



Batseta

Council of  
Retirement  
Funds for  
South Africa

# ANNUAL REPORT 2020-21



**LEAD  
THE FUTURE**

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## ABOUT THIS REPORT

This annual report covers Batseta's structure, activities, performance and outlook for the financial year ended 28 February 2021. It has been prepared to meet the information needs of Batseta members and broader stakeholders.

The content of this report is therefore aimed at enabling stakeholders to make informed assessments of our performance and our short-, medium- and long-term prospects. Reporting on an annual basis helps to keep us accountable and focused on continuous improvement.

This report thus also contains our newly developed strategy as well as our current performance. It also provides an overview of activities and processes that support our decision-making on value creation, preservation and professionalising the industry members.



## WHO WE ARE

Batseta is the only registered SAQA (South Africa Qualifications Authority) professional body that promotes the interests of Retirement Trustees and Principal Officers in South Africa. Batseta is also an Assessment Quality Partner (AQP) or examining body for the principal officers and trustees occupational qualifications.



### OUR STRATEGIC INTENT

Create an open and fair environment in which our members can practice with confidence and thrive within.

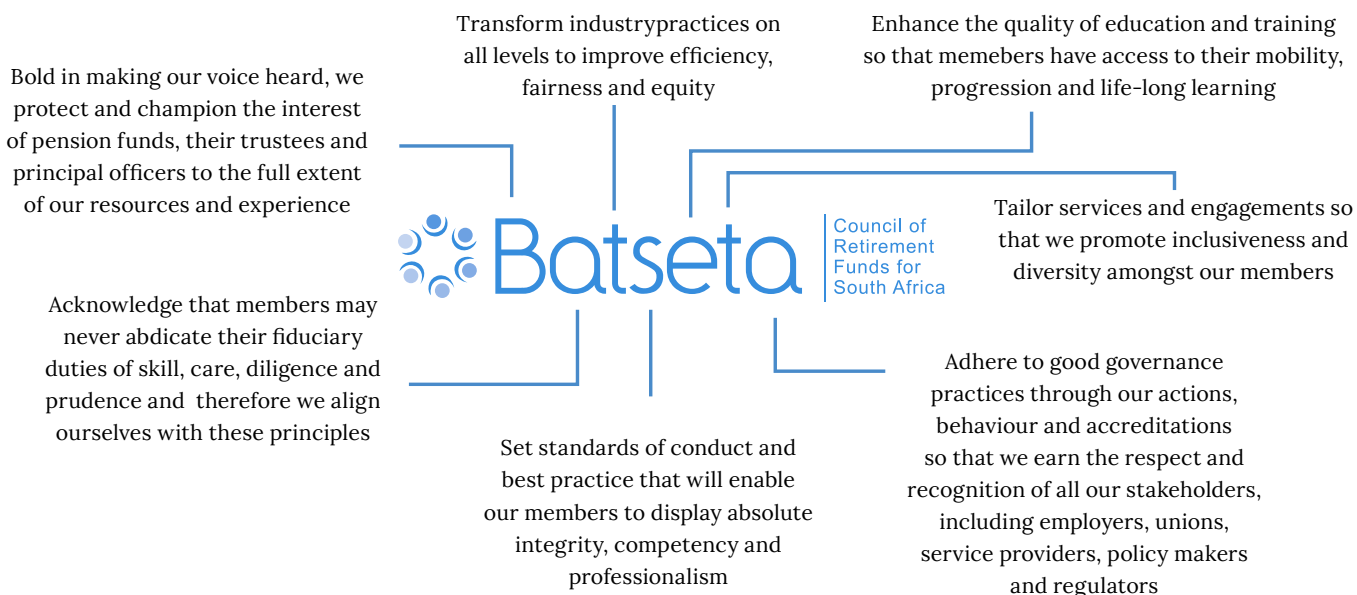
### BRAND PROMISE

- Putting our members' interests at the heart of all we do
- Ensuring that our activities are driven by the principles of member-centricity
- Serving and protecting the public interest
- Actively advocating for and promoting ethical and responsible behaviour within the profession, to retain public trust and confidence

### WHAT WE DO

- **ENABLE** our members to remain relevant and successfully meet current and future challenges within the retirement fund industry.
- **DEVELOP** and **DELIVER** Continuing Professional Development (CPD) programmes that are of the highest quality and are aligned with education and training qualifications
- **REPRESENT** accredited professionals in practice, and put the interests of our members at the forefront of all our endeavours
- **PROMOTE** and **INFLUENCE** the advancement of a trustee and principal officers profession.
- **ENSURE** that our qualifications remain relevant by complying with all SAQA and related standards

## OUR MANIFESTO



## CHAIRPERSON'S MESSAGE



**RADESH MAHARAJ**  
Chairman, Batseta

### **Dear Members,**

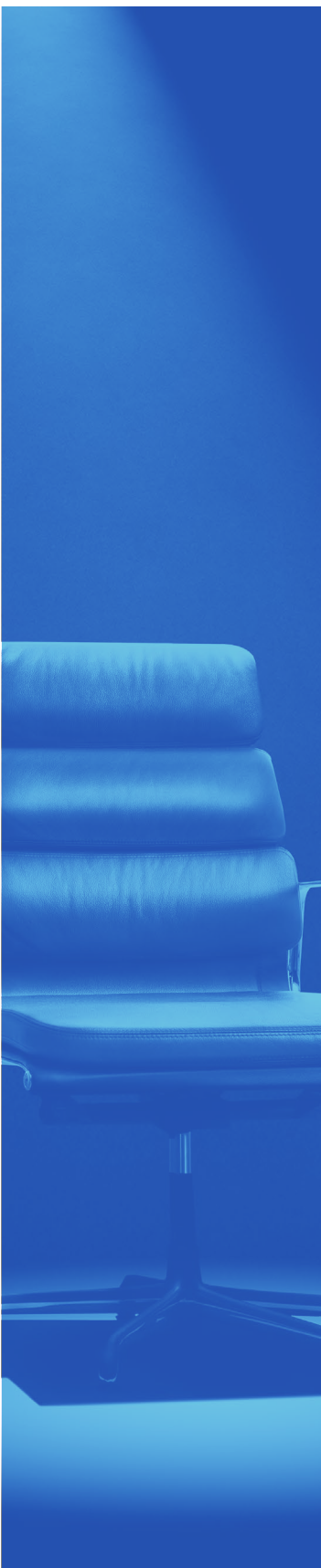
This generation has experienced its most tumultuous times in the last few years. Let's be clear that these times are by far not human society's worst-ever and as is inevitably the case, human civilisation will transcend the headwinds of the Covid-19 pandemic, supply chain issues, high inflation and the cost-of-living crisis. The reason for this of course is because human society is by its nature resilient, innovative, adaptive and has its built-in survival genes.

The same traits apply to us as South Africans, we have walked the long road of untold and unspeakable adversity over several centuries and emerged from it victorious as a nation. While many South Africans have progressed tremendously in the last three decades, there is still much to be done to improve the lives of many of our people. Retirement funds can, should and must assist in this development of our country and all its people for it is fundamental to the long-term nature of funds and their members.

Given where we find ourselves as a society, it is difficult to justify the argument that a retirement fund can somehow see its existence in isolation from the society in which its members live. Of course, this attempted de-linking is even more dangerous in societies with high levels of income inequality, widespread unemployment and millions of people living on or close to the poverty line.

So, it is almost inevitable that Batseta and its members - comprising retirement funds, their trustees and principal officers - has focused significant time and effort on environmental, social and governance matters. Not least because we recognize our country needs to support all its people and retirement funds can assist in this regeneration





through focused investments which benefit society and our retirement funds – investing for impact, rather than for returns alone. We believe that we need to work for long-term sustainability and development – of our retirement funds, their members, our people, the environment and our country – and this is what we at Batseta will strive to vigorously progress as the Council of Retirement of South Africa. Our programmes and projects attest to this.

