2016/17 INTEGRATED ANNUAL REPORT

Your gateway to the accounting profession

www.saiba.org.za

saiba

SOUTHERN AFRICAN INSTITUTE FOR BUSINESS ACCOUNTANTS

Index

ABOUT THIS REPORT

This integrated annual report (the "Report") is SAIBA's primary communication to its stakeholders. It covers the 2016/17 financial year, from 01 July 2016 to 30 June 2017 ("FY17"). The Report provides a holistic view of the environment within which SAIBA operates in the context of the economy, society and the natural environment, in accordance with its strategy and opportunities and risks. In summary, the Report fairly presents material information needed for SAIBA stakeholders to understand how SAIBA creates value and to make an informed assessment of the performance and prospects of SAIBA. It includes the full audited annual financial statements.

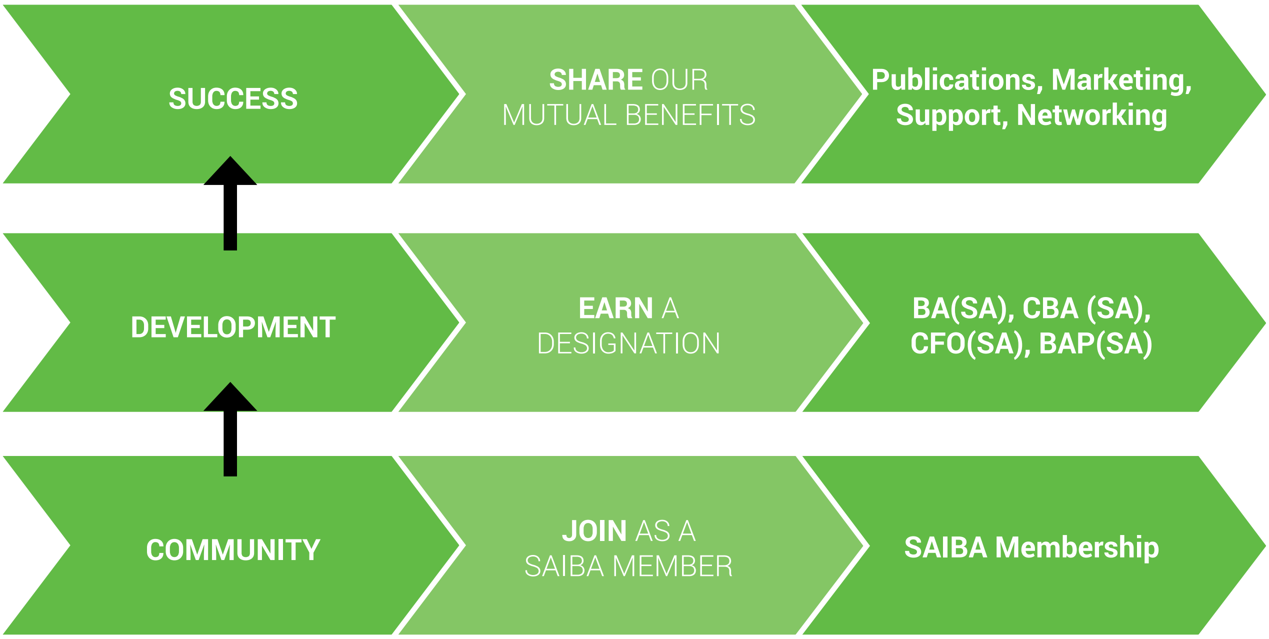
The SAIBA Board of Directors (the "Board") acknowledges that it has overall accountability for the Report. Having reviewed the Report, the Board, supported by the recommendations of the Audit and Risk Committee, confirmed that the Report presents a fair view of the performance and practices of SAIBA during FY17.

The Board accordingly approved the Report on 06 March 2018 for release to SAIBA stakeholders.
SAIBA welcomes your feedback on the 2016/17 Integrated Annual Report. Please e-mail your comments and suggestions to saiba@saiba.org.za.

ABOUT SAIBA

The Southern African Institute for Business Accountants NPC (“SAIBA”) is a voluntary accounting membership body with more than 6 000 members. Members fall into membership tiers, according to experience and qualifications. SAIBA offers members accessible and recognisable designations that deliver opportunity. SAIBA’s purpose is to develop a community of successful accounting professionals who excel in their career goals. To achieve its purpose, SAIBA focusses on 3 (three) core functions –

1. Building a community **(Join)**
2. Developing initiatives **(Earn)**
3. Delivering successful members **(Share)**



SAIBA is a proudly South African institute that subscribes to the values incorporated in the South African Constitution and Bill of Rights. Members and potential members are treated as individuals with unique needs, values, interests and career goals. We are here to help them reach their career goals.

