



Batseta

Council of  
Retirement  
Funds for  
South Africa

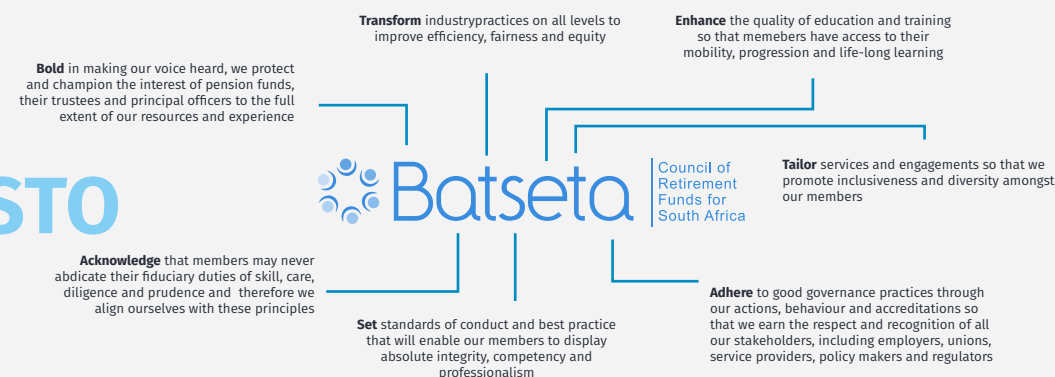


INTEGRATED  
ANNUAL  
**REPORT**  
**2018/2019**

# STRATEGIC INTENT STATEMENT

*To create an open and fair environment in which our members can practice with confidence and thrive within it.*

# OUR MANIFESTO



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# ABOUT BATSETA

## Our Objectives

*Our two main objectives are to:*

**Set standards of conduct and best practice**

- We enable our members to display absolute integrity, competency and professionalism.

**Enhance the quality of education and training**

- So that members have access to career mobility, progression and life-long learning



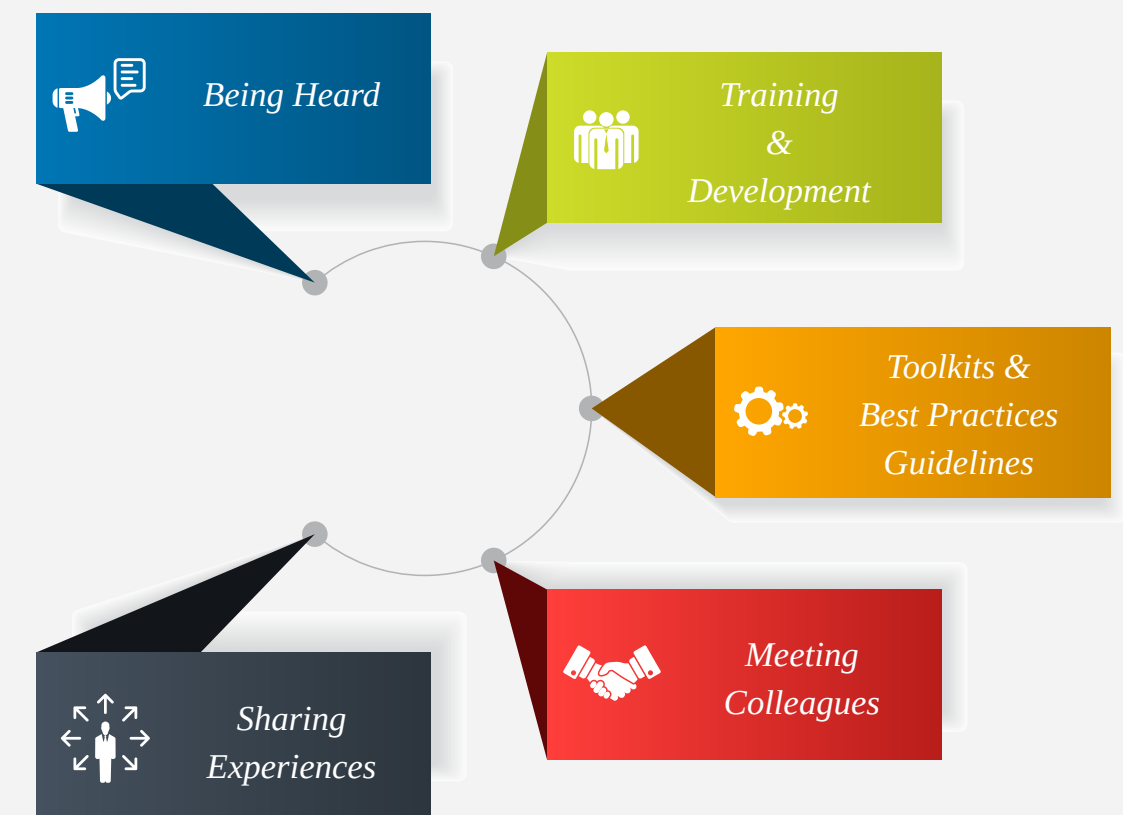
## Who we are

*Batseta is an industry body established in collaboration with the trade union federations (COSATU, FEDUSA and NACTU) as well as The Principal Officers Associations of South Africa (POA).*

Batseta is a not for profit company in terms of the Companies Act. It is also registered as a professional body in line with the criteria set out by the South African Qualifications Authority (SAQA). Batseta is the examining body for the occupational qualifications developed for principal executive officers and trustees. Batseta is governed by a board of directors who are supported by a full-time secretariat.

Our Memorandum of Incorporation (MOI) excludes service providers from being part of the governance structure of the board. Member eligibility is open to all types of retirement funds and their trustees, principal executive officers, deputy principal executive officers and employees of retirement funds.

## Our Service Offering





# OUR MAIN STAKEHOLDERS

- Principal Officers
- Organised Labour
- Trustees
- Organised Business
- Industry service providers
- Other Industry bodies
- & Associations
- Government and
- Government institutions
- Regulators
- Members of Retirement Funds



# ABOUT THIS REPORT

*"Trustee Training continues to be our main key focus"*



We are pleased to present to you the Integrated Annual Report for Batseta Council of Retirement Funds for South Africa. The scope of this report provides a comprehensive overview of the activities of Batseta as well as financial and non-financial performance that are considered to be material for Batseta members and stakeholders for the period of 2018 to 2019. The Report also gives a detailed overview of the 2019 strategy to reset and grow the organisation in a more focused manner to improve the performance and growth for Batseta.

Our aim in compiling this report is to provide information on matters that have a bearing on Batseta's ability to create value and that are of interest to current and prospective members and stakeholders who wish to soundly fulfil their daily duties.

To ensure that we are fulfilling our promise we embarked on a beautiful journey and gave the industry professional members an opportunity to voice out their expectations on us. We held seminars in four regions, Gauteng, Western Cape, Eastern Cape and KwaZulu Natal and had open discussions with industry members in unpacking pressing issues related to the industry.





# CHAIRPERSON'S STATEMENT

## Dear Valued Members

It is indeed a pleasure to present the Chairperson's Report for the Reporting Year ended February 2019 – a year that has been characterised by positive results in the face of retirement funds. The role that is bestowed upon the Chairperson is one which ensures that the organization is passionately committed to its mission, possesses substantial leadership skills and sees opportunity in times of heightened change.

Together with the industry we tackled several issues including ESG, Impact Investing and other pressing issues. For that I am pleased to report that Batseta has had yet another successful of operation and that as ever, you can rest assured that we are committed to improve the professional competency of our Industry's Principal Officers and Trustees. This Annual Report further encapsulates the performance of the reporting year in line with the objectives and targets set at the commencement of the reporting year. We are confident to deliver best service possible to the Industry Professionals.

## Environmental, social and governance (ESG) investing

Retirement funds are warming up to the idea of environmental, social and governance (ESG) investing. As the Council of Retirement Funds, we have been actively involved in engaging with asset managers on matters relating to ESG practices. Our educational programmes have been strongly embedding the appropriate measures to incorporate the consideration of ESG by investors when investing. A wise poet and writer-Wendell Berry once said "We do not inherit the earth from our ancestors, we borrow it from our children". A profound piece of wisdom enlightening about importance of investing responsibly for longer terms. The aim is to drive all asset managers to take lead in responsible investing and ensuring that members' contributions are well taken care of.

