

LRS Labour
Research
Service

KNOWLEDGE IS TOO IMPORTANT TO LEAVE IN THE HANDS OF THE BOSSES

ANNUAL REPORT 2021

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CHAIRPERSON'S MESSAGE

The period has been hard on the working class. The hardships of the Covid-19 pandemic came to bear on worker class families that were already struggling. No one will deliver the working class from these hardships. It is only the working class itself and the organisations which they sustain, that can find a way.

There are very few organisations that are built to support the work of trade unions and the trade union movement. The member unions of the Labour Research Service should be proud of their affiliation with the Labour Research Service, and of the contribution, they are able to make to a broader trade union movement through that affiliation.

The Labour Research Service is a non-profit, membership-based, labour support organisation with fifteen member trade unions in South Africa. The Labour Research Service works with trade unions across federations and industries.

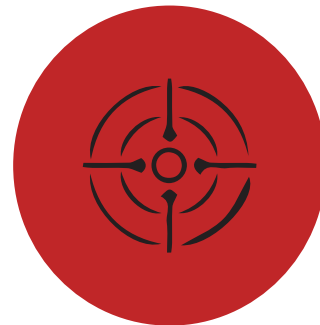
The Labour Research Service partners with global union federations, solidarity support organisations, federations, trade unions, the International Labour Organisation, government departments, academic institutions, community-based organisations and non-governmental organisations.



The **vision** of the Labour Research Service is of a labour movement that is part of a vibrant civil society that promotes egalitarianism.



The **mission** of the Labour Research Service is to conduct research, provide information and facilitate participatory education for trade union development.



The **objectives** of the Labour Research Service are

- To increase knowledge for trade union development.
- To increase the capacity to mobilise for trade union development.
- To increase the influence of the trade union movement in the contexts in which it operates.

The board of directors elected at the 34th annual general meeting of the Labour Research Service includes representatives of public and private sector unions. The board is made up of two elected leaders and three officials of the member unions. Two out of the five trade union directors are women.

Clement Marule - NEHAWU

Mike Fafuli - NUM

Nkosomzi Given Roji - NUMSA

Funeka Klaas - SACCAWU

Cindy De Lange - SADTU

Trenton Elsley – Executive Director

I am proud to be a part of this Board and I commend my comrade directors on how they have worked together to provide the Labour Research Service with the governance and oversight it needs to remain rooted in the trade union movement.

Nkosomzi Given Roji (NUMSA)

This annual general meeting comes a little earlier than previous meetings as the organisation looks to align its governance better with the calendar year. The annual general meeting will also consider the possibility of a resolution that extends the term of the board of directors to two years. The proposal is motivated by a desire to create improved conditions for board development, regulatory administration, and strategic planning.

The 35th annual general meeting of the Labour Research Service is an opportunity to reaffirm our solidarity as a trade union movement and to give expression to that solidarity through our affiliation to this labour support organisation.

Because knowledge is too important to be left in the hands of the bosses.

LRS Member Trade Unions

Name	Acronym	Union membership in 2021
Chemical, Energy, Paper, Printing, Wood and Allied Workers Union	CEPPWAWU	67 960
Democratic Nursing Organisation of South Africa	DENOSA	80 000
Food and Allied Workers Union	FAWU	127 000
Hospital Personnel Trade Union of South Africa	HOSPERSA	72 091
Independent Municipality and Allied Trade Union	IMATU	72 246
Metal Electrical Workers Union of South	MEWUSA	17 000
National Education, Health and Allied Workers Union	NEHAWU	276,159
National Union of Mineworkers	NUM	270 649
National Union of Metalworkers of South Africa	NUMSA	347 948
South African Commercial Catering and Allied Workers Union	SACCAWU	177 000
South African Domestic Service and Allied Workers Union	SADSAWU	7,200
South African Democratic Teachers Union	SADTU	253 039
South African Municipal Workers Union	SAMWU	161 490
South African Transport and Allied Workers Union	SATAWU	101 458
Transport Omnibus Workers Union	TOWU	1 600
TOTAL	15 unions	2 032 840

Executive Director's Message



The **Labour Research Service** stands for the development of its member unions and the trade union movement in South Africa and in Africa.

The **Labour Research Service** stands for working class leaders, both formal and informal - the shop steward, the organiser, and the negotiator that seek to organise and represent workers in a world of work that has changed profoundly over time and which continues to change.

The **Labour Research Service** stands for worker leaders who are open to renewing their strategy and approaches to bargaining and organising.

The **Labour Research Service** stands for inspiring workers to believe in and exercise their individual and collective power in the struggle for social and economic justice.

The **Labour Research Service** provides research and capabilities development for trade unions in several different areas.

- Grassroots leadership development and support
- Collective bargaining and organising support
- Building cultures of gender equality in the workplace and the union
- Responding to gender-based violence in the workplace and communities
- Supporting the development of regional trade union networks to challenge the power of multinational corporations
- Delivering innovative online resources for worker leaders
- Cultivating a community of activism & building alliances for positive social change
- Engaging with trade in Africa

PROGRAMME WORK

2021

RESPONDING TO THE ONGOING INFORMALISATION OF WORK AND THE CHALLENGE OF ORGANISING AND REPRESENTING WORKERS UNDER THESE CONDITIONS.



THE CONTEXT: There has been wide-scale informalisation of work over the past two decades. Informalisation directly affects particularly women workers in retail, hospitality, health and education sectors. Externalisation of employment relations is a general trend. Consequently, we observe a layer of workers who appear to be located in the formal economy but to whom labour standards do not apply. The Covid-19 pandemic amplified informal and precarious work. Self-employment and survivalist activities are expanding. The trade union movement continues to grapple with the challenges of organising and representing workers under these difficult conditions.



OUR RESPONSE: The Labour Research Service believes the renewal of workers' education and resourcing will cultivate a trade union movement capable of responding to the rapidly changing workplace. The LRS supports trade unions to renew strategies to organise and represent workers all along the continuum from full time, permanent workers to workers in part-time, temporary jobs. Our learning spaces bring workers across the continuum together to share their experiences and build strategies and solidarity in advocating for decent work.