The open-access model followed by SAIBA mandates that the SAIBA membership and designation entry requirements are set at a very competitive level compared to other bodies in the sector.

However, this is balanced with a strictly enforced CPD regime applicable to all designation holders and annually assessed through a licensing system.

MESSAGE FROM THE CHAIRMAN OF THE BOARD

"We must each adopt as much responsibility as possible for individual life, society and the world. We must each tell the truth and repair what is in disrepair and break down and recreate what is old and outdated. It is in this manner that we can and must reduce the suffering that poisons the world. It's asking a lot. It's asking for everything."

— Jordan B. Peterson, 12 Rules for Life: An Antidote to Chaos

SAIBA has set itself a goal. One that we will pursue with unwavering dedication. We will redraft the boundaries of the profession, removing obstacles to entry as we march towards a unified profession that provides access and opportunity, equally and for all.

We are still in our infancy, but the slow meandering of our progress will overtime converge into a roaring mass of unstoppable force.

In our quest for equal access we have taken initial strides –

- registering our designations with the qualification authorities;
- obtaining international recognition and member mobility;
- working with Government to improve the compliance of the NPO sector;
- demonstrating our ability to host international events;
- expanding the development opportunities for members through our UNISA partnership.

However, if I must choose our biggest accomplishment for the 2016/2017 financial year, it surely must be the CFO World Congress that we hosted during November 2016. In this year, SAIBA became the first African professional accounting body to become a member of the International Association of Finance Executive Institutes (IAFEI). Our members are now part of a global body of finance executives that spans 22 countries stretching from Brazil to China, with more than 22,000 members. The conference received formal recognition by the City of Cape Town with the keynote presented by the Mayor, Patricia de Lille and SARS Commissioner, Tom Moyane. In addition, with our international body (IAFEI) being appointed by the Public Interest Oversight Board (PIOB) as a member of the Consultative Advisory Group, we now participate in influencing and monitoring the work of the International Federation of Accountants (IFAC).

Ultimately, for our achievements to be of any value, we must move the foundations upon which the profession is built. Our profession is still monopolised to the favour of the few. Legislation favours the established organisations and funding patterns continue to entrench the status quo. The efforts of SAIBA will continue to be directed at changing the face of the profession, removing barriers to entry and ensuring that all accountants share equally in the support and funding provided by Government and universities.

With the continued and dedicated support provided by our members, both in fees and in reputation, we will be able to maintain our current course.

I pledge to you, our members, that as Chairperson, together with my fellow Board members and the SAIBA Secretariat, we will work relentlessly to create new opportunities within which you can fulfil your potential. As an organisation we don't ask for hand-outs, just a fair playing field.

With best wishes,
Prof. Dovhani Thakhathi
Chairman

CHIEF EXECUTIVE OFFICER'S REPORT

As the CEO of SAIBA it is once again my privilege to present the annual financial statements of our beloved organisation. After investing heavily in establishing SAIBA as a respected and recognised professional body within a highly competitive and sometimes hostile environment, we are now starting to see the benefits.

Our net surplus of R61,058 reflects a 91% improvement compared to 2016, and although this is noteworthy achievement, more needs to be done to ensure that we continue on our path of becoming the largest professional body in Southern Africa.

SAIBA is a non-profit, tax-exempt and membership-driven organisation that is obligated to act in the public interest, through regulating member conduct and providing member support services. This places restrictions on the extent that we can generate revenue, other than from member fees, and determines the nature of the expenses we incur. In other words, we are all about adding value to our membership than making profit.

Our 2017 annual financial statements hopefully reflect our efforts in this regard as it is an assessment of the value we have endeavoured to unlock for our members. Here are some of the highlights –