The world is changing, global sustainability challenges such as floods, sea level rise, privacy and data security, demographic shifts and regulatory pressures, are introducing new risk factors for investors that may not been seen previously. Leading institutional investors are incorporating ESG factors into their investment process.

As Batseta we took the lead role to educate the industry professionals on how ESG impact company performance, shareholder value and investment decision making. We collaborated with several training academies including UN PRI in delivering educational sessions around this topical matter.



*"We are confident to deliver best service possible to the Industry Professionals"*

“

*The ultimate test of man's conscience may be his willingness to sacrifice something today for future generations whose words of thanks will not be heard-*

**Gaylord Nelson**

”

## Transformation

I am proud of Batseta's status as a majority black dominated organization and of the role transformation plays in our business. The main purpose of transformation is not to drive value creation, but to support the legislation that advances our Constitution. Transformation does however add value as diversity ignites innovation. We believe in the importance of good corporate citizenship and promote this through our transformation strategy. Our seminars managed to unpack Transformation factors and its effectiveness.

Currently retirement funds are not obliged to complete and publish annual transformation scorecards despite being recognized as critical role players in the country's economy and the transformation of the financial sector. Batseta as the professional body that represents retirement funds principal officers and trustees of the big funds is in a very good position to influence outcomes. One of our priorities is to help retirement funds set transformation goals. To say the least the industry definitely needs to achieve accelerated transformation to ensure a sustainable inclusive and growing economy in our country.

## Acknowledgements

Thank you to all who make Batseta what it is: our management team, employees, members, non-members, service providers, and shareholders, without whom we could not do business.

A special thanks to our corporate sponsors for partnering with us. With your help our members were able to access dynamic and thought-provoking speakers, topics and educational programmes. We value your investment.

I would like recognise the departure of our Vice Chairman, Sbu Luthuli who embarked on a new journey as a service provider within the retirement fund industry. Mr Luthuli also served on the Finance and Audit Committee and steered the organisation through difficult financial times. He played a critical role in the establishment of Batseta in 2014 and now he is regarded as a valued founding member. I want to thank him personally for his dedication and leadership.

I am delighted to announce that Mr Bonginkosi Mkhize, Mr Kobus Hanekom and Mrs Linda Mateza, Chief Executive and Principal Officer, Eskom Pension and Provident Fund has joined us as the new Directors. We look forward to working with them and benefiting from their expertise in years to come.

Finally, I thank the Board of Directors for their guidance and invaluable contributions in the leadership of the organisation and the stewardship they provide to our executive team. I look forward to supporting this organization as it grows from strength to strength.

A special thank you to our CEO, Mrs Anne-Marie D'Alton for her tireless endeavors to serve the industry professionals at large. You and your team are doing exemplary work.

## MESSAGE FROM THE CEO

*“Change will not come if we wait for some other person, or if we wait for some other time. We are the ones we’ve been waiting for. We are the change that we seek.” - Barack Obama*



Professional Development (CPD) as part of the law requirement that principal officers and trustees must maintain their skills.

Other achievements that highlight Batseta’s leadership and commitment to ensure that retirement funds, trustees and principal officers are equipped with appropriate and relevant training for their role are as follows:

- The South African Qualification’s Authority renewed Batseta’s professional body licence for the next five years.
- The INSETA offered bursaries to principal officers to enrol for the Recognition of Prior Learning Programme (RPL)
- ASISA contributed R1.3 million to subsidise the assessments of principal officers and trustees who enrol for the relevant occupational qualifications. Members will stand to benefit from this contribution for the next 24 months.
- The President of the Republic of South Africa, Mr Cyril Ramaphosa invited pension fund to attend the inaugural Presidential Investment Summit which sees the establishment of Batseta Asset Owners Forum.

### Dear Members and Stakeholders

The 2018/2019 year was a year of amplified change. The most far-reaching change was the promulgation of the Financial Sector Regulation Act, which enabled the transition of the Financial Services Board (FSB) to Financial Services Conduct Authority (FSCA). The FSCA aims to be more proactive but also more intrusive in its supervisory activities.

During this reporting period the FSCA issued numerous Conduct Standards, Guidelines and requests for comments on various regulatory matters at an untiring pace. Stepping into a new path is never easy. Therefore, Batseta actively engaged these issues in a systematic way during our conference, seminar programmes and e-mail campaigns. Hosting a number of face to face sessions allowed us to gain an understanding of challenges faced by funds in order to offer amicable solutions.

I am particularly proud of the achievements of the 30 candidates who successfully completed their National Certificate: Professional Principal Executive Officers. 27 Principal Officers were awarded a professional designation, Chartered Principal Executive Officer (CPEO). By obtaining this designation principal officers’ signify their commitment to live up to the stringent fit and proper requirements associated with other professions such as doctors, lawyers and engineers. Our learning program comprised of a total number of 121 hours of Continuous

Batseta will continue to pursue its skills development initiatives during 2019. Key focus will be given to initiatives during 2019. Key focus will be to professionalise the role of trustees. Stakeholder engagements will be prioritised to ensure that retirement funds are well represented in various legislative and industry forums.

We find ourselves in the midst of difficult economic times. Therefore, we are thankful to our corporate sponsors for their continuous support. Your investment contributes towards the sustainability of Batseta and skills development of our membership.

I would like to express my personal gratitude to our members for entrusting Batseta with your membership. Your dues are helping us to grow the organisation as we continue to raise your profile and role as trustees and principal officers. Your development and success are close to our hearts.

I would like to thank our chairman, Mr Isaac Ramputa and the Batseta board for their leadership and unwavering support to achieve our mandate.

Thank you to the Batseta staff. Achieving an unqualified audit year on year is commendable. Thank you for contributing your talents and skills to the team. You are the change we seek.

**Anne-Marie D’Alton**  
Chief Executive Officer

## OUR BOARD OF DIRECTORS



**Mr Isaac Ramputa**  
*Chairperson*



**Mr Sibusiso Luthuli**  
*Resigned December 2018*



**Mrs Anne-Marie D’Alton**  
*Chief Executive Officer*



**Dr Koos Bezuidenhout**



**Ms Fiona Butler-Emmett**



**Mr Thupudi Mabunele**



**Ms Nopasika Lila**  
*Resigned July 2019*



**Ms Philda Mphephu**



**Mr Kgomotso Ramokala**



**Mr David Seleke**



**Ms Duduza Khosana**  
*Company Secretary*



**Mr Kobus Hanekom**  
*Joined March 2019*



**Mr Bonginkosi Mkhize**  
*Joined March 2019*



**Mrs Linda Mateza**  
*Joined November 2019*



## NEW DIRECTORS



### MR K HANEKOM

#### *Current Position:*

*Independent Principal Officer*

#### *Professional Status:*

*Principal officer of the Sanlam Umbrella Fund and Associate Principal Executive Officer (CPEO), Batseta*

Kobus Hanekom qualified as a Chartered Principal Executive Officer in 2017. In 1983 he was admitted as an attorney, notary and conveyancer after completing the B.Iur. and LL.B. degrees.

Kobus is a Certified Financial Planner and served on the board of the Financial Planning Institute. He is a founding member of the Pension Lawyers Association of South Africa and served as president for the first two years. He also served on the Steering Committee of the International Pension and Employee Benefit Lawyers Association (IPEBLA).

He was Secretary of the Pensions Legal and Technical Committees of both the Life Offices Association and the Institute of Retirement Funds for many years. He is a regular speaker at conferences and workshops. He authored The Manual on South African Retirement Funds, currently in its 24th edition, which is required or recommended reading for many industry courses and lectured the pension subjects in the Post Graduate Diploma in Financial Management offered by the University of Stellenbosch. Kobus was the head of strategy, governance and compliance at Simeka Consultants & Actuaries and served as a core member of the Sanlam Benchmark Survey team for many years.



### MRS L MATEZA

#### *Current Position:*

*Chief Executive and Principal Officer, Eskom Pension and Provident Fund*

#### *Professional Status:*

*Associate Principal Executive Officer (APEO), Batseta*

Prior to joining the Eskom Pension and Provident Fund as its Chief Executive and Principal Officer in September 2019, Mrs Mateza served as the Head of Investments and Actuarial Services at the Government Employees Pension Fund, from 2015 to 2019. The GEPIF is the largest pension fund in Africa, with assets worth R1,8 trillion and more than 1 million members and beneficiaries.