Addressing informalisation and precariousness through LRS learning spaces:

- Formally employed health care workers are in alliance with community care workers to advocate for the right to the formal recognition and fair remuneration for all workers in the sector.
- Formally employed municipal workers, informal traders and waste pickers cooperate to build strategies for responding to the restructuring of local government.
- The Labour Research Service supports voluntary food handlers in the National School Nutrition Programme to have their work made visible, recognised, valued and remunerated.
- LRS member unions support the campaigns of domestic workers for equal labour rights and laws, including inclusion in the Compensation for Occupational Injuries and Diseases Act (COIDA) and equalisation of the National Minimum Wage.

Domestic Workers Benefit from Equalisation of the National Minimum Wage

The national minimum wage



The national minimum wage is now **R.23,19 per hour** (R 12.75/ hour for the EPWP)



This equates to about **R4,020 per month** for a 40-hour week (R2210/month for the EPWP)



The national minimum wage has increased by **16%** since its inception in January 2019

In March 2022, domestic workers finally earned the national minimum wage after a two-year equalisation process.

The Executive Director of the Labour Research Service who sits on the National Minimum Wage Commission as a representative of labour was instrumental in building consensus on the recommendation to the Minister that the wages for domestic workers be equalised with the national minimum wage.

The Minister adopted the recommendation to equalise the minimum and published a government gazette in 2021. Achieving equalisation has a social value attached to it. It says that domestic work is valuable work. It tells workers that they are part of a social norm and part of where we have situated the minimum wage in South Africa.



Domestic workers earned **75%** of the national minimum wage in 2020 and **88%** in 2021



We welcome the decision to equalise the national minimum wage so that domestic workers can earn what all other workers will learn in 2022. A wage floor means something for the exploited and underpaid domestic worker. We take seriously our monitoring role in ensuring compliance with the national minimum wage and other labour laws and rights and we have done it before with the support of the Labour Research Service and other civil society actors.

PINKY MASHIANE

President of United Domestic Workers Of South Africa (UDWOSA)

WORKING AGAINST DISCRIMINATION AND HOMOPHOBIA IN THE WORKPLACE



THE CONTEXT: Gender activists in trade unions have limited exposure to addressing LGBT rights as part of their gender equality mission. Consequently, activists struggle with their homophobic attitudes and behaviours and are not equipped to support LGBT workers and job seekers who face discrimination and harassment at the workplace. The Covid-19 pandemic exacerbated violence and harassment toward LGBT workers and job seekers. Trade union leaders responsible for gender equality and social justice programmes want to safeguard and advance the existing rights of LGBT workers.



OUR RESPONSE: The LRS supports the efforts of trade unions to build inclusive and safe workplaces where LGBT workers feel free to claim their rights. We focus on creating environments that encourage different groups to come together and explore common ground to facilitate individual change in consciousness and behaviours. We profile the LGBTI rights work to a broader audience through our online platforms and engagements with international solidarity partners and the media.

In 2021, LRS offered online mentoring support to gender coordinators at COSATU, FEDUSA and NACTU to advance the agenda of protecting and supporting workers who are LGBT. The gender coordinators hosted webinars for activists to keep LGBT rights as a topic of discussion in unions. Gender coordinators also worked to influence policy and resource allocations in their organisations.

OUR IMPACT

- Gender activists in COSATU, FEDUSA and NACTU have recognised and challenged their heteronormative behaviours and practices and are committed to advancing LGBT rights in the workplace.
- Workers who are LGBT feel safe, secure and empowered in the trade union, workplace and when seeking employment.
- An inclusive trade union gender programme that includes LGBT rights. COSATU and FEDUSA developed research resources on LGBT issues and rights to ensure gender coordinators and negotiators were prepared for collective bargaining conferences.



Fedusa adopts LGBT resolution to strengthen advocacy for equity and inclusion in the federation and among affiliates



FEDUSA's LGBT resolution is the first step in creating a workplace that is inclusive and free of homophobia and violence. The resolution is about providing LGBTIQ employees with respect, recognition and rights and dignity. We will popularise the resolution in the federation and our affiliates. We will use ILO's Convention C190, collective bargaining processes and our coalitions to continue advocating for inclusive policies, collective agreements and workplaces.

BRENDA MODISE
Social Policy Officer at FEDUSA

RESPONDING TO GENDER-BASED VIOLENCE IN EDUCATIONAL SETTINGS



THE CONTEXT: School-related gender-based violence (SRGBV) prevents equitable and inclusive education. Trade unions in the education sector have a unique role in the global efforts to end SRGBV. From 2016 to 2019, the Labour Research Service supported nine trade unions affiliated with Educational International Africa to develop strategies for ending SRGBV on the continent. The unions engaged in various actions in the school communities and their organisations to create awareness, change practices, and develop policies and reforms.

In 2022, the Covid-19 pandemic and lockdowns intensified the conditions that drive gendered violence in the home, schools and communities. The SRGBV campaign activities led by coordinating teams in participating unions ceased during the lockdown period that saw extended closure of schools. Consequently, coordinating teams leading the SRGBV campaign activities in the participating unions got disconnected from the work.



OUR RESPONSE: The LRS working together with Gender at Work supported Educational International's Women's Network for East Africa to restart and strengthen their work on SRGBV in the context of Covid-19, lockdowns and extended school closure. The coordinators gained the confidence to use online platforms to organise meetings and continue to take action to end violence in schools. Restarting the activities online contributed to the ability of the teachers' unions in Kenya and Uganda to:

- Provide inclusive storytelling spaces to contribute to the rebuilding of safe schools
- Advocate for programs and practices that recognise the need for trauma counselling and healing
- Advocate for covid-related policy measures that protect pregnant teachers and pregnant learners
- Negotiate for covid-related collective agreements that reflect the needs of the girl-child and LGBT people



I learned a lot through the support of the LRS. I did not know how to coordinate a process when people are sitting in different countries. I also didn't realise the much effort required to organise a face to face training. Using the skills learned from the LRS facilitators, I improved my leadership and successfully organised online meetings. People had been home for two years and felt disconnected. When we called them for the webinar they were very excited and used the opportunity to share their experiences. We realised that the children needed to be protected more before going into the content of the school work. With the re-opening of schools, teachers got information on SRGBV to equip them to give support. The schools were busy as we attempted to catch up on lost time. There was limited time to conduct SRGBV campaign activities. while physical meetings are still important, online tools help us reach many more members in all our regions and at the same time."

JOAN AJA

Gender and Resource Mobilisation Officer at Uganda National Teachers' Union

PROVIDING RESEARCH AND STRATEGY SUPPORT FOR TRADE UNIONS ORGANISING AT MULTINATIONAL COMPANIES IN AFRICA



THE CONTEXT: South African multinational companies (MNCs) control trade on the continent through their operations and those of their business partners organised in regional value chains. This makes the MNCs very powerful and able to fragment the workplace and trade unions attempting to influence corporate governance and defend decent work.