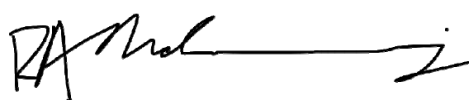
Batseta promotes and supports these broad principles for our retirement funds:-

- Diversity and Inclusion
- Transformation
- Partnerships
- Influence other major stakeholders to support our vision for retirement funds

You will hear more from us in the year ahead and we will further expand on our work to promote these principles, which we trust you as responsible retirement funds, boards of management and principal officers will also support. We look forward to frank and open conversations with all our members and potential members for we want to foster deep and long-lasting partnerships between every one of our members, with a view to providing a voice to each of our members in critical matters such as the fast-developing legislative and regulatory landscape facing retirement funds. We also see partnerships as intrinsic to developing strong retirement funds, so we are working on fostering strong linkages and co-operation between funds in South Africa as well as offshore funds. Once again, we look forward to our members seeing the long-term benefits of such initiatives and to their continued support.

Batseta is a non-profit organisation and while the Covid-19 pandemic was a difficult period for us, we are grateful to report to you that Batseta has endured and is once again growing well post the pandemic. We are grateful to our corporate sponsors who continued to support us during this period.

A heartfelt appreciation for the sterling work done by the Batseta team, led by our CEO Anne-Marie D'Alton. We look forward to all our members' continued support and to hearing from you, our members, what new or different initiatives you want to see from us. Our doors are always open.



**RA MAHARAJ**  
Chairman, Batseta

## MESSAGE FROM THE CEO



**ANNE-MARIE D'ALTON**  
Chief Executive Officer

### Dear Members,

We are living in extraordinary times. I am grateful for the remarkable resilience shown by our members, partners, and stakeholders to deal with all the uncertainties during the past two years. We still have a good story to tell.

We welcomed the new board of directors in 2021. The leadership of Radesh Maharaj (Chair) and Bongzi Mkhize (Vice Chair) and guidance by the board is inspirational and empowering. Batseta's achievements are indicative of their vision to promote an inclusive and proficient retirement fund industry.

Batseta was able to keep true to its values and way of doing business during the reporting period. We have focused on a few key areas to navigate the uncertain times as set out hereunder:

**Keep on Learning:** Our members continued to invest in their skills development. They actively participated in the Continuous Professional Development (CPD) and Recognition of Prior Learning Programmes (RPL). Congratulations to all the candidates for achieving their occupational qualifications. Read more about their achievements elsewhere in the report. INSETA bursary are now available to principal officers and trustees for the RPL programme for the next 24 month. Applications are open.

Our RPL candidates unfortunately had to wait for an extended period for their results. The hick ups were addressed, and long waiting periods should not occur again. Thank you to once again for your patience.

**Active Partnerships:** We value our longstanding partnerships. Through this enduring partnership we were able to achieve two of the most significant milestones



that will impact the retirement fund industry in the future, namely the launch of the Asset Owners Forum South Africa (AOFSA) in collaboration with USAID and MiDA Advisors. The Forum mobilises retirement funds to invest collectively in infrastructure with a view to contribute to socio-economic development in South Africa.

The second milestone was the hosting of the RIO guide training programme developed with the support of IFC to upskill boards of trustees how to integrate ESG into a fund's investment decision-making process. The programme will be offered as part of Batseta's ongoing CPD programme.

**Financial health:** Financial health is important to the sustainability of the organisation. We are in an upward trajectory to restore the negative impact caused by the COVID pandemic. This required the collective effort from the members, sponsors, staff, and the industry at large to achieve this outcome.

**Corporate Sponsors:** I would like to thank our corporate sponsor for their sustained goodwill and contribution towards our financial wellbeing. Your contributions also enriched our learning programmes. We appreciate your investment in our vision to create an open and fair environment in which our members can practice with confidence and thrive within.

**Membership:** Thank you for choosing Batseta as your organisation of choice. Your success is important to us. We will continue to serve you the best we can.

I am eternally grateful to the Batseta staff who continued to provide a quality and professional service. Your commitment and positive attitude are commendable. It defines the great organisation that we are – Batseta Council of Retirement Funds for South Africa. Let's keep going.



**ANNE-MARIE D'ALTON**  
Chief Executive Officer



## OUR VALUE CREATION FOR OUR MEMBERS FOOTPRINT



# BATSETA MEMBERS

## MEMBERSHIP BENEFITS

Batseta members benefit from a value proposition that has been designed to support their professional development needs and compliance obligations. During the reporting period, our membership benefits included:

- Information sharing through technical articles, networking events, and support from the industry experts
- A fee structure that offers significant savings on CPD activities
- Free access to available industry vacancies
- Exposure to industry latest news and updates through the digital newsletter.
- Access to the occupational qualifications for principal officers and trustees through Recognition of Prior Learning Programme.
- Guidance and assistance in becoming a designated industry professional
- Comprehensive access to industry practice guidelines and best practices.
- Discounts when attending the Batseta winter conference.
- Opportunity to participate in specialised forums to address members as well as industry needs





## LEADERSHIP



**RADESH MAHARAJ**  
Chairman / Non- Executive Director



**BONGI MKHIZE**  
Vice Chairman



**DAVID SELEKE**  
Non- Executive Director



**FRANS PHAKGADI**  
Non- Executive Director



**JOLLY MOKOROSI**  
Non- Executive Director



**KGOMOTSO RAMOKALA**  
Non- Executive Director



**KOBUS HANEKOM**  
Non- Executive Director



**LESLIE NDAWANA**  
Non- Executive Director



**NAZLEY SALLIE**  
Non- Executive Director



**SHAFEEQ ABRAHAMS**  
Non- Executive Director

## BOARD ELECTED PERSON APPOINTED AS DIRECTOR



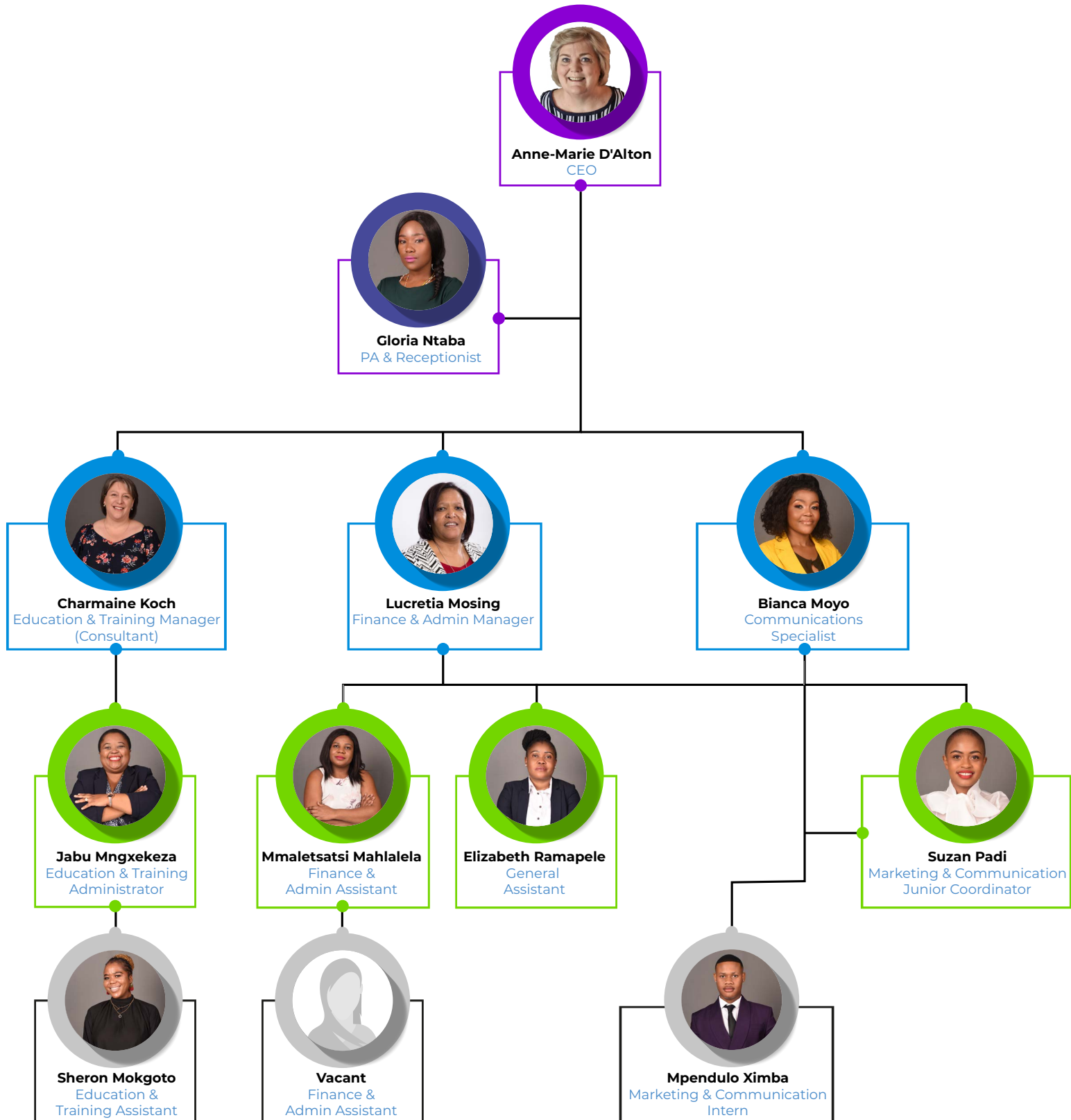
**MUSA MABESA**  
Non-Executive Director