Mrs Mateza holds a Master's degree in Finance and Investments from the University of Witwatersrand and is a Fellow of the Africa Leadership Initiative (South Africa) and a member of the Aspen Global Leadership Network.



### MR B MKHIZE

#### *Current Position:*

*Chief Executive Officer and Principal Officer, Natal Joint Municipal Pension Funds*

#### *Professional Status:*

*Associate Principal Executive Officer (APEO), Batseta*

Bonginkosi Mkhize started his career with First National Bank as a Customer Services Consultant in September 2001.

He served and completed his South African Institute of Chartered Accountants (SAICA) articles with the Office of the Auditor General, where he gained significant experience in compliance, statutory, auditing and accounting in the Public Sector. His auditing experience includes internal and external auditing of both provincial and national departments, municipalities and public entities. He has extensive pension fund industry experience, having been working for KwaZulu-Natal Joint Municipal Pension/Provident Fund for over 11 years. He has served in both middle and senior management levels in the Fund.

He obtained his National Diploma in Accounting at Durban University of Technology and Postgraduate Diploma in Finance Banking and Investments Management at the University of KwaZulu Natal. He is currently the Chief Executive Officer and Principal Officer of the KwaZulu-Natal Joint Municipal Pension/Provident Fund. He contributed immensely to the Fund achieving a clean and unqualified audit with the Auditor General while serving as both Finance Manager and later Chief Financial Officer. He was tasked with ensuring good governance within the Fund.

## BOARD RESIGNATIONS



### MR SIBUSISO LUTHULI

Batseta Board received the resignation of Mr PCS Luthuli in December 2018. Mr Luthuli took on a new adventure to start his own company. Although he no longer serves as a Batseta Director, he is still within the industry and serving as a Service Provider. Mr Luthuli is a founding member of Batseta and his ability to carry out various responsibilities efficiently has always been of great help in the development of the Batseta.

He was a great performer and an asset to our organisation at all times. Batseta appreciates his dedication and devotion towards work and his discipline.



### MS NOPASIKA LILA

We received a resignation from Ms Lila July in this year. The Board would like to extend its gratitude for her expertise and insights she provided during her tenure.

Her dedication and selfless hard work will be missed. The Board and Batseta staff wish her well in her future endeavours



# THANK YOU TO OUR 2018 CORPORATE SPONSORS

Our seminars form part of our CPD programme. Our sponsors provided valuable content and insights. Below are some of the topical industry matters that were presented at our seminars with the purpose to drive continuous learning.



- Africa's Rising: Why aren't we looking at it, presented by Godfrey Mwanza, Head of Africa franchise and Roy Mutooni, Analyst Absa Asset Management



- Benefits Barometer argues that retirement savings is a broken model in South Africa. What could we do to improve the results without increasing the costs to members? presented by John Anderson, Head of Group Client Solutions and Anne Cabot Alletzhauer, Head Research Institute, Alexander Forbes



- Impact Investments, presented by Adv. Suraj Lallchand, Co-founder/Director



- What makes a great business and investment? presented by Danielle Lavan, Product Specialist



- A Naspers masterclass: A fundamental view on the upside in the share, presented by Andrew Kingston, Head of Equity Research and Portfolio Manager



- The Globalization of South African pension fund investments, presented by Zain Wilson, Portfolio Manager and Peter Brooke, Head of MacroSolutions and Urvesh Desai, Portfolio Manager



- South Africans are saving, but not for the long term: Insights from the Old Mutual Savings & Investment Monitor, presented by Nobuhle Mfeka, Senior Consultant, Thiru Govender, Principal Consultant, Old Mutual Corporate Consultants and Chinell Bermosky, Investment Consultant



- International perspective: Investments, governance and a changing world, presented by Simon Fox, Senior Portfolio Manager in the Client-Driven Solutions team. (Only presented at the 2018 conference)



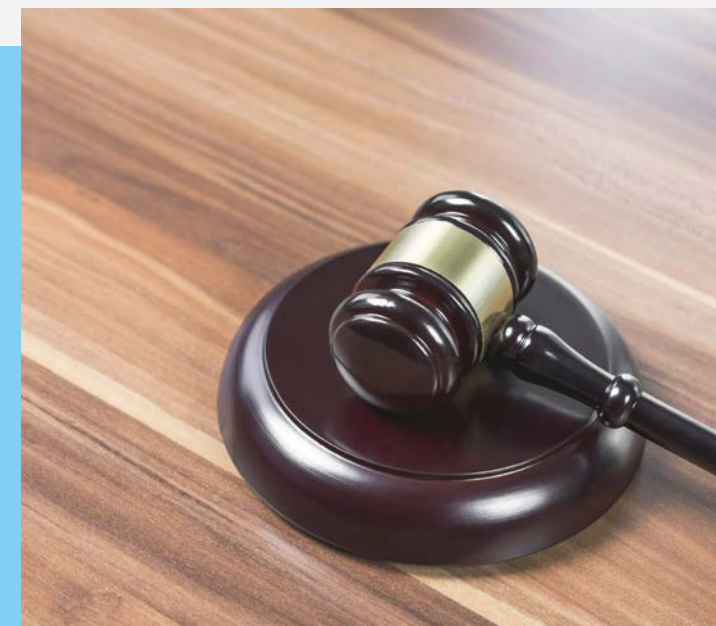
- What About Boutiques? presented by Mandilakhe Ngqoza, Associate Consultants and Chad Ward Investment Research Analyst



- Default Investments: Where does smooth bonus guarantee funds fit in to protect your most vulnerable employees, presented by Pavit Ramnarain, Product specialist team leader

Should you wish to receive a copy of any of these presentations, please email us on [info@batseta.org.za](mailto:info@batseta.org.za)

# COMMITTEE REPORTS



## GOVERNANCE, LEGAL AND TECHNICAL COMMITTEE

The G, L & T Committee comprise of volunteers recruited from the membership as well as industry specialist to ensure that the necessary skills are available to meaningfully respond to industry eventualities. During the reporting period the Committee oversaw the following activities:

### Submissions to the FSCA

- Communication Of Benefit Projections To Members Of Retirement Funds
- Annual Financial Statements Prescribed In Terms Of Section 15(1)
- Prohibition Of Inducement And Acceptance Of Gratification, Section 7c – Object Of Board

### Appointment of Directors

The committee discussed the appointment of directors to ensure that the Board has an appropriate mix of competencies and skills to facilitate effective decision-making, as well as the capacity to discharge its duties and responsibilities effectively. Ms Nopasika Lila, CEO and PEO of the Eskom Pension and Provident Fund (EPPF) was appointed as Director in 2018 to fill a vacancy.

### Compliance Matters

The Committee oversaw the implementation of a Batseta legislative compliance plan to ensure that the organisation meet all the submission dates of various legislative returns and reporting requirements. A board assessment tool was recommended to ensure oversight over board performance.



**Ms Philda Mphephu**  
Committee Chairperson

### Committee members

- Philda Mphephu (Chairperson)
- FC Greeff
- Rachel Phiri
- Thupudi Mabunele
- Anesh Soonder
- Aaron Thulo
- Rozanne Unterslak
- Miranda Mkhubuzi-Rasehala (Alternate)



## EDUCATION AND TRAINING COMMITTEE

*Batseta is accredited as an 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).*

### The qualifications for which Batseta is accredited 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 especially to serve principal officers and trustees within the retirement fund industry. Education and training forms 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 registered 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. The highest designation offered by Batseta is that of Chartered Professional Principal Executive Officer (CPEO). 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).

To date 49 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.

Designated professional members of Batseta are required to maintain their status through attending Continuous Professional Development (CPD) programmes. These programmes are intended to keep the professional updated with new developments within the industry as well as new trends in things like investments, ESG etc. Batseta offers CPD programmes through Training courses, Seminars and the Annual Winter Conference. Programmes from external service providers are also considered for CPD, provided that they comply with the predetermined criteria set by Batseta. CPD programmes from external service providers are validated and awarded with a validation number and logo which the service provider will use to issue certificates to



attendees of their events. Members of Batseta could verify the validity of the CPD events by using these validation numbers.

Batseta was audited by SAQA, in November 2018 in view of the renewal of its licence as a professional body. Batseta’s performance as a professional body was sanctioned by SAQA and the licence of Batseta was renewed. The renewed licence will be valid for a period of 5 (five) years.