OUR RESPONSE: By supporting UNI Global Union and its international shop steward alliances in Africa, UNI affiliates were better equipped to respond to three of the largest South African retail MNCs. The unions organising in the retail sector in seven countries in Africa deepened their understanding of company financial information in bargaining and negotiating for the future of work.

The LRS annual MNC Trends Report for 2021 covered twelve sectors, including retail, mining, banking and more. By monitoring over 80 JSE-listed companies, we gained some insight into the longer-term effects and trends of the pandemic and the economic breakdown. Unions know some sectors have been harmed more than others. Unions are responding to the changing nature of jobs. Unions are also in a position to interrogate company profits and executive pay.

RESEARCH AND STRATEGY SUPPORT FOR THE TRADE UNION MOVEMENT IN AFRICA TO ENGAGE IN THE AFRICAN CONTINENTAL FREE TRADE AGREEMENT



THE CONTEXT: The African Free Trade Agreement (AfCFTA) came into effect on 1 January 2021 and from a population perspective represents the largest free trade area in the world. In the period leading up to the implementation, the trade union movement was not included in the relevant processes and negotiations. In any case, unions did not have a clear policy position, or baseline data to assist in developing influence over the development of the agreement. As a result, the AfCFTA policy document was developed without any inclusion or reference to labour and the Decent Work agenda.

The AfCFTA is perhaps the only free trade agreement in the world to come into effect before negotiations were complete. This represents an opportunity for trade unions to participate in future negotiations, policy development and implementation processes of the agreement, to advance work and workers' rights on the continent.



OUR RESPONSE: The Labour Research Service and partners are supporting the African Regional Organisation of the International Trade Union Confederation (ITUC-Africa) to mobilise research and learning capacity for the trade union movement in Africa to engage with and influence the implementation of the AfCFTA. Our work in 2021 focused on five African countries, namely Chad, Ghana, Namibia, Rwanda, and Tunisia, but is rooted in an Africa-wide development perspective.

- We have developed a guide to the AfCFTA, a website located at www.tradeunionsinafcfta.org and a series of country-focused research reports. These resources are tailored for workers and identify key issues for trade unions to debate and act on. The LRS and ITUC-Africa will deepen the knowledge and capabilities required to realise the overall goal of this work.
- The AfCFTA now forms part of the activities of ITUC-Africa affiliates in the five participating countries. Unions have begun to build capacity within their organisations to know about the AfCFTA and engage with the agreement. They know the relevance of the AfCFTA to workers and their organisations and can link trade and decent work. They also know the relationship between trade and decent work.
- The AfCFTA Secretariat has undertaken to dialogue with ITUC-Africa as a voice of the labour movement in Africa on this trade agreement.



The AfCFTA is already shaping the labour markets on the continent and investment in the region and position of workers in the different economies. Together we must make sure that the fundamental labour rights are respected and the voice of the worker is heard in the negotiations and at different tables. Despite the covid-19 pandemic, ITUC-Africa and LRS have done excellent work in the pilot phase of the Trade Unions in Trade project. SASK is committed to supporting and working with organisations that want to promote and defend workers' rights in a rapidly changing world.

JUHA VAUHKONEN,

Head of International Operations, The Trade Union Solidarity Centre of Finland SASK

FRAMING A RESPONSE TO A JUST ENERGY TRANSITION AND CLIMATE CHANGE FOR TRADE UNIONS



THE CONTEXT: Globally, climate change and the environment are on the agenda of governments, business and worker organisations. Locally, the trade union movement lacks a coherent policy foundation to enter the energy and climate change policy discourse. The Labour Research Service is developing expertise in these areas, making the connection between climate change and trade unions and translating these complex issues into a language for unions.



OUR RESPONSE:

- COSATU and affiliates organising in the energy sector have utilised LRS perspectives on just transition developed with IndustriALL. The federation has a position on the multilateral Just Transition Energy Partnership that will negotiate a climate finance package to fund a just transition from coal to renewables in South Africa.
- We partnered with Friedrich Ebert Stiftung Trade Union Competence Centre to develop a resource to help unions to engage in dialogue for sustainable development policies while representing the interests of workers. The resource describes the potential of a 'just transition', and also provides practical information on how to negotiate this for workers.

THE LABOUR RESEARCH SERVICE WORKS TO STRENGTHEN WOMEN'S LEADERSHIP IN TRADE UNIONS

- The LRS supported trade unions to develop a new online tool that offers a more participatory research approach for renewing women's transformative leadership.
- Participants from different sectors took part in the LRS/Oxfam Feminist Political Economy School. 40 women and non-binary people from different sectors identified their contribution to the economy from where they are located and explored strategies for increasing inclusivity in advocacy and organising.

RESOURCE AND STRATEGY SUPPORT FOR COLLECTIVE BARGAINING AND ORGANISING

The LRS collective bargaining content is more integrated, providing trade unions with a range of important topics, from the immediate context to the future of work and bargaining strategies for the future.

The LRS engages almost 1000 worker leaders in six trade unions (CEPPWAWU, NUM, NUMSA, SAMWU, FEDUSA, COSATU) on the benchmarks and indicators for developing bargaining strategies for the short-term and long-term.

The Labour Research Service continued to partner with the Studies in Poverty and Inequality Institute and the Southern African Social Policy Research Unit to develop a measure of a decent standard of living in South Africa. This work holds great potential for trade unions in social dialogue.



LRS is doing exceptionally well providing bargaining benchmarks to support collective bargaining of the Food and Allied Workers Union (FAWU). LRS resources assist us to make factual decisions and present solid arguments to employers during wage negotiations. FAWU negotiators have improved their understanding of strategic bargaining. The union will improve information sharing with the LRS so that we can have even better analyses and insights. We must keep learning to represent our members as best as we can in the changing world of work.



RICHARD APHANE
Acting Head of Bargaining Department at FAWU

ONLINE RESOURCE OFFERINGS TO TRADE UNIONS IN SOUTH AFRICA AND BEYOND.