Principal Executive Officer (PEO) – Government Employees Pension Fund. Musa Mabesa is the Principal Executive Officer (PEO) of the Government Employees Pension Fund (GEPF). He is a seasoned finance professional with over 18 years' experience, 11 of which is in the pension fund industry, specialising in financial management and reporting, governance, and corporate services.

Prior to joining the GEPF, Mr Mabesa worked for various private and public sector institutions in various positions. In 2011 he joined the GEPF as a Finance Manager and was subsequently appointed as Head of Corporate Services in 2017. In 2020 Mr Mabesa became the Principal Executive Officer of the GEPF and serves as a board member of Batseta (Council of Retirement Funds of South Africa), chairing the Asset Owners Forum.

Mr Mabesa holds a Master of Science (MSc) degree from University of London and Bachelor of Commerce in Accounting Science (BCompt) from University of South Africa (UNISA). He is a Chartered Certified Accountant through the Association of Chartered Certified Accountants (ACCA) and is a member of the Institute of Directors Southern Africa.

# CORPORATE STRUCTURE





# COMMITTEE REPORTS

## EDUCATION AND TRAINING COMMITTEE

Batseta is an approved Assessment Quality Partner (AQP) with the Quality Council for Trades and Occupations (QCTO). In this capacity, Batseta conducts assessments of two qualifications for the retirement fund industry. These qualifications are registered on the National Qualifications Framework (NQF).



**KGOMOTSO RAMOKALA**  
Committee Chairperson

The qualifications for which Batseta is approved as an AQP are:

- Professional Principal Executive Officer SAQA ID 93602 NQF Level 7 150 Credits
- Professional Principal Executive Officer: Retirement Fund Trustee SAQA ID 99574 NQF Level 5 120 Credits

These qualifications were designed specially to serve principal officers and trustees within the retirement fund industry. Education and training is a fundamental part of the value proposition of Batseta and these qualifications are an essential part of the education and training offered to the industry.

Batseta is also recognised as a Professional Body (PB) with the South African Qualifications Authority (SAQA). SAQA has allocated three professional designations to Batseta, which are as follows:

- Chartered Principal Executive Officer (CPEO)
- Associated Principal Executive Officer (APEO)
- Licentiate Trustee (LT)

These designations are offered to principal officers and trustees in the retirement fund industry who wish to obtain a professional status in the industry and distinguish themselves as professionals. To qualify for this designation, a practicing principal officer needs to complete the Professional Principal Executive Officer qualification which is at a level 7 on the National Qualifications Framework (NQF).

In the 2020/21 period 28 Principal Officers have completed the qualification and have qualified for the CPEO designation.

There are also candidates that have completed the Professional Principal Executive Officers qualification, but because they are not practicing principal officers currently, they do not qualify for the Chartered Principal Executive Officer designation.

In the 2020/21 period we launched the Trustee Examination and thus far 19 Trustees have completed the qualification and have qualified for the Licentiate Trustee designation. Designated professional members of Batseta are required to maintain their status through attending Continuing Professional Development (CPD). The CPD programme is intended to keep professionals updated with new developments within the industry as well as new trends in the market, investments, ESG etc. Batseta offers CPD recognition for Training courses, Seminars and the Annual Winter Conference. CPD activities can also originate from external service providers who are approved CPD Providers. Approved CPD Providers who comply with the criteria submit their various activities content to Batseta for CPD approval. Approved CPD activities from external service providers are certified by the provider with a certificate that must indicate the CPD approval reference number and Batseta CPD logo. Members of Batseta can verify the validity of the CPD certificates and conduct audits on CPD Providers.

Batseta provides strategic focus on Education activities and offers a range of training opportunities to the industry. As an AQP, Batseta is not allowed to offer accredited training. Batseta offers training in partnership with service providers who are accredited by the QCTO. Batseta facilitates the process to serve the training needs of Batseta members as well as other retirement funds. During the 2020/21 financial year principal officers and trustees were trained through partnerships with accredited providers.

As an approved AQP, Batseta is responsible for setting and hosting External Integrated Summative Assessments (EISA) for principal officers and trustees. During the 2020/21 financial year, Batseta conducted five EISA's where 547 candidates completed their exams. The candidates who accessed the examination either followed a Recognition of Prior Learning (RPL) programme which accelerated the completion of the qualification or with Skills Development Partners for the achievement of their designations. In order to complete an RPL programme, a candidate must comply with the entry criteria of the programme which includes a number of years of experience.

Although the RPL programme is an accelerated programme, it does not compromise in quality in any way. RPL candidates completes the same External Integrated Summative Assessment as candidates that will go through traditional training. The candidates were certificated at a gala event during the Batseta Winter Conference of 2022.

**Committee Members :**

- Kgomotso Ramokala (Chairperson)
- Lorraine Dias (Vice-Chairperson)
- Thupudi Mabunele
- Rodney Shuttleworth
- Moabi Ditseho
- Leslie Ndawana
- Anne-Marie D'Alton

**List of Candidates that have been designated as CPEO's for the period 2020/21:**

<b>Name</b>	<b>Surname</b>	<b>Fund</b>
Jacobus	Ferreira	South African Civil Aviation Authority Provident Fund
Keith	Bhola	Robert Bosch Provident Fund
Belinda	Burger	Political Office-Bearers Pension Fund
Alani	Coetzer	Ernst & Young Staff Provident Fund
Kim	Druzynski	Legal Provident Fund
Zinat	Ismail	Samancor Manganese Provident Fund
Duduza	Khosana	Electrical Industry Kwazulu-Natal Pension Fund
Radesh	Maharaj	Maseding
Thomas	Mketelwa	KZN Municipal Pension Fund
Nadia Bernadine	Morgan	Simba Provident Fund
Anesh	Soonder	Hollard Staff Pension & Provident Fund
Raymond Collin	Wentworth	Consolidated Provident Fund (Umbrella)
Ramon	Hansen	Orion Namibia Pension And Provident Fund
Nazley	Sallie	South African Reserve Bank Retirement Fund





**FIONA BUTLER-EMMETT**  
Independent Committee  
Chairperson

## COMMITTEE REPORTS

### FINANCE AND AUDIT COMMITTEE

The Finance & Audit Committee is responsible for good accounting practices and it has implemented and maintained these during the period under review. It made use of internal control systems to do so.