Batseta also offers a range of accredited training courses to the industry. As an AQP, Batseta is not allowed to offer accredited training. Batseta offers training in partnership with service providers which 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 2018/2019 financial year 383 principal officers and trustees were trained through partnerships with accredited providers.

As an accredited AQP, Batseta is responsible to complete External Integrated Summative Assessments (EISA). During the 2018/19 financial year, Batseta conducted two EISA’s where 31 candidates completed the Professional Principal Executive Officer exam. The candidates followed a Recognition of Prior Learning (RPL) programme which accelerated the completion of the qualification and 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 2019.

### 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:

No	Surname	Name	Fund
1	Bhoola	Ismail	The Southern Africa Quantum Umbrella Beneficiary Fund
2	Bodenstein	Jacobus	Private Security Sector Provident Fund
3	Buthelezi	Dudu	Prasa Provident Fund
4	Chanka	Sooshiela	ACA Employee benefits
5	Ditseho	Moabi	Standard Beneficiary Trust
6	Dull	Henry	Independent
7	Fabre	Penelope	University Of Cape Town
8	Fernhout	Genive Ann	Lifesense Financial Services
9	Field	Derek	Kzn Municipal Pension Fund/ Bargaining Council For The Contract Cleaning Industry (Natal) Provident Fund
10	Fielies	Portia	Acsa ( Anglican Church Of Sa) Provincial Pension Fund Administrator
11	Greeff	Frederick	Agricultural Research Council Pension Fund
12	Haiml	Tracy	Massmart Provident Fund
13	Hanekom	Kobus	Sanlam Umbrella Pension Fund
14	Hildyard	Martha	Methodist Supernumerary Fund
15	Jackson	Alison Jane	Deloitte
16	Koekemoer	Andre	Tiger Brands Defined Contribution Pension Fund
17	Krummeck	Brenda	Verso Unclaimed Benefits Pension Preservation Fund
18	Layman	Ruth	Seventh Day Adventist Church Dc Pension Fund
19	Le Grange	Erina	Sanlam Staff Umbrella Provident Fund
20	Letswalo	Joe	Road Freight And Logistics Industry Provident Fund
21	Luthuli	Sibusiso	Eskom Pension And Provident Fund
22	Mokorosi	Jolly	Mokorosi Financial Consulting
23	Mphanje	Mavis	University Of Johannesburg
24	Naicker	Duane	Arwa Retirement Fund
25	Ndawana	Leslie	National Fund For Municipal Workers
26	Nkosi	Mandla Michael	Ingcambu Fiduciary Solution
27	Ntombela	Floyd David	NBC Holdings
29	Peter	Zukiswa	Fairheads Umbrella Beneficiary Fund

31	Ramlugaan	Vik	Aveng Pension and Provident Fund
32	Randles	Elizabeth	Canon Provident Fund
33	Rollason	John David	Independent Principal Officer
34	Samons	Sean	National Fund for Municipal Workers Pension Fund
35	Sanford	Linda Rose	Mondi Mpact Group Fund
36	Savahl	Layla	Cape Municipal Pension Fund
37	Shuping	Bryan Kgosana	Moriting Retirement Fund
38	Spence	Roger Mark	Liberty Cooperate Selection Suite of Umbrella Funds
39	Tennant	Steve	Independent
40	Thulo	Aaron Motlalentoa	Hospitality and General Provident Fund
41	Unterslak	Rozanne	Lifestyle Retirement Preserver Provident Plan
42	Van Coller	Hester Natasha	Self-Employed ( Retirement )
43	Van Rene Linford	Yvette	University of Johannesburg Provident Fund
44	Vanara	John	Political Office-Bearers Pension Fund
45	Wessels	Wendy Shannon	Alexander Forbes Life
46	Whittaker	Philip Andrew	Alexander Forbes Life
47	Willemse	Cecelia	Unicover Provident Fund
48	Wingrove-Gibson	Lindy	Independent Principal Officer
49	Zibi	Mziwandile	Private Security Sector Provident Fund

Batseta has also been accredited as an Assessment Centre for the insurance sector as well as for the tax practitioners sector. In this regard, a number of EISA's were conducted in the Batseta training centre, Umthombo Wolwazi Learning Centre. The training centre also hosted a number of seminars and training courses in the retirement fund industry. The training centre can accommodate 40 delegates and is available for members of Batseta to use for their training at a nominal fee.

### Umthombo Wolwazi Learning Centre



### FINANCE AND AUDIT COMMITTEE

*The Finance & Audit Committee implemented and maintained good accounting practices during the period under review that were supported by internal control systems. It also took care of the preparation and auditing of the annual financial statements. The annual financial statements were approved without qualification.*

Its key focus was the ongoing financial sustainability of Batseta. Batseta's income for the period came from membership fees, events hosted and corporate sponsorships.

The Finance & Audit Committee is also responsible for identifying risks and for ensuring that those risks are monitored. It also has to put appropriate measures in place and make sure the measures are implemented to that risks are effectively managed.

#### Committee Members:

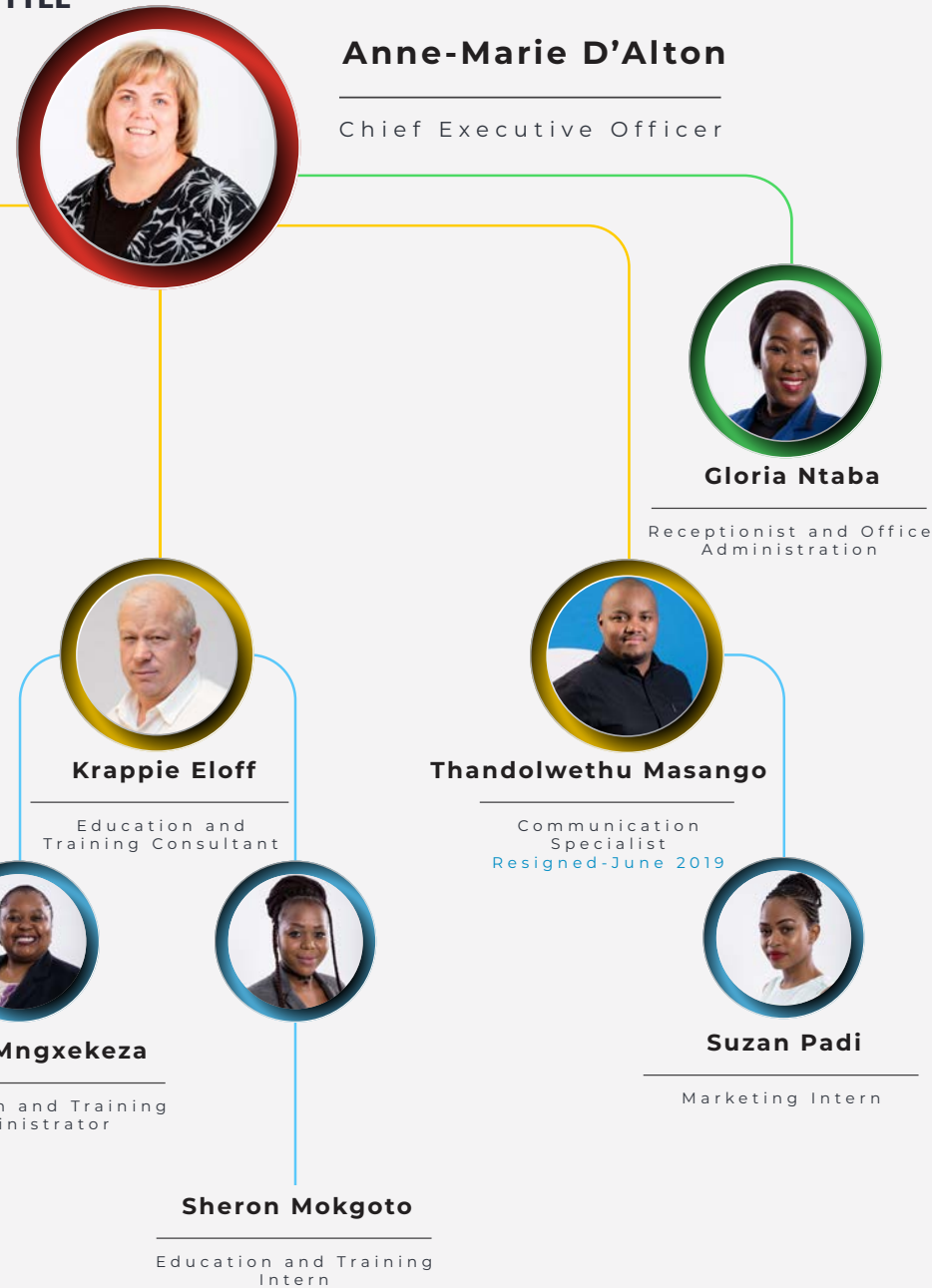
- Fiona Butler-Emmett (Committee Chairperson)
- Sibusiso Luthuli (Committee Chair) (resigned on 31 December 2018)
- Dr Koos Bezuidenhout
- David Seleke
- Jacques Hugo
- Hermann Kostens
- Siphos Sidu





# CORPORATE STRUCTURE

## HR & REMUNERATION COMMITTEE



The Batseta staff compliment is increasing. We are particularly proud of our internship programme which aims to prepare young graduates for the world of work.