- revenue increased by more than R1,5 million to R8,842,510, whilst income from other sources showed similar buoyancy and increased with R1,6 million to R1,936,741. Significant items included in other income were: sponsorship of R947,807 for the CFO World Congress, an increase in advertising income to R646,351, and income from the awarding of licenses to the value of R304,603;
- the increase in revenue and other income offset the related increase in operating expense, which amounted to R2,537,858 to deliver a net surplus of R61,058 (2017: deficit R622,312). Our net surplus therefore expanded by more than half a million Rand;
- the increase in trade and other receivables from R1,385,403 (2016) to R2,922,038 (2017) shows that the investments made over the last couple of years in marketing and branding has successfully attracted large numbers of new applicants. We have achieved a gross increase in membership of 1,516 for the period 01 July 2016 to 30 June 2017. This proves that the market appreciates SAIBA's value proposition and position with the profession. This is also reflected in the growth of deferred revenue to R2,608,989 (2016: R760,554).
- during the year we maintained the focus on aggressive growth and were conscious of the risk posed by potential bad debts and member cancellations. In response, we constantly monitored the movements within debtors, followed a strict collection policy, enforced standards of compliance and CPD, and made a provision for the impairment of debtors to the value of R837, 625 (2016: R583,238). This resulted in the removal and/or suspension of 1800 members that joined prior to 01 July 2016 resulting in net decrease in membership of 286;
- we believe that ultimately all accountants will be required by regulation to join a professional body. This has been stated clearly in a number of Government documents and World Bank recommendations. Attracting large numbers of potential accountants is and will remain a priority of the SAIBA strategy to ensure we become the largest professional body in Southern Africa. We have further invested R110,422 in our IT system this past year to improve our debtor and member engagement. This spend is likely to increase in coming years in anticipation of the growth in membership and the required member engagement;
- in line with strategic decision related to member growth, advertising and exhibitions expenses increased substantially to R389,248 (2016: R80,754). Maintaining service levels required an increase in the number of staff employed leading to an increase in employment costs to R4,536,568 (2016: R3,672 958) and an increase in work space expenses to R546,346 (2016: R287,843);
- in an effort to maintain member satisfaction levels, professional bodies actively seek increased local and international recognition. Recognition can take many forms, for example obtaining statutory recognition to perform accounting officer and independent review engagements, or recognition which positions the professional body as an influential force. During the year under review, SAIBA initiated and engaged in a number of projects to enhance the recognition of the body and its members. Prime amongst these was the hosting of the CFO World Congress during November 2016, heralding our acceptance within the international finance executive community and providing members with career mobility. The Congress and related event costs totalled R2,007,259 (2016: R195,876) and supportive travel costs increased to R383,378 (2016: R288,278);
- the increase in expenses was covered by the increase in revenue and other income, as well as a reduction in costs related to the B&A Magazine to R206,748 (2016: R781,396), secretarial fees to R70,341 (2016: R232,561) and technical support to R145,940 (2016: R237,078).

Besides hosting the CFO World Congress some of the other noteworthy projects included –

- **NPO Assist:** providing compliance assistance to NPOs nationally, which is a joint project between SAIBA, the Department of Social Development and the Southern African Institute of Tax Professionals (SAIT). Our members committed R1 million to NPO compliance assistance;
- **UNISA:** co-signing an agreement with UNISA and the South African Accounting Academy (SAAA) to make accredited short courses available to SAIBA members, to enhance their ability to obtain a SAIBA designation or obtain a specialised professional licence. We also co-developed and implemented an e-learning platform – AcademyOne – with SAAA to offer these online short courses;
- **Magazine:** publishing our official magazine the B&A Review including interviews with Peter Ntshipale, Deputy Director-General of the DSD; Aarti Takoordeen, CFO of the JSE and Gauteng MEC Finance Barbara Creecy.
- **CIPC:**
  - pilot testing the new biometric company registration technology for the CIPC;
  - contributing to the improvement of company registrations as a member of the CIPC Company Liaison Committee;
  - successfully renewed our members status as Independent Reviewers and ensured compliance by members with submitting Reportable Irregularity reports;
- **SAQA:** successfully maintaining the registration of our designations with the South African Qualifications Authority (SAQA) and obtaining approval for the registration of a new designation for financial managers (CBA(SA)) and finance executives (CFO(SA));
- **CFOTalks:** continuing on the success of the CFO World Congress we hosted a number of CFO events with local and international experts. The UNISA School for Business leadership and CIMA became strategic partners. Through IAFEI and CFO Talks we have gained access to more than 20 000 finance executives world-wide and 5000 CFOs locally. Our local CFO events was attended by more than 230 CFOs and attracted more than 70 industry leaders as presenters, including SARS Commissioner Tim Moyane and Cape Town Mayor Patricia de Lille;
- **CFO recognition:** we were appointed as IAFEI Area president for Africa with the responsibility of growing the CFO profession in Africa;
- **Regional events:** we hosted a number of regional SAIBA member events in Limpopo and Johannesburg;
- **Staff:** appointing Shandukani Makanya as education manager with the specific duty of obtaining University accreditation for SAIBA designations, introducing respective accounting students to SAIBA, and establishing an entry exam and licensing regime within SAIBA;
- **Standards:**
  - developing new working papers for accountants servicing NPOs and establishing a standard for NPO compliance;
  - appointing external providers to assist with member's technical queries and hosted free practice management webinars with SAAA's support;
  - establishing a reporting standard for Immigration Accountants;
- **Website:** significant improvements to the website were made to enhance the application process and usability;
- Member support: based on the low risk profile of SAIBA members we negotiated a Professional Indemnity insurance premium for members that is the lowest in the sector with. AON and Hollard who are the broker and underwriter respectively;
- **Conferences**: we co-hosted the National Practice Management Conference for Accountants. The event was organised by SAAA and included the support of our sister bodies SAIPA and SAICA. We participated in the Tax Indaba organised by SAIT, the Finance Indaba, the CARISA Professional Body Summit, the 24th international ESAAG conference, and the SAGE summit tour.
- **Offices:** we moved to new and better offices during July 2016;
- **Sponsorships**: sponsoring the Quickbooks National Mompreneur competition and the Botshabelo children's home as part of our Mandela day celebrations.
- **Namibia**: hosting a number of member meetings to address the governance shortcomings within our Namibian branch, the outcome of which was a request by members for a collapse of the branch and integration with SAIBA Southern Africa;
- **Licences:** during the year we introduced a licence for Immigration Accountants providing members with the ability to specialise in this area.