Its key focus was the ongoing sustainability of the organisation. Batseta's income was derived from membership fees, corporate sponsorships, events and revenue from Education and Training.

The committee also attended to the preparation of the Annual Financial Statements and the auditing thereof. The Finance & Audit Committee also identifies and monitors risks. It puts appropriate measures in place that will effectively manage these risks.

#### **Committee Members for the period under review**

- Ms Fiona Butler-Emmett (Independent Committee Chair)
- Mr David Seleke
- Mr Shafeeq Abrahams
- Mr Jacques Hugo
- Mr Hermann Kostens
- Mr Sipho Sidu



**BIANCA MOYO**  
Committee Chairperson

## COMMITTEE REPORTS

### MARKETING AND COMMUNICATIONS

**The Marketing and Communications department is responsible for managing and overseeing a comprehensive stakeholder management strategy, as well as a communication and marketing strategy.**

#### **Main focus areas:**

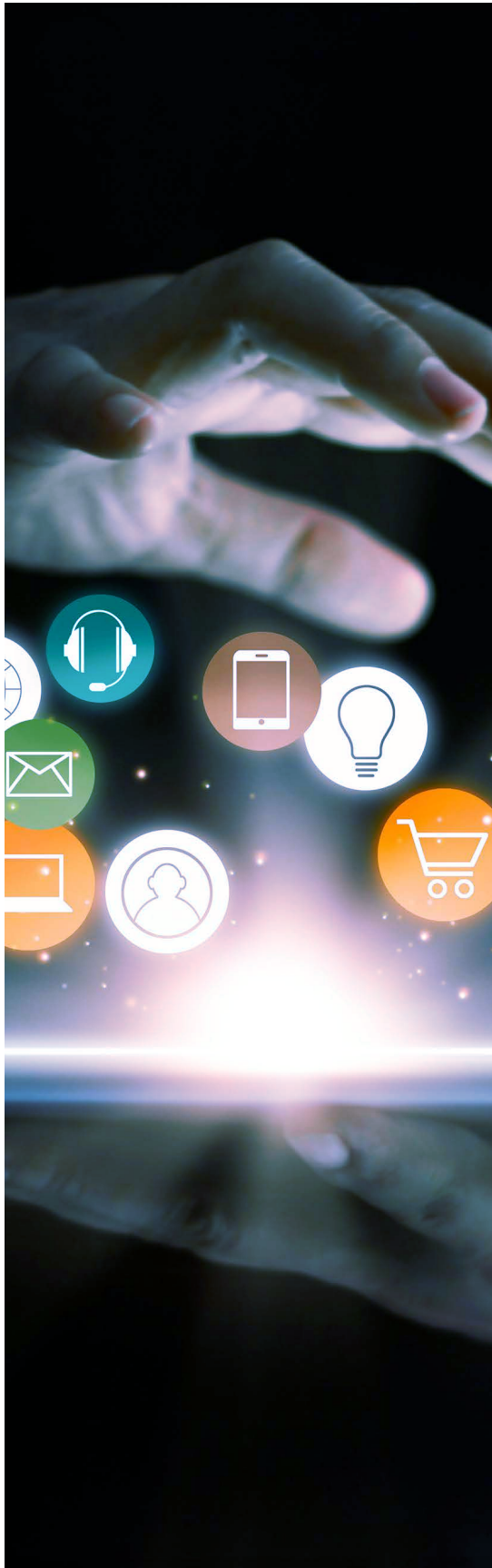
- Membership information and servicing
- Brand awareness and stakeholder communication
- Sponsor management and onboarding
- Events Management

The quality of our communication strategy is crucial to ensure that we can offer excellent service and innovative benefits in the interest of our members and the industry at large.

During the reporting period, the new operational reality caused by the Covid-19 pandemic presented unique communication challenges for the organisation as it had to adjust to a new way of communicating with members and stakeholders. As a result of the impact of Covid-19 on operational strategies, our primary approach was to ensure proactive communication and engagement with stakeholders to help maintain an acceptable level of business continuity, noting the safety restrictions implemented by the health officials.

The Covid-19 pandemic disrupted the traditional in-person learning. It challenged us to explore unconventional ways to continue learning. We are proud to share that Batseta convened its first ever virtual conference on 15 - 16 September 2020 under the theme “Navigating the new normal”.

To prepare our members for the future industry landscape, our virtual conference considered what the implications arising from a rapidly changing environment



could mean for the retirement fund industry, the impact of COVID-19 as well as navigating it. The contributions of speakers supported our foresight project by assisting in reimagining what the industry might look like in the future.

The conference further afforded industry professionals from all over the globe to virtually meet, share thought leadership content and network with each other safely.

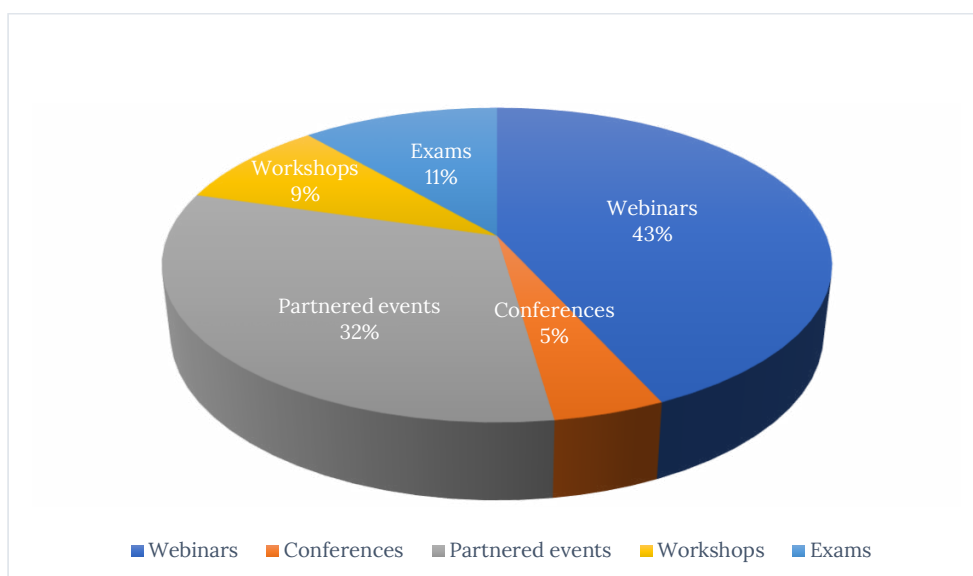
For continuous learning and upskilling of our members during the pandemic, the department also ensured to put measures in places for trustees and principal officers to maintain and nurture their skills and competencies by accumulating CPD points. To achieve this, the department implemented measures that promotes the notion of social distancing and activated the necessary business contingency plans. The regional seminars were converted to bi-weekly webinars delivered through a reliable digital platform.

The organisation also enhanced its digital education programme by implementing the e-learning hub and active participation on social media platforms namely Facebook, Twitter and LinkedIn.

## SPONSORSHIP MANAGEMENT

It is our ultimate goal to maintain good relations with our sponsors all the time. The department worked closely with the corporate sponsors and the internal Education and Training department to deliver CPD worthy content. We are grateful to all our 2020/21 corporate sponsors who came on board and partnered with us on our journey to support and nurture the industry professionals. During the period under review our corporate sponsors continued to offer their exceptional industry knowledge and imparting best practices to our members. Together with the sponsors we held sway over creating relevant content presented at our educational webinars as well as at the virtual conference.