The current Secretariat's staff compliment comprises Seven (7) permanent employees, one (1) consultant and Five (5) interns. Two (2) persons resigned to explore other career opportunities.

We welcomed Bianca Moyo as the new Communication Specialist and three interns in the first quarter of 2019.

Batseta values the contribution of staff in furthering our objectives. In order to ensure that staff develop and maintain their skills the following trainings were undertaken:

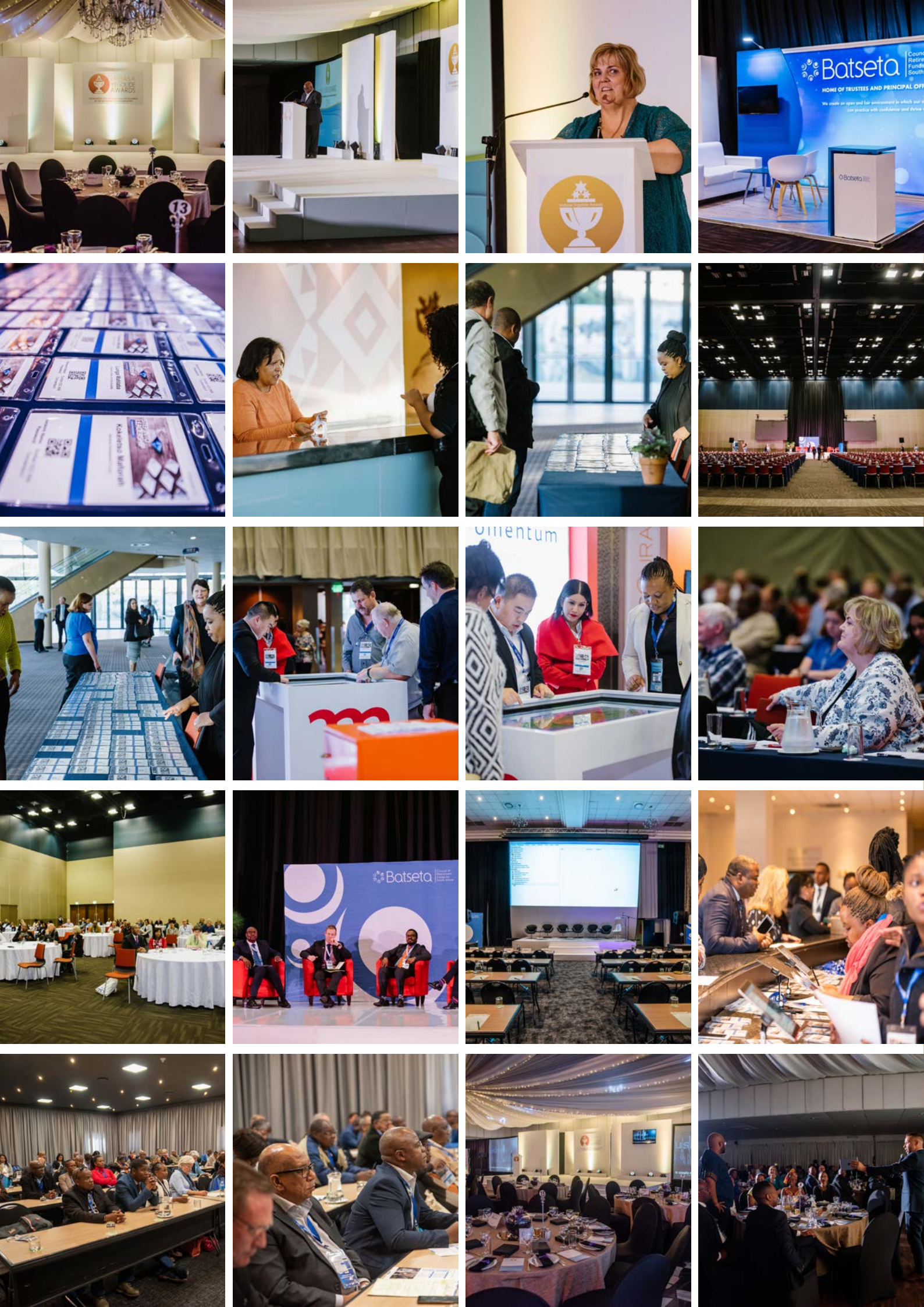
- Business Image and Corporate Etiquette
- Supervisory Skills for Team Leaders
- INSETA Executive Development Programme for Senior Management
- INSETA Executive Development Programme for Middle Management

We would like to congratulate Ms Lucretia Mosing, our Finance and Administration Manager and Mr Kgomo Ramokala one of our Directors who completed the INSETA Executive Development Programme for Senior Managers. Ms Mosing was recognised as the third best performer in her class.

Her study group also received an award for the best group









## MARKETING AND COMMUNICATIONS COMMITTEE

*In the period under review the Marketing and Communications Committee partook on a number of deliverables including the circulation of internal and external communication. Communication remains a cornerstone of Batseta activities as this provides the face and voice of the industry body to the public and to stakeholders. Amongst other deliverables executed during this period was to plan and execute the Winter Conference and educational seminars. The committee ensured a successful execution of seminars in all four regions, Gauteng, Western Cape, Eastern Cape and KwaZulu Natal.*

The Committee was also responsible for ensuring that external communication is presented remotely. Therefore, the central element of the Committee role was to identify platforms in which Batseta members can have access to useful information expected from an industry body. For that there was an imperative need to re-build a website with user friendly and modern features. The new website was successful launched in February 2017. Amongst cutting edge features, the website is constantly updated with paramount information crafted to assist the industry principal officers and trustees when carrying out their fiduciary duties.

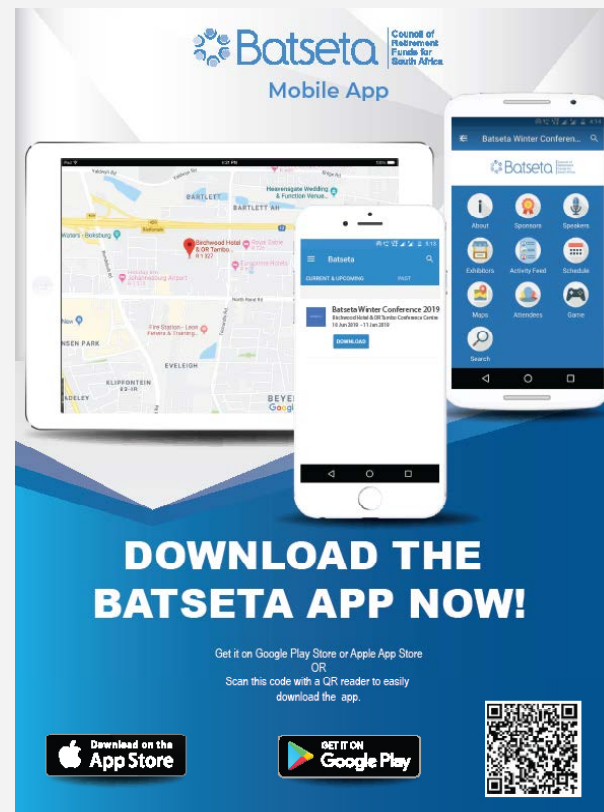
### Sponsorship Management

It is our ultimate goal to maintain good relations with our Sponsors all the time. We are grateful to all our 2018/2019 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 seminars and workshops and ensured that our members highly benefit from these.