SAIBA management was ably assisted by its Board and various Board committees. The integrated report accompanying the annual finance statements details in more detail their roles, functions and number of meetings. Our focus for the future will be to reinforce the projects mentioned and retain their value, whist looking for more opportunities for expansion within the guiding principle of meaningful and lasting value. Working the way, we do, flexible and responsive to changes in market conditions, will not be possible without dedicated staff that believe in our mission, a Board that acts with insight and a willingness to make the hard decisions, and corporate partners like Draftworx and SAAA to whom we owe immense gratitude for sticking with us through thick and thin.

In dedication,
Nicolaas van Wyk
Chief Executive Officer (CEO)

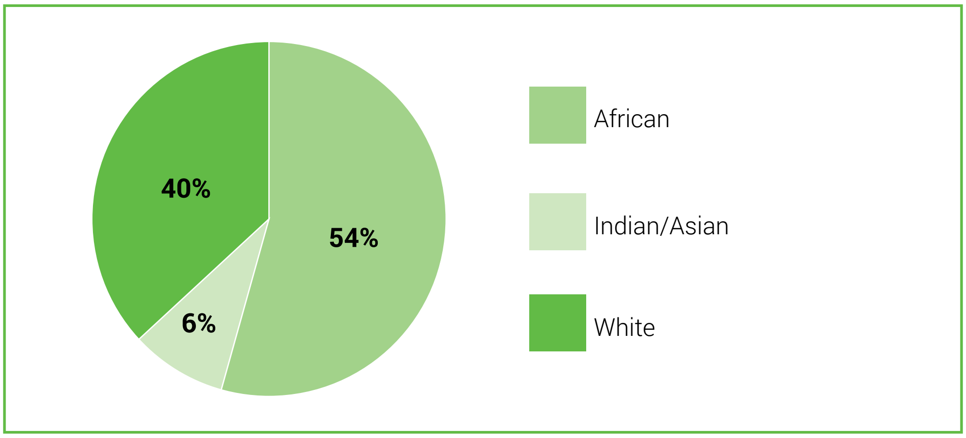
HOW WE CREATE VALUE

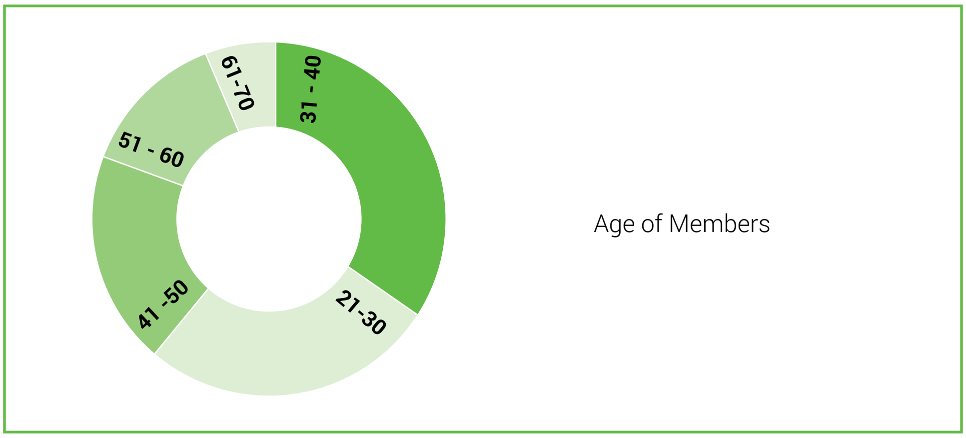
SAIBA follows an open-access model, therefore, anyone involved in the accounting and finance sector can become associated with the organisation. Members fall into various membership tiers, according to experience and qualifications. By joining our community of accounting professionals, members take the first step towards advancing their careers.