- Trade Unions and Trade: A guide to the African Continental Free Trade Agreement
- Trade Unions Going Green: Environmental issues in the world of work
- Negotiators' Guide: A guide for negotiating in a changing workplace
- Feminist Political Economy Activist School: Curriculum Design Handbook
- Inflation Monitor: A monthly guide for trade union negotiators
- Bargaining Benchmarks: A quarterly resource for trade union negotiators
- Bargaining Benchmarks: Directors' Fees Edition
- MNC Trends Report: Provides key information concerning the performance, operations and governance of JSE-listed South African multinational companies operating in Africa
- The South African Minimum Wage Database (AWARD): A repository of collective agreements that tracks minimum wages, providing unions with empirical evidence to inform collective bargaining. There are 1687 wage agreements on the database located at www.lrs.dedicated.co.za/award/
- The online library of collective bargaining agreements (AGREED): A repository of collective agreements suitable for research and education. There are 963 agreements on the database located at www.lrs.dedicated.co.za/agreed/
- The South African Multinational Company Database (MNC): Financial information for over 80 JSE-listed companies, including executive pay located at <https://lrs.dedicated.co.za/mnc/>
- The LRS wage calculator: tells a negotiator how much a percentage increase is as an amount of money and helps a negotiator understand the effect of inflation on a wage increase located at www/bio.lrs.org.za/wage-calculator/

Labour Research and Labour Service Online

The Labour Research Service is committed to delivering useful online resources to support the trade union movement. The online space is a central component of our communications strategy and one we will support trade unions to develop. The LRS supported the trade union movement to embrace the digital era and integrate online engagement with more traditional modes of communicating with workers.

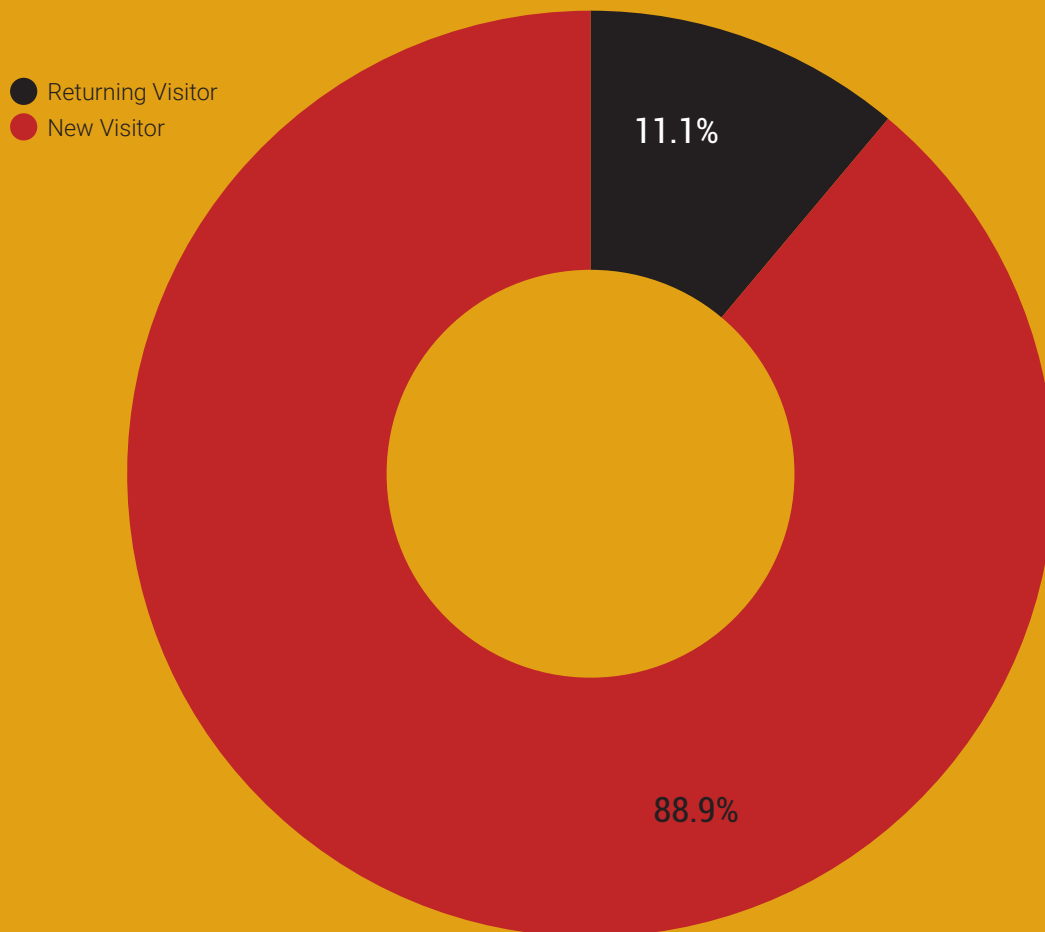
This section describes our online presence in 2021. We have seen improvements in almost all measures of online presence and reach and have every intention of improving over time.

