payable	5	90,508	442,145
Total current liabilities		129,203	442,145
Non Current Liability			
Local and foreign aid assistance payable	5	345,231	-
Total non-current liabilities		345,231	-
TOTAL LIABILITIES		474,434	442,145
NET ASSETS			
Accumulated Surplus	11	593,423	297,863
TOTAL NET ASSETS AND LIABILITIES		1,067,857	740,007

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2010**

	Notes	Accumulated Surplus R'000
Balance as 1 April 2008 as previously reported		44,965
Correction of prior year error: Saharawi project (2007/08)		(25,644)
Correction: Africa Cup of Nations (2002/03)		29,042
Correction of prior year error: Saharawi project (2007/08)		(20,000)
Balance at 01 April 2008 as restated	11	28,363
Surplus for the year		269,499
Balance as at 31 March 2009	11	297,862
Surplus for the year		334,256
Surplus to be paid to National Treasury	6	(38,695)
Balance as at 31 March 2010	11	593,423

**CASH FLOW STATEMENT
for the year ended 31 March 2010**

	Notes	2009/10 R'000	Restated 2008/09 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Appropriation received		631,371	698,925
Cash paid to projects		(331,999)	(513,357)
Cash generated from operations	9	299,372	185,568
Interest received		33,885	46,174
Net cash inflows from operating activities	10	333,257	231,742
Net increase in cash and cash equivalents		333,257	231,742
Cash and cash equivalents at the beginning of the year		698,725	466,983
Cash and cash equivalents at end of the year	8	1,031,982	698,725

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010**

	2009/10 R'000	Restated 2008/09 R'000
1. Transfers and subsidies received		
National Departments	631,371	698,925
Total	631,371	698,925
2. Other income		
Interest on investments	33,885	46,174
Total	33,885	46,174
3. Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance		
Net surplus/deficit per the statement of financial performance:		
Adjusted for:	334,256	269,499
Fair value adjustments	-	-
Impairments recognised / reversed	-	-
Surplus / deficit on the sale of assets	-	-
Increases / decreases in provisions	-	-
	-	-
Net surplus	334,256	269,499
4. Local and foreign aid		
Local and foreign aid assistance approved for the period	331,000	475,600
Total	331,000	475,600
5. Local and foreign aid assistance payable		
Current	90,508	442,145
Non-Current	345,231	-
Total	435,739	442,145
6. Trade and other payables		
National Treasury: Accumulated surplus	38,695	-
Total	38,695	-
7. Trade and receivables		
Current receivables	6,000	-
Total non-current receivables	29,875	41,282
Other receivables	27,803	39,210
Prepayments	2,072	2,072
Total	35,875	41,282

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010**

	2009/10 R'000	Restated 2008/09 R'000
8. Cash and cash equivalents		
Cash and balances with banks	1,031,982	698,725
Total	1,031,982	698,725
For the purpose of the cash flow statement:		
Cash & cash equivalents at the end of the year	1,031,982	698,725
Cash & cash equivalents at the beginning of the year	698,725	466,983
9. Cash generated from operations		
Surplus before taxation	334,256	269,499
Interest received	(33,885)	(46,174)
Operating cash flows before working capital changes	300,371	223,325
Working capital changes	(999)	(37,757)
Effect on Payables	(6,406)	(30,866)
Effect on Receivable	5,407	(6,891)
Net cash flows from operating activities	299,372	185,568
10. Net cash inflows from operating activities		
Appropriated and Received	631,371	698,925
Cash payments to projects	(331,999)	(513,357)
Cash generated from operations	299,372	185,568
Interest received	33,885	46,174
Net cash inflows from operating activities	333,257	231,742
11. Accumulated Surplus		
Balance at the beginning of the year	297,862	44,965
Correction of prior year error	-	(25,644)
Balance at the beginning of the year	297,862	19,321
Correction of prior year error	-	9,042
As restated	297,862	28,363
Net surplus/ (Deficit) for the year	334,256	269,499
Adjustment other payables	(38,695)	-
Total	593,423	297,862
12. Related party		
Department of International Relations and Cooperation	47,408	24,187
Total	47,408	24,187

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2010

13. Prior year error

The annual financial statements have been restated to correct the amounts that were erroneously omitted in payables and receivables. The effect of the restatement is as follows:

	R'000
Effect on opening accumulated surplus	
Increase in project expense	(16,018)
Effect on prior year deficit	
Increase in Receivables	(6,896)
Increase in Payables	23,497

Effect on statement of financial position	R'000		
	Receivable	Payables	Accumulated surplus
Balance as at 31 March 2009 as previously reported	34,386	418,647	314,464
Adjustment prior period error: incorrect allocation of expense	-	(3,399)	3,399
African Cup of Nations	-	(29,042)	29042
Comoros- Support Electoral Assistance	-	25,643	(25,643)
Adjustment: unallocated payables	6,896	26,896	(20,000)
Saharawi project: 2008/09	-	20,000	(20,000)
Saharawi: project2	4,000	4,000	-
Kawaweta Project	3,480	3,480	-
Comoros- Support Electoral Assistance	(584)	(584)	-
Restated balance as at 31 March 2009	41,282	442,144	297,863

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2010

14. Taxation

No provision has been made for taxation, as the Trading Entity is exempt from income tax in terms of Section 10 of the Income Tax Act, 1962 (Act No 58 of 1962).

15. Financial Instruments

The ARF deposits all its cash in reputable financial institution. The ARF exposure to interest rate risk and the effective interest rates on financial instruments at reporting date are as follows:

	Amount R'000	Fixed rate Effective interest rate
Year ended 31 March 2010		
<u>Assets</u>		
Cash	1 031 982	7%
Accounts receivable	35,875	0%
Total financial assets	1 067 857	
<u>Liabilities</u>		
Accounts payable	474,434	0%
Net financial assets	593,423	

Schedule 1: Payables

	2009/10 R'000	2008/09 R'000
Owing to DIRCO	96,786	26,884
Government of Comoros – Electoral assistance project	5,084	5,084
DRC Observer Mission	10,081	10,081
Zimbabwe Elections	2,226	2,226
UNISA/ DFA Project	10,850	22,976
Office of the Facilitator of the Burundi Peace Process	-	7,500
United Nations Mission (UNMIL/UNPOL)in Liberia for the rebuilding of the Liberian National Police	7,141	7,141
Seychelles Government – infrastructural rehabilitation of Seychelles port		26,280
Mozambique – operation BAPISA	13,008	13,008
Government of Guinea (Conakry) – Rice Production, Waste Management & Technical Assistance	165,795	172,325
Lesotho (Metrology Dam Project)	60,000	60,000
IGM Expansion project (Madagascar)	14,100	14,100
Timbuktu Manuscript project	2,928	20,000
Cuban Medical Brigade in Sierra Leon	13,606	
The establishment of the African Ombudsman Research Centre (AORC)	3,000	
Elections in Sudan	4,000	
Saharawi	10,000	26,000
Comoros – support Election Assistance paid to DIRC	13,653	25,059
Government of Uganda – refurbishment and construction of the OR Tambo school of Leadership in Kawaweta	3,480	3,480
Total payables	435,739	442,144

Schedule 2: Receivables

PROJECTS	2009/10 R'000	2008/09 R'000
Comoros- Support Electoral Assistance	13,653	25,060
Capital redemption received paid to DFA	5,650	5,650
Advance paid to DFA	2,072	2,072
Refund Mali Trust paid to DFA	1,020	1,020
Kawaweta	3,480	3,480
Saharawi	10,000	4,000
TOTAL	35,875	41,282