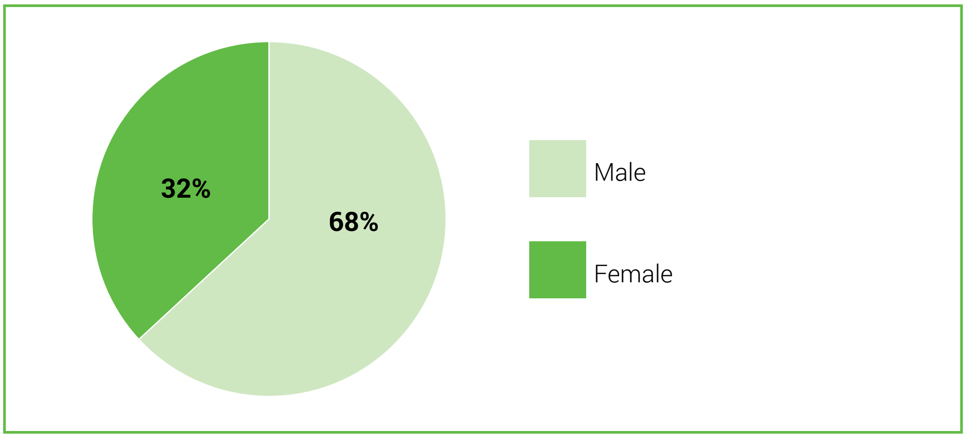
SAIBA offers members accessible and recognisable designations that deliver opportunity. More than 50% of our members are employed in business, the public sector or academia. The remainder manage their own accountancy practices within the private sector.

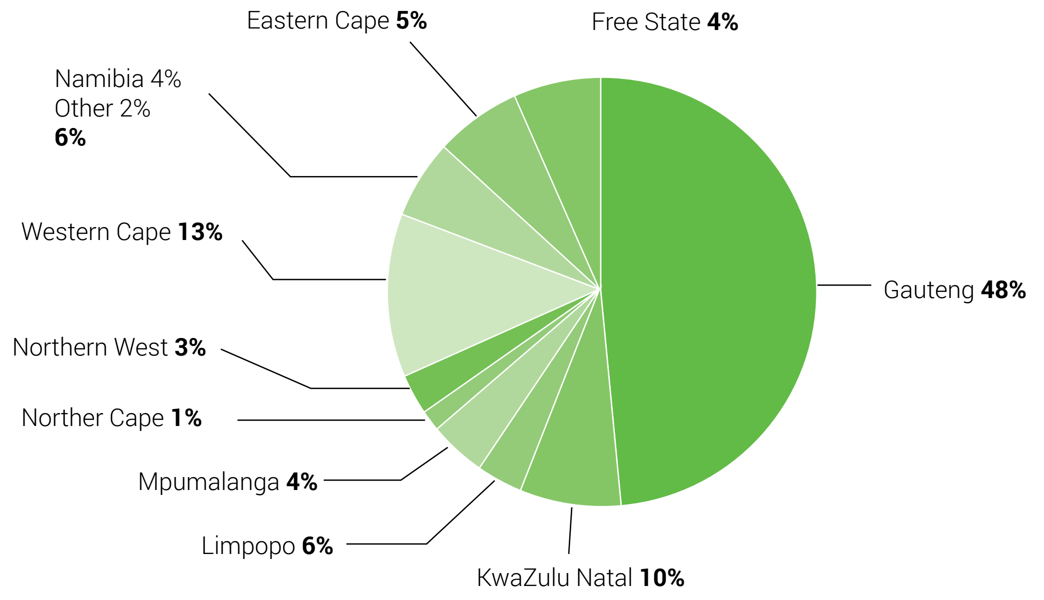
It is only by taking hands with our members that we can have a positive impact on the economy.