Our website: www.lrs.org.za

WEBSITE TRAFFIC

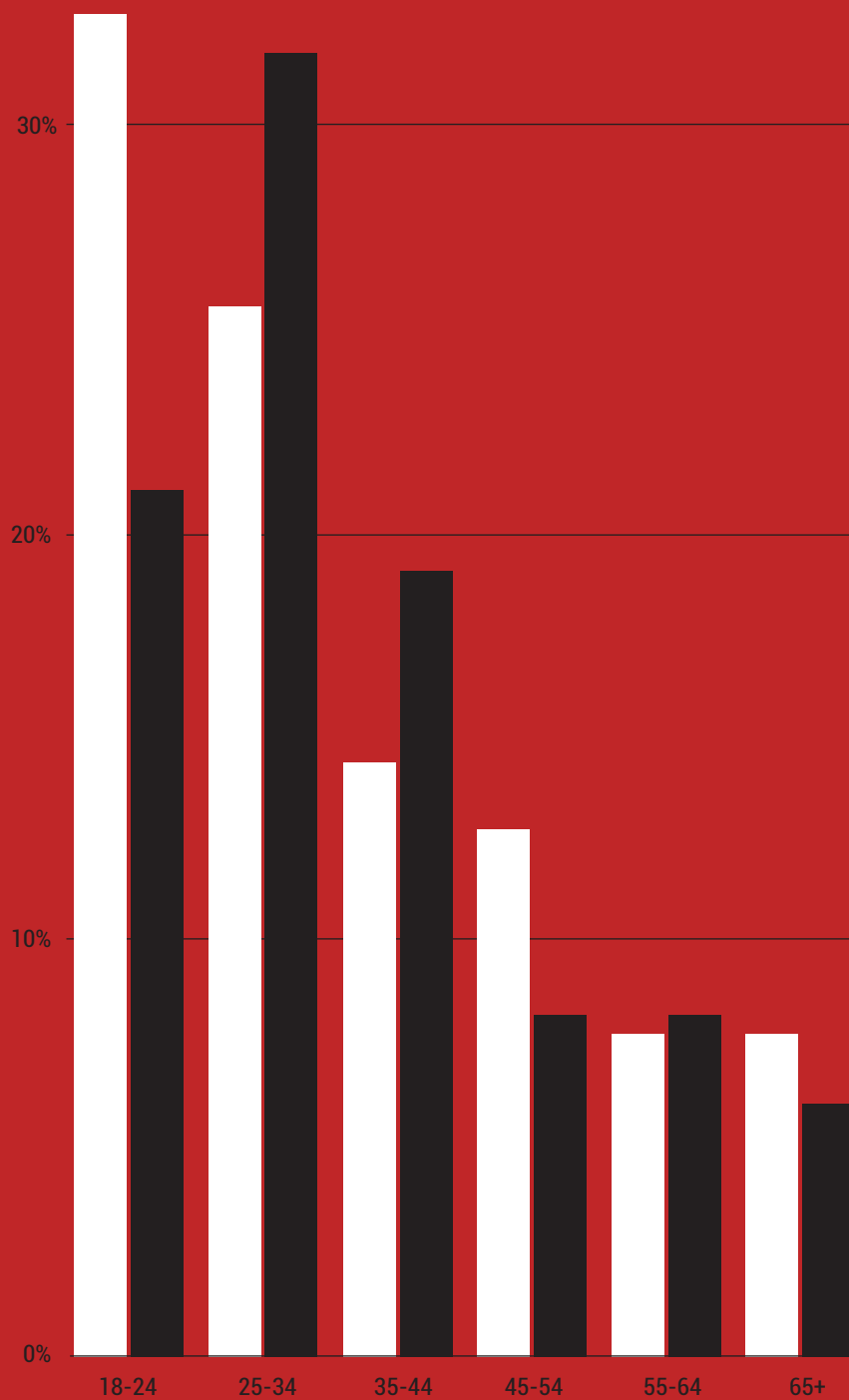
01 JANUARY 2021
31 DECEMBER 2021

Metric	2021	% change
Users	81,852	+44.10
New users	81,656	+48.64
Sessions	96,982	+41.80
Page views	128,423	+39.38