## EVENTS HOSTED IN 2020/21





# SPECIALISED FORUM REPORTS

## ASSET OWNERS FORUM SOUTH AFRICA

Batseta is establishing specialised forums to provide leadership for the development of a common vision with supporting legislation to address fund specific needs as well as broader socio-economic issues. Batseta established the Asset Owners Forum South Africa as well as the Commercial Fund Forum. The following reports provide feedback on the activities by these forums.



**MUSA MABESA**  
Chairman of AOFSA



**ASSET OWNERS FORUM**  
**South Africa**  
Convened by Batseta

Batseta launched the Asset Owners Forum South Africa (AOFSA or the Forum) on 19 November 2021. This was done in partnership with the U.S. Agency for International Development (USAID), World Bank, and MiDA Advisors (Mobilizing Institutional Investors to Develop Africa's Infrastructure).

The AOFSA is a first-of-its-kind coalition of local pension funds to support a common goal of investing in South African infrastructure and real assets for the benefit of their members, while maximising the positive socio-economic impact of those investments.

The Forum has been founded by 12 of the largest pension funds in South Africa with collective assets approaching R3 trillion and aims to align key investments in infrastructure and other alternatives for economic and social impact.

The establishment of the Forum was led by Ndabe Mkhize the previous Chief Investment Officer of the Eskom Pension and Provident Fund and the following founding members:

Electrical Industry Kwazulu-Natal Pension Fund, Eskom Pension and Provident Fund, Ernest & Young Provident Fund, Government Employees Pension Fund, KZN Municipal Pension Fund, Mineworkers Provident Fund, Motor Industry Retirement Funds, National Fund for Municipal Workers, SABC Pension Fund, South African Local Authorities Pension Fund, Telkom Retirement Fund and Natal Joint Municipal Pension.

The establishment of the forum is call to action for all types of pension funds of various sizes to collectively and intentionally mobilise long-term capital to provide resources for development of local infrastructure and by so doing impact socio-economic development.

The AOFSA was established under the stewardship of Batseta and governed by a Steering Committee and an Investment Working Committee and Governance, Legal and Compliance Working Committee.

### Current Leadership Structure of the Asset Owners Forum South Africa

Chairman, Asset Owners Forum South Africa	Musa Mabesa	Government Employees Pension Fund
Vice Chairman, Asset Owners Forum South Africa	Jolly Mokorosi	Chartered Principal Executive Officer, Independent Trustee
Chairman, Investment Working Committee	Vacant	
Vice Chairman, Investment Working Committee	Kutlwano Mokhele	Motor Industry Retirement Funds
Chairman, Governance, Legal and Compliance Working Committee	Ashwin Trikamjee	SABC Pension Fund
Chairman, Governance, Legal and Compliance Working Committee	Karthi Pillay	Telkom Retirement Fund
MiDA Advisors Representative	Aymeric Saha	Chief Executive Officer
MiDA Advisors Representative	Roselyn Spencer	Managing Director

### SUPPORTING PARTNERS



**USAID**  
FROM THE AMERICAN PEOPLE



CROSSBOUNDARY

### CALL TO ACTION TO ALL RETIREMENT FUNDS

All retirement funds in South Africa are welcome to join the AOFSA

Enquiries: [info@assetownersforumsa.org.za](mailto:info@assetownersforumsa.org.za) / [info@batseta.org.za](mailto:info@batseta.org.za)

Telephone number: 0118056340

# SPECIALISED FORUM REPORTS

## COMMERCIAL FUND FORUM REPORT



**KOBUS HANEKOM**  
Committee Convenor

Batseta established the commercial fund forum. This is a discussion forum where concerns and operational matters can be discussed and where consensus can be built on proposed new conduct standards, best practices, comment made on, or requests made for desirable changes to legislation.

Government is encouraging the consolidation of retirement funds. Batseta aims to help facilitate this transition and make sure that this development takes place on a structured basis in the interests of our members. The Commercial Fund Forum (the Forum) had an early start.

During the reporting period Batseta undertook a membership drive to raise awareness about the Forum. Membership is open for Commercial Umbrella Funds, Preservation Funds, Unclaimed Benefit Funds, Retirement Annuity Funds and Beneficiary Funds.

A remuneration survey was prepared to assess the remuneration to the new class of professionals - the independent principal officers, deputy principal officers and independent trustees. The outcome will provide participants with a useful benchmark of remuneration practices within the commercial fund space. The survey is currently underway.

The Forum commented on various proposals published for comment by the FSCA and we are very happy with the alignments that have been achieved in the draft COFI Bill, conduct standards and other regulatory proposals. The FSCA was also approached to address the practical problems and delays that arose in respect of section 14 transfers. The issues being addressed included delays caused by SARS directives, extensions granted by the FSCA, consideration of bulk applications, and much more.





More information about the outcome of these discussions will be forthcoming during the second half of 2022. The forum has also requested a discussion on 28 liquidations.

The forum engaged the FSCA extensively on the challenges funds experienced in relation to the FSCA's Information Request 2 of 2021 dated 10 October 2021. The FSCA was implementing an Integrated Regulatory System to host profile data of all financial institutions and in the process, we were able to resolve most of the operational challenges.

Batseta is in the process of arranging similar forums for union and bargaining council umbrella funds (industry umbrella funds).

We are very mindful of the fact that while commercial funds and industry umbrella funds have a great deal in common, there are significant differences between them. Further engagement is required to structure these forums and address the common as well as the unique needs of these types of funds



## OUR CORPORATE SPONSORS 2020



Investments

# NOTICE OF 2022 AGM

**BATSETA COUNCIL OF RETIREMENT FUNDS FOR SOUTH AFRICA NPC  
("THE COMPANY") REGISTRATION NUMBER 2022/018706/08)**

## NOTICE OF MEMBERS MEETING

NOTICE IS HEREBY GIVEN that a meeting of members of the Company will be held **by virtual video conferencing**, on **Thursday 29 September 2022 from 13:30 to 15:00** for the purpose of considering the following ordinary and special resolutions, and if deemed fit, to pass, with or without modification, in accordance with section 61 of the Companies Act, 71 of 2008 ("the Act").

### RECORD DATE:

In accordance with clause 2.3 of the Memorandum of Incorporation ("MOI"), the record date for members entitled to attend and vote at the Annual General Meeting is **Monday 22 September 2022**.

### VOTING:

- In accordance with clause 3.11.1 of the MOI, in order for this **Ordinary Resolution** to be adopted, the support of at least 50% (fifty percent) plus one of the voting rights exercised on the resolution, by members present or represented by proxy at this meeting is required.
- In accordance with clause 3.11.2 of the MOI, in order for this **Special Resolution** to be adopted, the support of at least 25% (twenty five percent) of the voting rights exercised on the resolution, by members present or represented by proxy at this meeting is required.

**ORDINARY BUSINESS:** To receive the Chairperson's report for the past year.

#### 1. ORDINARY RESOLUTION NUMBER 1:

To approve the minutes of the previous Annual General Meeting held on 29 June 2021, copies of which are attached to this notice and marked as Annexure "A".

#### 2. ORDINARY RESOLUTION NUMBER 2:

To receive, consider and approve the audited Annual Financial Statements for the financial year ending 28 February 2021 together with the reports of the directors and auditors thereon, a copy of which is attached to the notice and marked as Annexure "B".

#### 3. ORDINARY RESOLUTION NUMBER 3:

To receive, consider and approve the audited Annual Financial Statements for the

financial year ending 28 February 2022 together with the reports of the directors and auditors thereon, a copy of which is attached to the notice and marked as Annexure “C”.

**4. ORDINARY RESOLUTION NUMBER 4:**

To approve the resignation of KPMG as the external auditors and re-appointment of Bagaka Auditors as external auditors for the auditing of the financial statements for the ensuing year, who in the opinion of the Audit Committee, was independent of the Company. They will remain in office until the conclusion of the next annual general meeting and authorise the audit committee to determine their remuneration.