Membership demographics





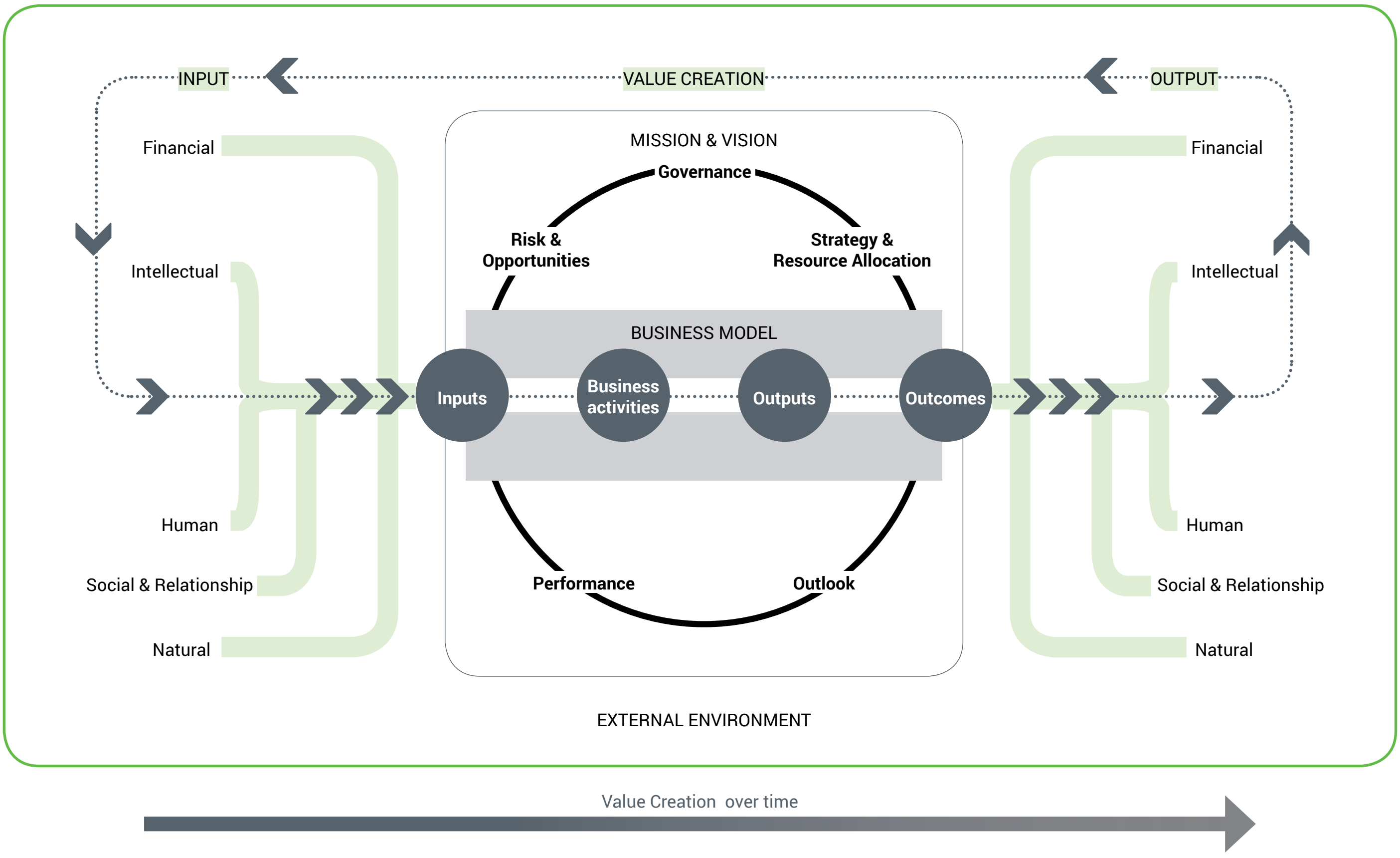




Members per region

Integrated Reporting Framework capitals

An organisation's business model draws on various capital inputs and shows how its activities transform them into outputs. Although it is not a requirement for us to make use of the capitals as categorised in the Integrated Reporting Framework (the "Framework"), we will be referring to the majority as it aligns with how SAIBA creates value.



SAIBA has identified financial capital, intellectual capital, human capital and social and relationship capital as imperatives for our ability to create value for our business and our stakeholders. Although not a major consumer of natural capital, SAIBA acknowledges the role of business in protecting natural capital and acts accordingly. The Report is not structured according to capitals.

CAPITAL: FINANCIAL	
Definition: The economic resources available to provide services to our members and fund business activities	
INPUTS	**OUTCOMES**
Membership fees Sponsorship Licensing fees	Designations are awarded to members. Special discount offerings to members. Licences awarded to members specialising in special areas of interest. Public interest protected – ensure that accountants are equipped to render professional services.

CAPITAL: INTELECTUAL	
Definition: Knowledge, related experience and intellectual property utilised to ensure business growth and sustainability	
INPUTS	**OUTCOMES**
Registration of designations and trademarks Internally developed membership system	SAIBA developed its own, internally generated membership system, to constantly improve the way communication with members takes place. The system was launched during June 2016, with our new website. We have four designations registered with SAQA – • Business Accountant - BA (SA) • Certified Business Accountant - CBA (SA) • Certified Financial Officer - CFO (SA) • Business Accountant in Practice - BAP (SA) We are in the process of registering the following trademarks – • CFO (SA) • CFO Talks • Accounting Weekly

CAPITAL: HUMAN	
Definition: People's competencies, capabilities and experience, and their motivations to innovate Members, staff, Board and Committee members, volunteers	
INPUTS	**OUTCOMES**
Skills and development training	By partnering with service providers, we ensure that our members receive a variety of training and development options to suit their needs and to ensure that they remain competent and equipped for the environment in which they operate in. Staff members receive regular training and are developed and supported to ensure career growth and success. Volunteers, being SAIBA members, operate within regions, to ensure development and growth of members involved. The Board of Directors is tasked with the responsibility to identify, oversee and manage the economic, environment, social risk and opportunities, and is supported by constituted Board committees.