### Batseta Mobile App

As technology is advancing at lightning speed, with majority of people owning a smart phone, Batseta saw the need to introduce a mobile app as an additional communication tool. This app has made it easier for Industry professionals to access Batseta information at their fingertip and stay updated with events line up. The new Batseta Mobile App was launched with great features for retirement fund professionals with the main objective to ensure that relevant information is easily accessible by anyone at any given time.

The app allows users to view all Batseta annual events, programs and register for any desired event by simple logging into the app and navigating through the features. The app is free and can be downloaded from App Store and Google Play. The app has been well accepted by the majority of the industry professionals who commend it mostly for its user-friendly and convenient features when browsing through the information.



### Media Presence

A large number of our members still derive their daily content consumption from traditional media. Traditional media remain a trusted source for information. As an industry body it is imperative to maintain good publicity and ensure Batseta brand is well presented and noticed by the relevant stakeholders.

We featured in different Industry publications and our key message was to drive industry transformation. We had multiple engagements with the media in sharing the views and insights around industry related topical issues.

# STEP INTO LEADERSHIP

THE FUTURE AWAITS



# BATSETA

## WINTER CONFERENCE 2018

The 2018 Winter Conference theme was a call to action: *“Step into Leadership – the future awaits.”*

The Batseta Conference took place at the Durban ICC, from the 18th to the 19th of June 2018. The conference was attended by 680 delegates of whom most were principal officers and trustees.

Key objective: Preparing Trustees and Principal officers for the unknown future.

In the face of continuous change, such as societal, political, economic change and disruptive technologies, boards of trustees are required to be innovative and flexible in their thinking and decision making. Boards are collectively responsible for the governance and performance of the fund. On the investment front, trustees have to match the fund's goals and objectives to long-term investment strategies.

The conference objectives focused on the issues boards of trustees and principal officers encounters in navigating and leading change. The conference started with a keynote address from the Pension Funds Adjudicator, Ms Muvhango Lukhaimane. She spoke about the impact of the latest changes to the law within the retirement fund industry. She highlighted the fact that transformation is an important part of the South African legal and economic landscape.

The breakaway sessions addressed issues relating to investment governance, investments in Africa, the role of alternative investments in enhancing portfolios, understanding retirement fund costs and unpacking the new ASISA guide on costs. Discussions on how to deploy capital for change, how best to navigate the regulatory space, how to rethink the retirement fund journey and the role of trustees in meeting member's needs took place.

The plenary discussions centered around two main themes i.e. the use of alternative investments such as infrastructure to grow the economy, whilst improving the lives of members who would be the beneficiaries of these types of investments and the role of funds in the transformation of the industry.

An international speaker, Aymeric Saha who is the managing director of NASP in the USA shared information about areas of collaboration with retirement fund counterparts in the USA. These retirement funds are investigating co-investment opportunities and are willing and able to partner with South African retirement funds in this respect.

The trustee stream discussed the role of boards of trustees to transform the retirement fund industry value-chain which is still dominated by conglomerates.

The Deputy Registrar of Retirement Funds, Mr Olano Makhubela discussed the latest developments within the legislative environment.

### Exhibition

The exhibition afforded 23 service providers the opportunity to tell delegates more about their offerings. As was the case before, any gifts or hand-outs were relatively modest in value. No fund was compromised in relation to the Directive 8 requirements. Delegates who attended the 2018 Batseta Winter Conference had an opportunity to tap into the knowledge, experience, research and expertise offered by many speakers, panellists and moderators during the formal conference proceedings. Conference topics addressed the essentials of retirement and pension fund governance and management. Informal networking during the conference and networking dinner enabled delegates to learn from their industry peers and make new contacts.

### Conference Resolutions

The conference concluded with the following resolutions:

1. Batseta will establish a working group to engage authorities on infrastructure development.
2. Batseta will establish a working group to develop a road map on how funds could contribute towards the transformation of the service provider value-chain.

# NOTICE OF THE 2019 AGM AND AGENDA

## BATSETA COUNCIL OF RETIREMENT FUNDS FOR SOUTH AFRICA NPC

REGISTRATION NUMBER 2002 / 018706 / 08 (“the Company”)

### NOTICE OF MEMBERS’ ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an AGM of members of the Batseta will be held at **Umtombo Wolwazi Learning Centre, Lone Creek C31, Corner Mac Mac Road and Howick Close, Waterfall Office Park, Midrand on Monday 2 December 2019 at 12h00** 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, 25th November 2019.

#### 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 24 August 2018, 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 2019 together with the reports of the Directors and Auditors thereon, a copy will be circulated to members before the Annual General Meeting date.

#### 3. ORDINARY RESOLUTION Number 3:

To approve the appointment of the external Auditors of the company for the ensuing year and to remain in office until the conclusion of the next annual general meeting, and to authorise the Audit committee to determine their remuneration.

#### 4. ORDINARY RESOLUTION Number 4:

To confirm 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 be 12 Non-Executive and 1 Executive Director.

#### 5. ORDINARY RESOLUTION Number 5:

To confirm the newly appointed additional Directors in accordance with clause 4.9 of the MOI. A brief résumé is attached and marked Annexure “B”

#### 6. ORDINARY RESOLUTION Number 6:

To receive the report from the Audit Committee, compiled in accordance with the Act. Attached to the notice and marked as Annexure “C”.

#### 7. ORDINARY RESOLUTION Number 7:

Pursuant to the approval of Ordinary resolution number 6 above, to elect the Audit & Finance Committee members as proposed by the Board of Directors in accordance with section 94 of the Act and the King Report on Corporate Governance for South Africa. A brief résumé of each proposed member is attached to the notice and marked as Annexure “D”. The proposed Audit & Finance Committee members are:

- a) Ms FJ Butler-Emmett (chairperson)
- b) Mr DK Seleke
- c) Mrs LS Mateza



**8. ORDINARY RESOLUTION Number 8:**

That in order 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.

**9. ORDINARY RESOLUTION Number 9:**

That in order 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 “E”, 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 close of business on 25 November 2019.

BY ORDER OF THE BOARD



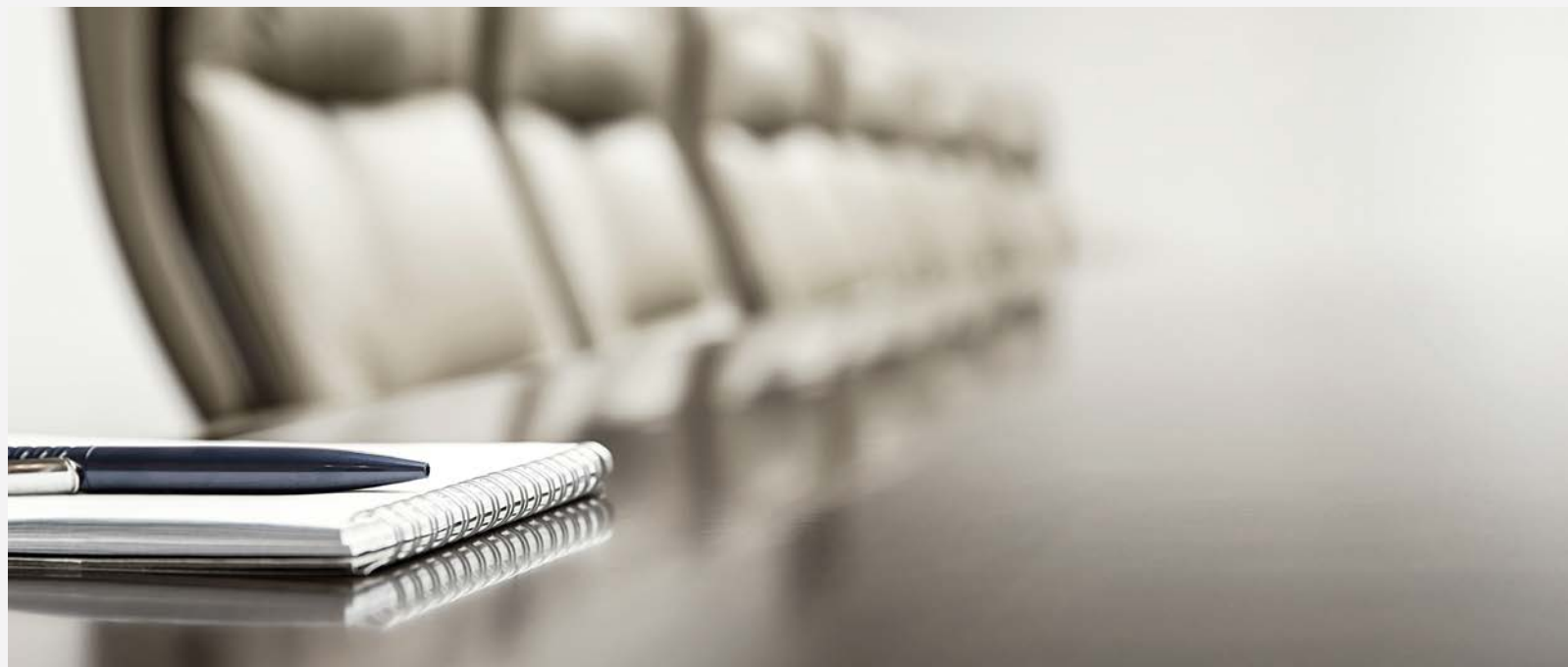
Date: 14 November 2019  
**Mrs Anne-Marie D’Alton**  
 C E O