**5. ORDINARY RESOLUTION NUMBER 5:**

To determine the number of directors for the next year in accordance with clause 4.9.1 of the MOI. The Board proposed that the number of appointed directors for the next year to up to 16 Non-Executive Directors and 1 Executive Director.

**6. ORDINARY RESOLUTION NUMBER 6:**

To ratify the appointment of a director of the Company in accordance with clause 4.9 of the MOI. The Board proposed that the appointment of the following non-executive director be confirmed for a term of 3 (three) years from the date of appointment (19-05-2022). A brief résumé of the appointed director is attached to the notice and marked as Annexure “D”:

**Board elected person appointed as director:**

Non-Executive Director: Mr. Musa Mabesa

**7. ORDINARY RESOLUTION NUMBER 7:**

To receive the report from the Audit Committee, compiled in accordance with the Act for the financial period ending 28 February 2022. Attached to the notice and marked as Annexure “E”.

**8. ORDINARY RESOLUTION NUMBER 8:**

Pursuant to the approval of Ordinary resolution number 7 above, to elect the Audit & Finance Committee members as proposed by the Board of Directors for the financial period ending 28 February 2022 in accordance with section 94 of the Act and the King Report on Corporate Governance for South Africa.

**Members of the 2021/2022 Audit Committee:**

- Ms FJ Butler-Emmett (Committee Chairperson)
- Mr DK Seleke
- Mrs A D’Alton
- Mr MS Abrahams

**9. ORDINARY RESOLUTION NUMBER 9:**

To give effect to the ordinary resolutions set out in this meeting, any one director or

prescribed officer of the Company be and is hereby authorised and empowered to execute any documents as may be necessary or appropriate to give effect to the above resolutions on behalf of the Company.

#### **10. ORDINARY RESOLUTION NUMBER 10:**

To give effect to the ordinary resolutions set out in this meeting, CST Governance (Pty) Ltd (“CST”) (the governance agent) be and is hereby authorised and empowered to lodge any documents on behalf of the company at the Company and Intellectual Properties Commission (“CIPC”).

### **GENERAL INSTRUCTIONS**

Any member entitled to attend and vote at the meeting is entitled to appoint another Member as a proxy to attend, participate in and vote at the meeting in place of the member. The proxy appointment must be in writing and dated and signed by the Member. The proxy appointment shall remain valid for the period expressly set out in the proxy appointment. Notwithstanding the stated period of the proxy appointment, the Member may revoke the proxy appointment by cancelling the appointment in writing and delivering a copy of the revocation instrument to the proxy and the company prior to the meeting.

The proxy appointment is suspended temporarily where the Member, despite the proxy appointment, chooses to act directly and in person in the exercise of any rights as a Member. A proxy may not delegate his/her authority to act on behalf of a Member to another person. Before any person may attend or participate in a members meeting, that person must present reasonable satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a member, or as a proxy for a member, has been reasonably verified. The proxy form as set out and attached to this notice and marked as Annexure “F”, appointing the proxy must either be faxed to (011) 805 2388 or sent by email to [info@batseta.org.za](mailto:info@batseta.org.za) by no later than 13:30 on **22 September 2022**.

#### **BY ORDER OF THE BOARD**

C E O

Date: 12 September 2022

### **IMPORTANT NOTICE:**

#### **Approval of 2022 AFS:**

Auditing services are provided on a pro bono basis to Batseta and completion thereof is scheduled to fit into the auditors’ timetables. Clause 5.7.3 of the MOI provides that Annual Financial Statements shall be circulated to Members no less than 7 (seven) days before the date of the meeting. Should the 2022 AFS be completed timeously, the distribution and approval thereof will be added to the AGM agenda (with the approval of the meeting).



**ANNEXURES:**

- A – Minutes of previous AGM (29-06-2021)
- B – Annual Financial Statements 28 February 2021
- C – Annual Financial Statements 28 February 2022
- D – Biography – M Mabesa
- E – Audit Committee Report AGM 29 September 2022
- F – Proxy Form AGM 29 September 2022



# 2020 AGM MINUTES

## BATSETA COUNCIL OF RETIREMENT FUNDS FOR SOUTH AFRICA NPC

### MINUTES OF THE SIXTEENTH ANNUAL GENERAL MEETING OF MEMBERS HELD BY ELECTRONIC VIDEO CONFERENCING ON TUESDAY 29<sup>TH</sup> JUNE 2021 AT 14:00

- Present:** As per the Attendance Register facilitated on the virtual platform, MeetingPal.
- Apologies:** The following apologies were received:
- Danie Hattingh, Principal Officer – Building Industry Bargaining Council Retirement Fund
  - Tommy Meyer – Joint Municipal Pension Fund Milana Pretorius – Smollen Group Pension Fund Jacob Mabotja – Food Sector Retirement Fund
  - Rick Glober- UASA
  - Moses Dziyana
- Constitution:** The meeting was convened in terms of a notice circulated to the members on 11 June 2021. The meeting secretary confirmed that a quorum of members was present and declared the meeting duly constituted. It was noted that in accordance with clause 1.6.2 of the Memorandum of Incorporation (“MOI”), only full members may vote, and each full member shall have one vote.
- Notice:** With the consent of the members present, the Notice convening the meeting, was taken as read.
- Proxies:** No proxies were received.

### AMENDMENTS TO THE NOTICE:

- In terms of Ordinary Resolution number five the correct date of the audited financial statements is 29 February 2020 and not 29 February 2021.
- Ordinary Resolution number 13 (thirteen) should read Ordinary Resolution number 12 (twelve)

## ORDINARY BUSINESS - CHAIRPERSON'S REPORT

The CEO acted as chairperson for the first part of the meeting and after the introduction of the newly elected chairman, Mr Radesh Maharaj, and vice-chairman Mr Bongi Mkhize, the chairman will take over the meeting.

The CEO welcomed all members present and explained the voting procedure by using the voting tool. Riekie Victor, Lucretia Mosing and Bianca Moyo were appointed as Scrutineers and will validate the outcome of electronic votes received.

The CEO confirmed that all members in attendance were registered on the MeetingPal program and were logged in. A test voting run was done, and all members participated successfully.

The CEO introduced the newly elected chairman and vice-chairman and yielded control to the Chairman.

Mr Maharaj thanked the CEO for the introduction and congratulations. He commented that it was his privilege to exercise his first official duty as Chairman of Batseta. A heartfelt welcome to the board of directors and members of the Company.

The Chairman tabled the circulated notice with annexures and assumed that was read.

In accordance with clause 3.11.1 of the MOI, ordinary resolutions are approved if supported by at least 51% of the voting rights exercised by members present or represented by proxy at this meeting.

The Chairman introduced the following resolutions and called on members to propose and approve each motion.

### 1. ORDINARY RESOLUTION NUMBER ONE – MINUTES OF THE PREVIOUS AGM

Approval of the minutes of the previous Annual General Meeting held on 2 December 2019. The Minutes were reviewed page by page. One error was pointed out: Mkhize was spelt incorrectly as Mkhize.

The resolution was proposed by the Chairman and seconded by Edward Thompson. The Resolution was accepted and approved by 87.88% votes in favour.

### 2. ORDINARY RESOLUTION NUMBER TWO – RESIGNATION OF CHAIRPERSON AND DIRECTORS

Ratification for the resignation of Mr IR Ramputa as director and chairperson on 13 May 2021 and the directors who have retired as directors of the board on 13 May 2021:

- Mr TS Mabunele
- Ms FJ Butler-Emmett

The resolution was proposed by the Chairman and seconded by Bryan Shuping. The Resolution was accepted and approved by 85.71% votes in favour.