CAPITAL:SOCIAL AND RELATIONSHIP	
Definition: Institutions and the relationships within and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective well-being – strategic stakeholder relationships	
INPUTS	**OUTCOMES**
Stakeholder engagement	SAIBA has agreements with the following entities to provide members with the best value for money product offerings, and to assist members with starting their new business to obtain clients – • SAIT • Sage • Quickbooks • Draftworx • FNB (Instant Accounting) • IAFEI

CAPITAL: NATURAL	
Definition: All renewable and non-renewable environmental resources and processes that provide services that support the past, current or future prosperity of an organisation – minimising environmental footprint	
INPUTS	**OUTCOMES**
Natural resources	SAIBA continues its efforts to minimise our environmental footprint by working towards a paperless environment and better use of technology.

MANAGING OUR RISKS AND OPPORTUNITIES

SAIBA has embraced a collaborative, strategic philosophy to risk management, which includes identifying and addressing the threats and opportunities SAIBA faces. To ensure that SAIBA's approach to risk management incorporates diverse perspectives, SAIBA seeks to involve appropriate personnel at all levels of SAIBA in the identification of risks, as well as the creation of practical strategies to help mitigate risks.

The ultimate goal of managing risk is not the avoidance thereof but balancing risks with the achievement of the strategic goals of SAIBA. Therefore, the current risk approach is aggressive due to SAIBA adopting an aggressive growth strategy.

All identified and relevant risks are reported to the Audit and Risk Committee, who ultimately reports to the Board. SAIBA identified and recorded key risks and associated mitigation strategies in a consolidated institutional risk matrix as follows:

OBJECTIVE	RISKS	ROOT CAUSE TO THE RISK	MITIGATING ACTION PLAN	OPPORTUNITIES
Growth and retention of membership	Ineffective marketing initiatives	Limited financial resources	Co-ordinate and maximise the value of the information generated by SAIBA with the aim of achieving aggressive membership growth. Brand advertising campaigns and communicating value proposition.	Brand awareness Enhanced member value proposition
Long term financial sustainability	Economic conditions – SAIBA not a going concern	Members inability to pay their fees due to economic pressure	Create awareness around debit order facilities available.	Improved debt collection process
Information security and protection	Information, system, integrity and security risk	Limited financial resources available	Regularly update and improve IT policies and systems POPI Act implementation plan. Ongoing training and support	Improved standard operating procedures. Skilled staff
Compliance and competency	Members erroneously holding themselves out as Accounting Officers	Lack of awareness of different membership tiers and what it entails	Improve FAQ section on website. Introduce "Know How" videos on each membership type.	Increase competency and professionalism of members.