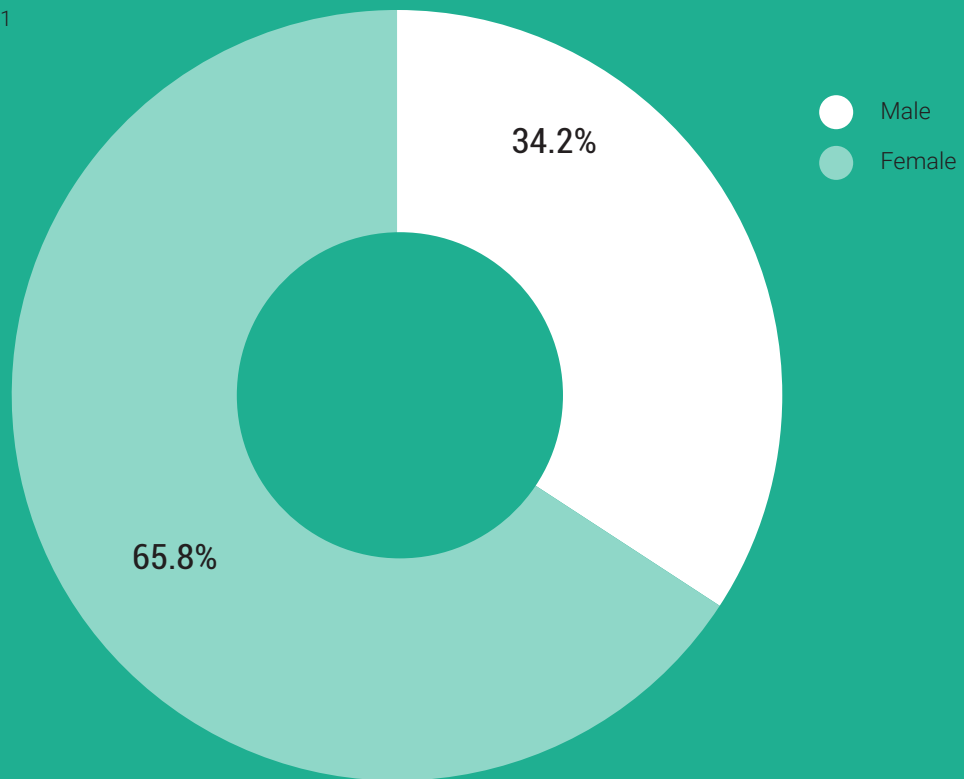
AGE DEMOGRAPHIC

01 JANUARY 2021
31 DECEMBER 2021



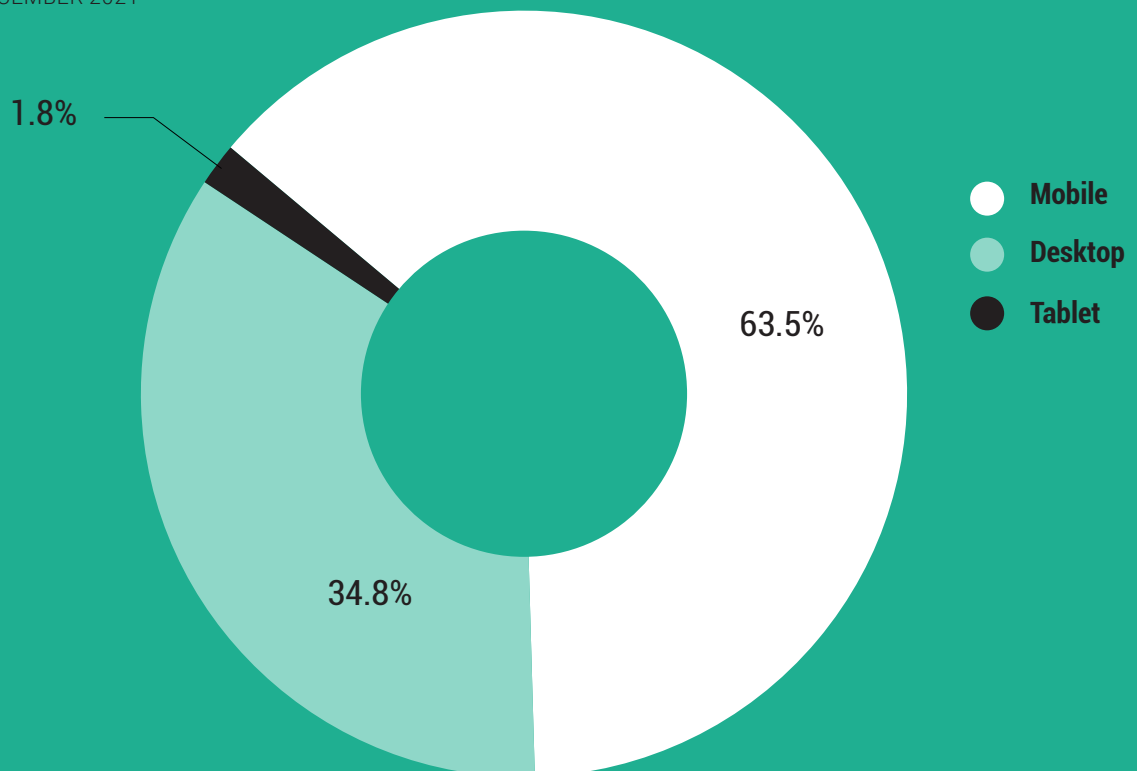
GENDER

01 JANUARY 2021
31 DECEMBER 2021



TECHNOLOGY

01 JANUARY 2021
31 DECEMBER 2021



Behaviour

Resource downloads: 3,423

Online tools clicks: 699

Wage calculator: 120

Video tracking: 509 views

Website subscriptions: 89



Top 5 downloads | 2021

1. LRS collective bargaining input | 2021
2. Bargaining Benchmarks
3. Bargaining for gender equity booklet
4. Bargaining Indicators
5. The Future of Retail in Africa booklet



Top 5 articles | 2021

1. Six ways to end gender-based violence
2. The essentials of collective bargaining in South Africa
3. Basic guide to unfair labour practices
4. Using labour laws in union bargaining - 12 possible workplace scenarios
5. A commissioner's guide to improving your chances of winning CCMA cases



Top 5 videos watched

1. Education unions take action to end SRGBV
2. How to deal with retrenchments
3. Trade union bargaining strategies for the future
4. Massmart shop stewards alliance company report
5. Introduction to bargaining for gender equality



SOCIAL MEDIA



Facebook @labourresearchservice

We saw increases in fans, engagement and link clicks.

	2021	2020
New fans & followers	+267	1,783 (total likes, Dec 2021)
Impressions	150,332	80,491

* **Impressions** – the number of times that any content associated with the LRS page was displayed to a user during the reporting period.

Top 3 posts in 2021

LRS Labour Research Service
Fri 2/19/2021 4:58 pm CAT

#Covid19 vaccination: "But what if I don't want to?" The possible discriminatory consequences of a mandatory covid-19...

Impressions 3,093

Reach 3,028

Engagements 101

LRS Labour Research Service
Fri 3/19/2021 11:53 am CAT

NEW RESOURCE: Bargaining Benchmarks | March 2021 Bargaining Benchmarks is a resource for role players in collective...

Impressions 1,540

Reach 1,428

Engagements 82

RENEWING WORKERS' EDUCATION: The nature of work is constantly changing. What is required of organisations offering suppor...

Impressions 1,347

Reach 1,249

Engagements 69



Twitter @labourresearch

The Labour Research Service raised its visibility on Twitter. Next, we will focus on driving engagement.


Metric	2021	2020
New likes	244	112
Profile visits	7041	982
Mentions	66	33
Impressions	479,590	101,032

* **Impressions:** a total tally of all the times tweets were seen across the Twitter platform

Top 3 tweets in 2021

LRS @LabourResearch
Mon 8/2/2021 2:06 pm CAT

RESOURCE: Defining a Just Transition for Sub-Saharan Energy Workers | Decent jobs for workers and affected communities ar...



Impressions	3,025
Potential Reach	191,112
Engagements	62
Engagement Rate (per Impression)	2%

LRS @LabourResearch
Fri 11/12/2021 3:49 pm CAT


TRADE UNIONS AND TRADE: 10 things unions should look out for and demand in the African Continental Free Trade Area...



Impressions	7,302
Potential Reach	9,959
Engagements	46
Engagement Rate (per Impression)	0.6%

LRS @LabourResearch
Wed 10/20/2021 9:00 am CAT

@ILO Convention 190 puts an end to violence and harassment in the world of work. #RatifyC190 and end violence a...



Impressions	1,503
Potential Reach	174,701
Engagements	48
Engagement Rate (per Impression)	3.2%

A Strategic Statement for the Period Ahead



- The LRS will deliver learning interventions and resources that build the core competencies that trade unions require.
- The LRS will embrace this 'digital moment' and all the opportunities therein while honouring the analogue traditions and strengths of the trade union movement. The LRS will experiment with technology for trade unions.
- The LRS will embrace a 'mobile moment' and develop the capabilities for communicating effectively with workers through the medium of mobile phones.
- In addition to its established content support, the LRS will provide support to trade unions on strategic issues for the future including the future of work, just transition and free trade.
- The LRS remains committed to networking and alliance building as a central strategy for trade union development.

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KNOWLEDGE IS TOO IMPORTANT TO LEAVE IN THE HANDS OF THE BOSSES

LABOUR RESEARCH SERVICE NPC
(REGISTRATION NUMBER 1986/002993/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

LABOUR RESEARCH SERVICE NPC

(REGISTRATION NUMBER 1986/002993/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**GENERAL INFORMATION**

Country of incorporation and domicile	South Africa
Auditors	C2M Chartered Accountants Incorporated Chartered Accountants (S.A.) Registered Auditors
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were independently compiled by: MD Dreyer Professional Accountant (S.A.)
Issued	28 March 2022

LABOUR RESEARCH SERVICE NPC
(REGISTRATION NUMBER 1986/002993/08)
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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LABOUR RESEARCH SERVICE NPC

(REGISTRATION NUMBER 1986/002993/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

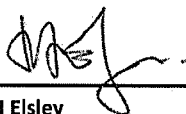
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal 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 31 December 2022 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 6 to 7.