# 2018 AGM AGM MINUTES

## BATSETA COUNCIL OF RETIREMENT FUNDS FOR SOUTH AFRICA NPC

**Minutes of the Fourteenth Annual General Meeting of Members held in Umthombo Wolwazi Training Centre, Batseta Head Office, Waterfall Office Park, MIDRAND on Friday 24th August 2018 at 14:00**

<b>Present:</b>	As per the Attendance Register signed by members of the Batseta.
<b>Apologies:</b>	No Apologies were received.
<b>Constitution:</b>	With a quorum present, Mr Isaac Ramputa, Chairperson of the Batseta Retirement Funds Council declared the meeting duly constituted and remindedmembers 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.
<b>Notice:</b>	With the consent of the members present, the Notice convening the meeting, was taken as read.
<b>Proxies:</b>	No proxies were received.



**WELCOME**

The Chairperson welcomed all members present and declared the voting procedure to be by the show of hands. Ms Hadiyo Mngxekeza and Ms Lucretia Mosing were appointed as Scrutineers.

**ORDINARY BUSINESS - CHAIRPERSON’S REPORT**

The Chairperson delivered the Chairperson’s Report for the previous year which was included in page 3 of the Annual Report distributed to members during registration.

No further questions were raised by the members in attendance.

### 1. ORDINARY RESOLUTION NUMBER 1 - MINUTES OF THE PREVIOUS AGM

The Minutes included in pages 32 to 36 of the Annual Report, were reviewed page by page. The Chairperson proposed, and was seconded by Mr Dave Renke and the motion was carried by 80% votes of members in attendance in favour, of the Minutes of the previous Annual General Meeting held on 29 May 2017, be approved and adopted as a correct record of the proceedings.

### 2. ORDINARY RESOLUTION NUMBER 2 - ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDING 28 FEBRUARY 2017

The Chairperson proposed, and was seconded by Mr Sbusiso Luthuli and the motion was carried by 86.7% votes cast in favour to approve and adopt the Annual Financial Statements for the period ending 28 February 2017 and all matters and things undertaken and discharged by the Directors on behalf of the Company were confirmed.

### 3. ORDINARY RESOLUTION NUMBER 3 - ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDING 28 FEBRUARY 2018

The Chairperson proposed, and was seconded by Ms Fiona Butler-Emmett and the motion was carried by 87.5% votes cast in favour to approve and adopt the Annual Financial Statements for the period ending 28 February 2018 and all matters and things undertaken and discharged by the Directors on behalf of the Company were confirmed.

### 4. ORDINARY RESOLUTION NUMBER 4 - APPOINTMENT OF AUDITORS

The Chairperson proposed, and was seconded by Mr Theo Ferreira and the motion was carried by 76.5% votes in favour, to re-appoint current External Auditors, KPMG for the forthcoming year.

### 5. ORDINARY RESOLUTION NUMBER 5 – STRUCTURE OF COMPANY DIRECTORS

The Chairperson proposed, and was seconded by Ms Ruth Layman, that in accordance with clause 4.9.1 of the MOI, that the number of Directors for the next year to be 11(eleven) Non-Executive and 1(one) Executive Board member who is the CEO of Batseta. In total, the Board of Directors constitutes 12 Members.

The motion was carried by 88.3% votes in favour.

### 6. ORDINARY RESOLUTION NUMBER 6 – APPOINTMENT OF NON-EXECUTIVE DIRECTOR

The Chairperson proposed, and was seconded by Ms Antoinette Olivier, that Mr KR Ramokala be appointed as Non-Executive Director on the Board of Batseta, for a period of 3 (three) years.

Mr Ramokala’s brief Resume was included in the Annual Report as Annexure “D”.

The motion was carried by 70.6% votes in favour.

### 7. ORDINARY RESOLUTION NUMBER 7 – APPROVAL OF THE AUDIT COMMITTEE REPORT

The Chairperson proposed, and was seconded by Mr Kgomotso Ramokala, for receipt of the Report from the Audit Committee, compiled in accordance with the Act, which was attached to the Notice

of the AGM marked as Annexure “E”. A copy displayed in the Annual Report was taken as read.

The motion was carried by 76.5% votes in favour.

### 8. ORDINARY RESOLUTION NUMBER 8 – APPOINTMENT OF THE AUDIT COMMITTEE

Pursuant to the approval of Ordinary Resolution number 7 above, the Chairperson moved to elect the Audit & Finance Committee members as proposed by the Board of Directors in accordance with section 94 of the Act and the King Report on Corporate Governance for South Africa.

A brief résumé of each proposed member was attached to the Notice of the AGM and marked as Annexure “F” and was taken as read. The proposed Audit & Finance Committee members listed below:

- Mr PCS Luthuli (Chairperson)
- Mr JPL Bezuidenhout
- Ms FJ Butler-Emmett
- Mr DK Seleke

The motion was seconded by Ms Mavis Mphanje, and was carried by 87.5% votes.

### 9. ORDINARY RESOLUTION NUMBER 10 – AUTHORISATION OF SIGNATORIES

The Chairperson proposed and was seconded by Mr Sbusiso Luthuli, that one Director or prescribed Officer of the Company be authorised and empowered to execute any documents as may be necessary or appropriate to give effect to the ordinary resolutions at the AGM on behalf of the Company.

The motion was carried by 70.6% votes in favour.

### 10. ORDINARY RESOLUTION NUMBER 10 – AUTHORISATION OF SIGNATORIES

The Chairperson proposed, and was seconded by Ms Fiona Butler-Emmett, that in order to give effect to the ordinary resolutions set out in this meeting, CST Governance (Pty) Ltd (“CST”) (the Governance Agent) be authorised and empowered to lodge any documents on behalf of the Company at the Company and Intellectual Properties Commission (“CIPC”).

The motion was carried by 86.7% votes in favour.

### 11. CLOSURE

There being no further business to discuss, the proceedings were concluded at 15:30.

  
**MR ISAAC RAMPUTA**  
 CHAIRPERSON OF THE MEETING

# ANNUAL FINANCIAL STATEMENTS

for the year ended 28 February 2019

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# DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for the preparation and fair presentation of the annual financial statements of Batseta Council of Retirement Funds for South Africa, comprising the statement of financial position at 28 February 2019, and the statements of comprehensive income 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 annual financial statements of Batseta Council of Retirement Funds for South Africa, as identified in the first paragraph, were approved by the board of directors on 26 November 2019 and signed by:



**FJ Butler-Emmett**  
Authorised Director



**KR Ramokala**  
Authorised Director

# INDEPENDENT AUDITOR'S REPORT

*To the Members of Batseta Council of Retirement Funds for South Africa*

## OPINION

We have audited the financial statements of Batseta Council of Retirement Funds for South Africa (the company) set out on pages 8 to 19, which comprise the statement of financial position as at 28 February 2019, and the statement of comprehensive income 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 2019, 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.