**3. ORDINARY RESOLUTION NUMBER THREE – RESIGNATION OF VICE-CHAIRPERSON**

Ratification for the resignation of Ms LS Mateza as vice-chairperson on 31 March 2021. The resolution was proposed by the Chairman and seconded by Koos Fourie.

The resolution was accepted and approved by 85.29% votes in favour.

**4. ORDINARY RESOLUTION NUMBER FOUR – ELECTION AND APPOINTMENT OF CHAIRPERSON, VICE-CHAIRPERSON**

Ratification of the election and appointment of Mr RA Maharaj as Chairperson, Mr BC Mkhize

as Vice-Chairperson of the Board who took office on 8 June 2021.

The resolution was proposed by the Chairman and seconded by Leslie Ndawana and Xolani Dube.

The resolution was accepted and approved by 97.22% votes in favour.

**5. ORDINARY RESOLUTION NUMBER FIVE – ANNUAL FINANCIAL STATEMENTS 29 FEBRUARY 2020**

Approval of the annual financial statements for the financial year ending 29 February 2020 as submitted together with the reports of the directors and auditors thereon and all acts and things undertaken by the directors of the company during the period under review be confirmed.

**Questions were raised by the members:**

- Is the Company running at a loss and what plans are in place to increase membership fees to address the shortfall?
- Any ideas on how to raise funds during the Covid climate?
- The revenue stream dropped by R300 000 in the past financial year and a loss of R500 000 in the previous financial year while operating expenses increased by R1 million.

**Response from CEO and Financial Manager on the above questions:**

- No plans currently to increase membership fees and the board is exploring other avenues to increase the revenue stream.
- There was quick response from the Board during the Covid climate e.g., move conference and webinar online, planning of first virtual event in August, education and training offering at reasonable prices.
- Directors identified problem areas and are putting plans in place to address these issues.



The resolution was proposed by the Chairman and seconded by Busisiwe Sibiya. The resolution was accepted and approved by 88.24% votes in favour.

#### **6. ORDINARY RESOLUTION NUMBER SIX – AUDITORS**

To appoint KPMG as auditors for the forthcoming year and to confirm that audit services will be conducted on a pro-bono basis.

The resolution was proposed by the Chairman and seconded by John Dodo. The resolution was accepted and approved by 80% votes in favour.

#### **7. ORDINARY RESOLUTION NUMBER SEVEN – NUMBER OF DIRECTORS**

Ratification for the number of directors for the next year in accordance with clause 4.9.1. of the MOI. The Board resolved that the number of appointed directors for the next year be increased to 16 Non-Executive Directors and 1 Executive Director.

The resolution was proposed by the Chairman and seconded by AR Hoosen. The resolution was accepted and approved by 88.89% votes in favour.

#### **8. ORDINARY RESOLUTION NUMBER EIGHT – APPOINTMENT OF DIRECTORS**

To ratify the appointment of directors of the company for the next term in accordance with clause 4.9 of the MOI. The prescribed nomination and selection process was followed, and the Board proposed that the following non-retiring directors be confirmed for a further term of three years from the date of the AGM and the following member-elected and board-elected persons be appointed as non-executive directors of the company for a term of three years from the date of the AGM. A brief resumé of non-retiring directors and members and board-elected persons were attached to the notice.

##### **Confirmation of non-retiring directors:**

Non-Executive directors:

- Mr DJ Hanekom
- Mr BC Mkhize
- Mr KR Ramokala
- Mr DK Seleke

Executive director:

- Mrs Anne-Marie D’Alton (CEO)

**Member elected persons to be appointed:**

- Non-Executive directors:
- Mr RA Maharaj
- Ms J Mkorosi
- Mr L Ndawana
- Mr LF Phakgadi
- Ms N Sallie

**Board elected persons to be appointed as directors:**

Non-Executive director:

- Mr MS Abrahams

Ratification and confirmation of non-retiring directors, members and board elected persons to be appointed directors of the company.

The resolution was proposed by the Chairman and seconded by Thandi Mngadi. The resolution was accepted and approved by 87.88% votes in favour.

**9. ORDINARY RESOLUTION NUMBER NINE –AUDIT COMMITTEE REPORT**

Approval of the written report from the Audit Committee in accordance with the Act, which report was attached to the notice.

The resolution was proposed by the Chairman and seconded by B Madonsela. The resolution was accepted and approved by 93.94% votes in favour.

**10. ORDINARY RESOLUTION NUMBER TEN – AUDIT AND FINANCE COMMITTEE**

To elect the Audit and Finance Committee members as proposed by the Board of Directors in accordance with Section 94(2) of the Companies Act and the King Report on Corporate Governance for South Africa. A brief resumé of each proposed member was attached to the notice. The proposed Audit and Finance Committee members are:

- Mr MS Abrahams
- Ms FJ Butler-Emmett
- Mr DK Seleke

Ratification and appointment of Mr MS Abrahams and Mr DK Seleke as non-executive directors of the company and Ms FJ Butler-Emmett as an independent committee member as members of the Audit Committee which will be effective until the next AGM of the Company.

The resolution was proposed by the Chairman and seconded by Bongi Mkhize. The resolution was accepted and approved by 93.75% votes in favour.

**11. ORDINARY RESOLUTION NUMBER ELEVEN – EXECUTE DOCUMENTS**

To give effect to the ordinary resolutions set out in this meeting, any one director or prescribed officer of the Company be and is hereby authorised and empowered to execute any documents as may be necessary or appropriate to give effect to the above resolutions on behalf of the Company.

The resolution was proposed by the Chairman and seconded by Lynn Sanford. The resolution was accepted and approved by 78.38% votes in favour.

**12. ORDINARY RESOLUTION NUMBER TWELVE – GOVERNANCE AGENTS**

That CST Governance Pty Ltd (governance agents) be authorised and empowered to lodge any documents as may be necessary to give effect to the passed ordinary and special resolutions to the Companies and Intellectual Properties Commission on behalf of the company.

The resolution was proposed by the Chairman and seconded by Frans Zama. The resolution was accepted and approved by 90.63% votes in favour.

**13. CLOSURE**

This concludes the business of this AGM and the Chairman thanked all members present for their attendance and dedication in reading through the pack and contribution to the AGM. He further thanked all the directors for giving their time in wanting to assist Batseta and its endeavours as a voice in the industry.

The meeting was declared closed, and the proceedings were concluded at 15:40.

# ANNUAL FINANCIAL STATEMENTS

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Independent auditor's report	39-42
Statement of financial position	43
Statement of profit or loss and retained earnings	44
Statement of cash flows	45
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## Contacts

### Public Officer:

Anne-Marie D'Alton

### Auditor:

KPMG Inc.  
85 Empire Road  
KPMG Crescent  
Parktown, 2193

### Registered office:

Lone Creek, C33  
Corner Mac Mac Road and Howick Close  
Waterfall Park  
Halfway House  
Midrand, 1685

The preparation of these financial statements has been supervised by Lucretia Mosing (Financial and Administration Manager) in terms of s29 (1)(e)(ii) of the Companies Act of South Africa. The Company was incorporated as a non-profit Company as defined in the Companies Act item 1(1) of Schedule 1.

The following financial statements have been audited in compliance with the requirements of s30 of the Companies Act of South Africa.



# DIRECTORS' RESPONSIBILITY STATEMENT

FOR THE YEAR ENDED 28 FEBRUARY 2021

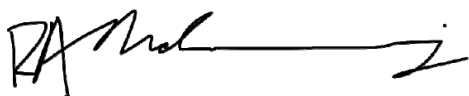
The directors are responsible for the preparation and fair presentation of the financial statements of Batseta Council of Retirement Funds for South Africa NPC, comprising the statement of financial position at 28 February 2021, and the statements of profit or loss and retained earnings and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. In addition, the directors are responsible for preparing the directors' report.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedule included in these financial statements.