The annual financial statements set out on pages 8 to 23, which have been prepared on the going concern basis, were approved by the board and were signed by:



TH Elsley

LABOUR RESEARCH SERVICE NPC
(REGISTRATION NUMBER 1986/002993/08)
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS' REPORT

The directors have pleasure in submitting their report on the annual financial statements of Labour Research Service NPC for the year ended 31 December 2021.

1. Incorporation

The company was incorporated on 25 July 1986 and obtained its certificate to commence business on the same day.

2. Nature of business

Labour Research Service NPC was incorporated in South Africa to promote and enhance the full and active participation of working women and men in the political and socio-economic activities in South Africa. The company operates in South Africa.

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

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

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

4. Directorate

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

Directors

TH Elsley	
N Siyana	Resigned 02 September 2021
FE Klaas	
C Marule	
B Matana	Resigned 02 September 2021
C de Lange	Appointed 02 September 2021
TM Fafuli	Appointed 02 September 2021
NG Roji	Appointed 02 September 2021

5. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

6. Property, plant and equipment

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

7. Events after the reporting period

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

8. Going concern

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.

9. Auditors

C2M Chartered Accountants Incorporated continued in office as auditors for the company for 2021.

LABOUR RESEARCH SERVICE NPC

(REGISTRATION NUMBER 1986/002993/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS' REPORT

At the AGM, the shareholders will be requested to reappoint C2M Chartered Accountants Incorporated as the independent external auditors of the company and to confirm Mr R Ariefdien as the designated lead audit partner for the 2022 financial year.

10. Secretary

The company had no secretary during the year.

11. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on 28 March 2022. No authority was given to anyone to amend the annual financial statements after the date of issue.

INDEPENDENT AUDITOR'S REPORT

To the Directors of Labour Research Service NPC

Opinion

We have audited the annual financial statements of Labour Research Service NPC (the company) set out on pages 8 to 20, which comprise the statement of financial position as at 31 December 2021, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Labour Research Service NPC as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008.

Basis for Opinion

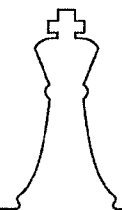
We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Labour Research Service NPC annual financial statements for the year ended 31 December 2021", which includes the Directors' Report as required by the Companies Act 71 of 2008. The other information does not include the annual financial statements and our auditor's report thereon.

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

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



INDEPENDENT AUDITOR'S REPORT

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 annual financial statements.

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

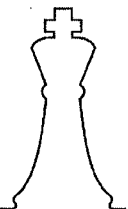
We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Signed by:Reyaan Ariefdien
Signed at:2022-06-13 09:23:19 +02:00
Reason:Witnessing Reyaan Ariefdien

Reyaan Ariefdien

R Ariefdien
Chartered Accountant (S.A.)
Registered Auditor
Director

Tygerforum B
53 Willie van Schoor Drive
Tygervalley
Bellville
7530



LABOUR RESEARCH SERVICE NPC

(REGISTRATION NUMBER 1986/002993/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

Figures in Rand	Note(s)	2021	2020
Assets			
Non-Current Assets			
Property, plant and equipment	2	44 050	43 655
Current Assets			
Trade and other receivables	4	16 618	82 516
Cash and cash equivalents	5	1 101 874	1 026 661
		1 118 492	1 109 177
Total Assets		1 162 542	1 152 832
Equity and Liabilities			
Equity			
Reserves		44 050	43 655
Retained income		333 544	525 487
		377 594	569 142
Liabilities			
Current Liabilities			
Deferred income	3	318 317	311 357
Provisions	6	-	123 485
Trade and other payables	7	466 631	148 848
		784 948	583 690
Total Equity and Liabilities		1 162 542	1 152 832

LABOUR RESEARCH SERVICES NPC

(REGISTRATION NUMBER 1986/002993/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in Rand	Note(s)	2021 R	2020 R
Income			
Revenue		7 430 806	5 419 106
Other operating income		294 360	342 545
	8	7 725 166	5 761 651
Expenditure			
		(7 923 715)	(5 685 345)
Project expenses		(6 038 874)	(3 933 177)
Operating expenses		(1 884 841)	(1 752 168)
Operating surplus / (deficit)	9	(198 549)	76 306
Interest income	10	7 001	15 845
Surplus / (Deficit) for the year		(191 548)	92 151
Other comprehensive income		-	-
Total comprehensive surplus / (deficit) for the year		(191 548)	92 151

LABOUR RESEARCH SERVICE NPC

(REGISTRATION NUMBER 1986/002993/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Non-current asset reserve	Retained income	Total equity
Balance at 01 January 2020	49 473	427 518	476 991
Profit for the year	-	92 151	92 151
Transfer between reserves	(5 818)	5 818	-
Balance at 01 January 2021	43 655	525 487	569 142
Loss for the year	-	(191 549)	(191 549)
Transfer between reserves	395	(395)	-
Balance at 31 December 2021	44 050	333 543	377 593

LABOUR RESEARCH SERVICE NPC
 (REGISTRATION NUMBER 1986/002993/08)
 ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF CASH FLOWS

Figures in Rand	Note(s)	2021	2020
Cash flows from operating activities			
Cash generated from operations	12	110 078	450 611
Interest income		7 001	15 845
Net cash from operating activities		117 079	466 456
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(41 866)	(32 054)
Net cash from investing activities		(41 866)	(32 054)
Total cash movement for the year		75 213	434 402
Cash at the beginning of the year		1 026 661	592 259
Total cash at end of the year	5	1 101 874	1 026 661

LABOUR RESEARCH SERVICE NPC
(REGISTRATION NUMBER 1986/002993/08)
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES

Corporate information

Labour Research Service NPC is a public company incorporated and domiciled in South Africa.

The annual financial statements for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the board of directors.

1. Significant accounting policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act 71 of 2008 of South Africa, as amended.

These annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Rands, which is the company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

Useful lives of property, plant and equipment

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of motor vehicles, furniture and computer equipment are determined based on company replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

Provisions

Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in note 6.