## 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 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 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 "Batseta Council of Retirement Funds for South Africa Annual Financial Statements for the year ended 28 February 2019", which includes the Directors' report as required by the Companies Act of South Africa and the Directors' responsibility statement and Detailed income statement. 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 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 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 F Mokete

Chartered Accountant (SA)  
Registered Auditor  
Director  
26 November 2019  
85 Empire Road  
Parktown  
2193

# STATEMENT OF FINANCIAL POSITION

for the year ended 28 February 2019

	Notes	2019 R	2018 R
<b>Assets</b>			
<b>Non-current assets</b>			
		2 026 935	2 993 358
Equipment and furniture	2	265 085	284 533
Investments	6	1 761 850	2 708 825
<b>Current assets</b>			
		1 353 219	909 186
Trade and other receivables	3	750 488	450 717
Cash and cash equivalents	5	602 731	458 469
<b>Total assets</b>		<b>3 380 154</b>	<b>3 902 544</b>
<b>Reserves and liabilities</b>			
<b>Reserves</b>			
Retained earnings		1 403 390	1 751 788
<b>Long term liabilities</b>			
Loan from ASISA	12	-	728 128
<b>Current liabilities</b>			
		1 976 764	1 422 628
Trade and other payables	4	53 534	222 987
Income received in advance	7	1 923 230	533 162
Loan from ASISA	12	-	666 479
<b>Total reserves and liabilities</b>		<b>3 380 154</b>	<b>3 902 544</b>



# STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS

for the year ended 28 February 2019

	Note	2019 R	2018 R
Revenue	13	8 069 546	10 769 238
Other income	9	299 081	114 845
<b>Total income</b>		<b>8 368 627</b>	10 884 083
Administrative and operating expenses		(8 868 430)	(9 845 823)
<b>Operating (loss)/profit</b>	8	<b>(499 803)</b>	1 038 260
Interest income		256 798	279 191
Interest expenses		(105 393)	(127 180)
<b>(Loss)/profit for the year</b>		<b>(348 398)</b>	1 190 271
<b>Retained earnings at start of year</b>		<b>1 751 788</b>	561 517
<b>Retained earnings at end of year</b>		<b>1 403 390</b>	1 751 788

# STATEMENT OF CASH FLOWS

for the year ended 28 February 2019

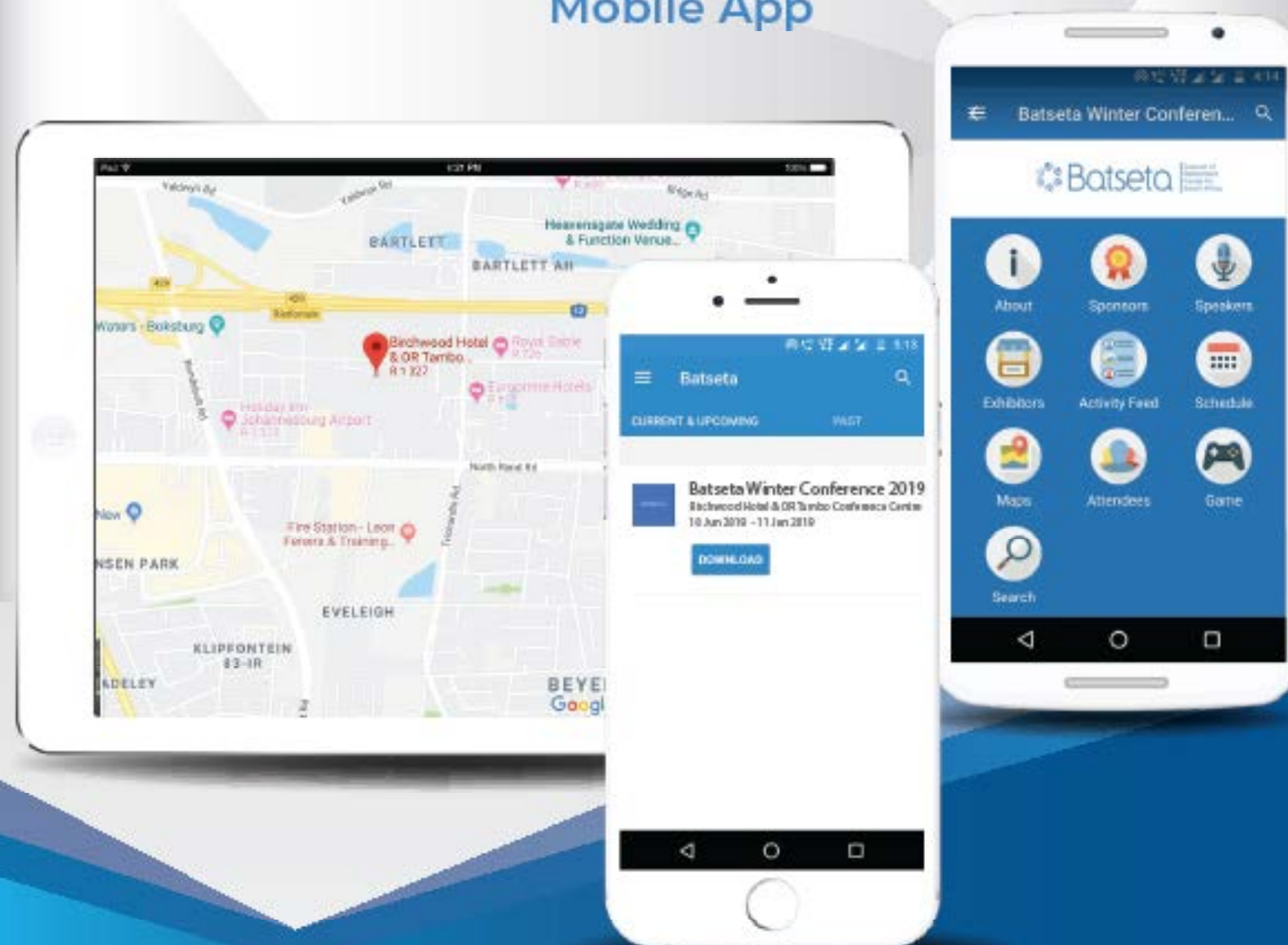
	2019 R	2018 R
<b>Cash flows from operating activities</b>		
(Loss)/Profit for the year	(348 398)	1 190 271
Adjustments for:		
Depreciation	92 561	72 382
Interest on expenses	-	127 180
Interest income	(256 798)	(279 191)
Operating (loss)/profit before changes in working capital	(512 635)	1 110 642
Increase in trade and other receivables	(299 771)	(61 039)
(Decrease)/increase in trade and other payables	(169 453)	109 232
Increase/(decrease) in income received in advance	1 390 068	(252 548)
Net cash from operating activities	408 209	906 287
<b>Cash flow from investing activities</b>		
Purchase of equipment and furniture	(73 113)	(260 429)
Disinvestment/(Investment) in unit trusts	946 975	(677 853)
Interest income	256 798	279 191
Net cash generated from/(used in) investing activities	1 130 660	(659 091)
<b>Cash flow from financing activities</b>		
Repayment of long term loan	(1 394 607)	(250 000)
Net cash used in financing activities	(1 394 607)	(250 000)
Net increase/(decrease) in cash and cash equivalents	144 262	(2 804)
Cash and cash equivalents at beginning of year	458 469	461 273
Cash and cash equivalents at end of year	602 731	458 469

# DETAILED INCOME STATEMENT

for the year ended 28 February 2019

	2019	2018
	R	R
<b>Revenue</b>	<b>8 069 546</b>	10 769 238
Breakfast seminars	7 200	10 620
Membership fees	1 151 392	1 280 804
Sponsorships	2 625 000	3 742 000
Advertising income	53 000	75 000
Workshops	3 664 921	4 260 005
Imbasa Yegolide awards	69 600	743 600
Education and training	430 503	631 399
Training centre income	67 930	25 810
<b>Other income</b>	<b>299 081</b>	114 845
Inseta income	292 942	63 299
SDL grants	6 139	6 027
Tenants allowance	-	45 519
<b>Expenditure</b>	<b>8 868 430</b>	9 845 823
Administration costs	12 288	1 479
Advertising and marketing	65 917	145 114
Affiliation fees	90 100	82 281
Accountants remuneration	11 187	27 084
Bank charges	15 421	13 867
Board meetings	52 754	127 641
Breakfast seminars	150 611	140 881
Consumables	13 187	13 810
Consultants remuneration	33 960	301 933

## Mobile App



# DOWNLOAD THE BATSETA APP NOW!

Get it on Google Play Store or Apple App Store  
OR  
Scan this code with a QR reader to easily  
download the app.









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