The directors have made an assessment of the ability of the company to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead. The independent auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

## Approval of annual financial statements

The financial statements of Batseta Council of Retirement Funds for South Africa NPC, as identified in the first paragraph, were approved by the board of directors on 29 August 2022 and signed by:



Authorised Director

**RA MAHARAJ**



Authorised Director

**KR RAMOKALA**

# INDEPENDENT AUDITOR'S REPORT

## INDEPENDENT AUDITOR'S REPORT



KPMG Inc  
KPMG Crescent  
85 Empire Road, Parktown, 2193  
Private Bag 9, Parkview, 2122 South  
Africa  
Telephone +27 (0)11 647 7111  
Fax +27 (0)11 647 8000  
Docex 472 Johannesburg  
Web <http://www.kpmg.co.za>



## OPINION

We have audited the financial statements of Batseta Council of Retirement Funds for South Africa (the Company) set out on pages 10 to 22, which comprise the statement of financial position as at 28 February 2021, and the statement of profit or loss and retained earnings and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Batseta Council of Retirement Funds for South Africa as at 28 February 2021, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

A handwritten signature in black ink, appearing to be 'RJ'.

## BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of

Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Batseta Council of Retirement Funds for South Africa Annual Financial Statements for the year ended 28 February 2021", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.



## RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 financial statements, including the disclosures, and whether the 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.

KPMG Inc.



Per Rupa Jivan

Chartered Accountant (SA) Registered Auditor Associate Director

01 September 2022

## STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2021

	Notes	2021 R	2020 R
<b>Assets</b>			
<b>Non-current assets</b>		<b>355 988</b>	284 437
Equipment and furniture	2	183 042	284 437
Lease deposit		172 946	-
<b>Current assets</b>		<b>2 599 792</b>	3 409 505
Investments	6	1 508 010	1 437 190
Trade and other receivables	3	885 714	673 736
Cash and cash equivalents	5	206 068	1 298 579
<b>Total assets</b>		<b>2 955 780</b>	3 693 942
<b>Reserves and liabilities</b>			
<b>Reserves</b>			
Retained earnings		184 923	193 115
<b>Current liabilities</b>		<b>2 770 857</b>	3 500 827
Trade and other payables	4	118 172	341 567
Income received in advance	7	2 652 685	3 159 260
<b>Total reserves and liabilities</b>		<b>2 955 780</b>	3 693 942

The notes on pages 13 to 22 are an integral part of the financial statements

## STATEMENT OF PROFIT OR LOSS AND RETAINED EARNINGS FOR THE YEAR ENDED 28 FEBRUARY 2021

	Note	2021 R	2020 R
Revenue	12	5 696 725	7 712 494
Other income	9	76 837	424 201
<b>Total income</b>		<b>5 773 562</b>	8 136 695
Administrative and operating expenses		(5 856 494)	(9 522 572)
<b>Operating loss</b>	8	<b>(82 932)</b>	(1 385 877)
Interest income		74 740	175 602
<b>Loss for the year</b>		<b>(8 192)</b>	(1 210 275)
<b>Retained earnings at start of year</b>		<b>193 115</b>	1 403 390
<b>Retained earnings at end of year</b>		<b>184 923</b>	193 115

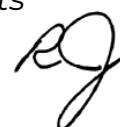
The notes on pages 13 to 22 are an integral part of the financial statements



## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 28 FEBRUARY 2021

	2021 R	2020 R
<b>Cash flows from operating activities</b>		
Loss for the year	(8 192)	(1 210 275)
Adjustments for:		
Depreciation	112 012	112 102
Loss on disposal of assets	-	3 183
Interest income	(74 740)	(175 602)
Operating profit/(loss) before changes in working capital	29 080	(1 260 592)
Lease deposit	(172 946)	-
(Increase)/decrease in trade and other receivables	(211 978)	76 752
(Decrease)/increase in trade and other payables	(223 395)	288 033
Decrease)/increase in income received in advance	(506 575)	1 236 030
Net cash (used in)/from operating activities	1 114 894	340 223
<b>Cash flow from investing activities</b>		
Purchase of equipment and furniture	(10 617)	(144 638)
(Investment)/disinvestment in unit trusts	(70 820)	324 660
Interest income	74 740	175 602
Net cash (used in)/generated from investing activities	(6 697)	355 624
<b>Cash flow from financing activities</b>	-	-
Net (decrease)/increase in cash and cash equivalents	(1 092 511)	695 847
Cash and cash equivalents at beginning of year	1 298 578	602 731
Cash and cash equivalents at end of year	206 067	1 298 578

The notes on pages 13 to 22 are an integral part of the financial statements





## DETAILED INCOME STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2021

	2021 R	2020 R
<b>Revenue</b>	<b>5 696 725</b>	7 712 494
Breakfast seminars	30 000	6 280
Membership fees	1 320 859	1 289 953
Sponsorships	3 221 250	2 178 911
Advertising income	262 916	202 500
Conference income	581 037	3 614 757
Asset owners forum	44 170	-
Education and training	231 543	292 544
Training centre income	4 950	127 549
<b>Other income</b>	<b>76 837</b>	424 201
Inseta income	10 215	410 854
SDL grants	3 891	13 347
Tenant installation allowance	62 731	-
<b>Expenditure</b>	<b>5 856 494</b>	9 522 572
Administration costs	4 850	1 800
Advertising and marketing	39 440	176 132
Affiliation fees	134 449	97 025
Accountants remuneration	32 141	21 569
Asset owners' forum	44 170	-
Bank charges	17 779	16 946

## DETAILED INCOME STATEMENT (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

Board meetings	<b>1 417</b>	56 669
Breakfast seminars	<b>79 595</b>	201 544
Consumables	<b>9 981</b>	15 523
Consultants remuneration	<b>9 050</b>	27 112
Covid-19 expense	<b>4 965</b>	-
Depreciation and amortisation	<b>112 012</b>	122 102
Education and training consultant	<b>55 750</b>	722 412
Executive Director's remuneration	<b>1 213 015</b>	1 261 479
Inseta Director's remuneration	<b>10 215</b>	98 854
Entertainment	<b>152</b>	4 169
Gratuity presentation to seminar presenters	-	2 589
Office equipment and supplies	<b>4 824</b>	3 059
Imbasa Yegolide Awards	<b>9 902</b>	-
Insurance	<b>52 800</b>	50 794
Office cleaning	-	2 000
Postage	<b>1 368</b>	-
Post box rental	<b>1 084</b>	-
Printing	<b>24 531</b>	29 975
Education and training	<b>93 065</b>	277 093

**DETAILED INCOME STATEMENT (CONTINUED)<sup>1</sup>**  
**FOR THE YEAR ENDED 28 FEBRUARY 2021**

	2021	2020
Rates and taxes	45 175	49 936
Rent – offices	522 586	535 091
Repairs and maintenance	3 556	3 800
Salaries	2 223 978	2 733 867
Security services	14 176	17 886
Secretarial services	59 134	175 595
Conference costs	459 853	2 138 081
Stationery and computer supplies	9 454	32 653
Travel	3 899	144 102
Training costs	182	10 700
Telephone	153 285	134 171
Water and electricity	120 378	157 032
Website	8 914	13 076
Workmen's compensation	9 554	9 439
Internship payments	-	78 000
Health and safety	930	850
Losses on unit trust account	3 793	263
Training centre expense	-	9 995
IT expense	192 706	86 006
Loss on sale of assets	-	3 183
Loss on early termination of internship	2 600	-
Office renovations	64 515	-
Loss on refund on credit card	1 271	-
Interest income	74 740	175 602
<b>Net loss for the year</b>	<b>(8 192)</b>	<b>(1 210 275)</b>

<sup>1</sup> The supplementary information presented does not form part of the annual financial statements and is unaudited.