ACCOUNTING POLICIES

1.3 Property, plant and equipment

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

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

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

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

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

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

Item	Depreciation method	Average useful life
Computer equipment	Straight line	5 Years
Computer software	Straight line	2 Years
Office equipment	Straight line	5 Years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

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

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

1.4 Financial instruments

Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the company, as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or

ACCOUNTING POLICIES

1.4 Financial instruments (continued)

- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Note Financial instruments and risk management presents the financial instruments held by the company based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company are presented below:

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

1.5 Leases

The company assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the company has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

ACCOUNTING POLICIES

1.6 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the company in which they are declared.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the company's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

1.8 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

1.9 Government grants

Government grants are recognised when there is reasonable assurance that:

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

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

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

LABOUR RESEARCH SERVICE NPC

(REGISTRATION NUMBER 1986/002993/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES

1.9 Government grants (continued)

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the profit or loss (separately).

1.10 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.11 Borrowing costs

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

1.12 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

LABOUR RESEARCH SERVICE NPC

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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2021	2020
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2. Property, plant and equipment

	2021			2020		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Computer equipment	774 268	(730 218)	44 050	732 402	(688 747)	43 655
Computer software	920 422	(920 422)	-	920 422	(920 422)	-
Office equipment	758 134	(758 134)	-	758 134	(758 134)	-
Total	2 452 824	(2 408 774)	44 050	2 410 958	(2 367 303)	43 655

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Total
Computer equipment	43 655	41 866	(41 471)	44 050

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Depreciation	Total
Computer equipment	45 141	32 054	(33 540)	43 655
Office equipment	4 332	-	(4 332)	-
	49 473	32 054	(37 872)	43 655

3. Deferred income

ACFTA SASK	(74 126)	(148 416)
The Other Foundation	(75 458)	-
Gender at Work - Power Up	(87 945)	-
Letsema	(11 155)	(8 405)
NUM Collective Bargain	-	(50 000)
Oxfam	(43 083)	(40 000)
The National Skills Fund	(26 550)	(64 536)
	(318 317)	(311 357)

The above deferred income represents amounts specifically allocated for use during the following financial period in terms of the funder's contract requirements.

Frequently the periods of donor contracts do not coincide with the financial year end of the organisation. The effect of this is that the balance of donor funding can be carried forward into the following year (deferred income) or donor funding relating to the previous period could be received in the following year (accrued income).

4. Trade and other receivables

Deposits	1 350	1 350
Trade receivables	13 440	81 166
VAT	1 828	-
Total trade and other receivables	16 618	82 516

LABOUR RESEARCH SERVICE NPC

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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2021	2020
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	8 724	6 517
Bank balances	1 093 150	1 020 145
	1 101 874	1 026 662
6. Provisions		
Reconciliation of provisions - 2021		
	Opening balance	Utilised during the year
Leave pay provision	123 485	(123 485)
		Total
		-
Reconciliation of provisions - 2020		
	Opening balance	Additions
Leave pay provision	93 840	29 645
		Total
		123 485
7. Trade and other payables		
Financial instruments:		
Accrued expenses	302 875	30 362
Trade payables	163 757	98 637
VAT	-	19 849
	466 632	148 848
8. Revenue		
Grant income		
Gender at Work - Power Up	570 704	8 376
ITUC	19 984	-
Letsema	147 299	10 916
Olof Palme International Center	1 419 561	1 600 822
SASK ACFTA	2 489 564	374 486
The Labour Research Trust	587 920	1 000 000
The National Skills Fund	552 860	1 015 341
The Other Foundation	92 792	150 000
	5 880 684	4 159 941
Self generated income	1 844 483	1 601 710
	7 725 167	5 761 651

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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2021	2020
9. Surplus / (Deficit) for the year		
Grant income	5 880 684	4 159 941
Expended on : Operating expenditure	(1 444 590)	(1 225 887)
: Project expenditure	(4 436 094)	(2 934 054)
Surplus / (Deficit) attributable to grant income	-	-
Self generated income	1 844 483	1 601 710
Interest income	7 001	15 845
	1 851 484	1 617 555
Expended on : Operating expenditure	(440 252)	(526 281)
: Project expenditure	(1 602 781)	(999 123)
Surplus / (Deficit) attributable to self generated income	(191 549)	92 151
10. Investment income		
Interest received	7 001	15 845
11. Taxation		
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit (loss)	(191 549)	92 151
Tax at the applicable tax rate of 28% (2020: 28%)	(53 634)	25 802
Tax effect of adjustments on taxable income		
Exempt income and expense - Section 10(1)(nC)	53 634	(25 802)
	-	-
12. Cash generated from operations		
Profit (loss) before taxation	(191 549)	92 151
Adjustments for:		
Depreciation and amortisation	41 472	37 871
Interest income	(7 001)	(15 845)
Movements in provisions	(123 485)	29 645
Changes in working capital:		
Trade and other receivables	65 898	16 818
Prepayments	-	99 988
Trade and other payables	317 785	(63 806)
Deferred income	6 958	253 789
	110 078	450 611

LABOUR RESEARCH SERVICE NPC

(REGISTRATION NUMBER 1986/002993/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2021	2020
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13. Directors' emoluments

Executive

TH Elsley	928 971	885 826
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14. Going concern

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.

LABOUR RESEARCH SERVICES NPC

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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

DETAILED INCOME STATEMENT

Figures in Rand	Note(s)	2021 R	2020 R
Revenue			
Grant income		5 880 684	4 159 941
Self-generated income		1 550 122	1 259 165
	8	7 430 806	5 419 106
Other operating income			
Membership fees		24 369	24 351
Overhead recoveries		269 991	318 194
		294 360	342 545
Operating expenditure			
Audit fees		(98 207)	(69 720)
Banking costs		(37 474)	(24 225)
Communication		(53 480)	(111 258)
Contracted services		(294 409)	(257 335)
Internet and IT costs		(222 094)	(127 798)
Insurance		(54 468)	(42 657)
Membership fees		(8 074)	(8 978)
Office supplies and stationery		(37 433)	(41 711)
Planning and evaluation		(83 160)	(109 977)
Postage and courier		(3 295)	(2 055)
Premises costs		(382 537)	(360 986)
Salary expenses		(568 739)	(557 597)
		(1 843 370)	(1 714 297)
Project expenditure			
Advocacy and lobbying workshop and related expenses		(1 450 475)	(137 236)
Contracted services		(1 278 761)	(526 153)
Salary expenses		(3 309 638)	(3 269 788)
		(6 038 874)	(3 933 177)
Other operating expenditure			
Depreciation		(41 472)	(37 871)
		(41 472)	(37 871)
Operating surplus / (deficit)	9	(198 550)	76 306
Interest income	10	7 001	15 845
Surplus / (Deficit) for the year		(191 549)	92 151