STAKEHOLDER ENGAGEMENT

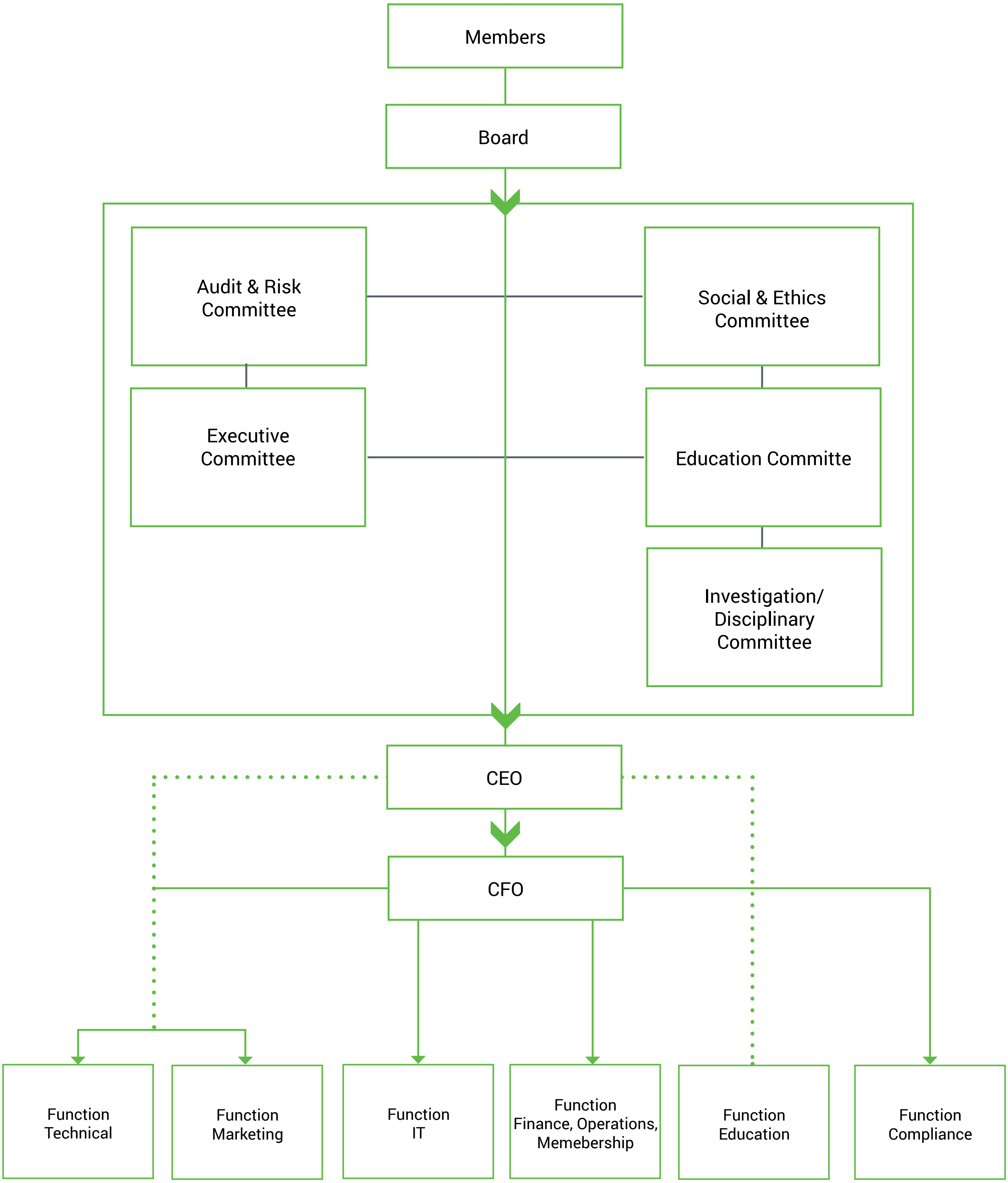
The Board supports stakeholder engagement and communication strategies that support transparent, understandable and reciprocal communication. SAIBA maintains continuous engagement with its identified key stakeholder groups to promote the achievement of strategic objectives, and to support economic, social and environmental sustainable business practices.

Stakeholder engagement is crucial to meeting our strategic objectives and key to our value creation.

STAKEHOLDER	STAKEHOLDER EXPECTATIONS	HOW WE RESPOND
Members	Technical assistance and information Value for money Career/practice management guidance Service levels	Newsletters Free webinars on practice management and legislative updates Member surveys
Employees	Market-related remuneration Training and development	Remuneration Policy providing guidance to fair remuneration Regular staff meetings and training sessions
Universities/colleges	Educate future accounting professionals	Attend open days Participate with development of curricula.
Suppliers	Establish lasting relationships	*Ad hoc* meetings Day-to-day interaction
Approved providers	Brand exposure to SAIBA members	Link members with approved providers and their products at a negotiated discounted rate
Regulators	Compliance with standards and regulations	Scheduled meetings *Ad hoc* telephonic and written communication
Government	Protect the public interest Maintain standards of the profession	Submissions and engagements to enhance awareness and contribute to development of relevant and effective laws

MANAGEMENT STRUCTURE

Organisational Organogram



MEET THE TEAM

Top from Left to Top Right: Jabu Hobyane (Business Consultant); Wendy Mutshena (Membership Supervisor); Ino Ramoshaba (Domestic Worker); Nomvula Lodi (Business Consultant); Jen Smith (Business Consultant); Martha Motshegwa (Bookkeeper);

Bottom from Left to Right: Nicolaas van Wyk (Chief Executive Officer); Fikile Simelane (Business Consultant); Penly Matjila (Office Administrator); Kefilwe Mabua (CPD Compliance Officer); Yvonne Nell (Personal Assistant); Shandukani Manyaka (Education Manager); Chantelle Booyens (Chief Financial Officer)

GOVERNANCE

SAIBA is a non-profit company, whose members serve as owners of the organisation. Its mandate is to establish and provide membership, tiered recognition, designations, certifications, and licensing for persons to be employed, or self-employed as accountants and finance professionals in commerce, private practice, the public sector and academia. SAIBA views good governance as essential for the success of its business, and is committed to good governance practices that add value to the business.

SAIBA is governed by a board of directors (the "Board"). The Board is the custodian of SAIBA's corporate governance, it acts in the best interests of SAIBA and its stakeholders at all times, and it takes ultimate responsibility for SAIBA. The Board is responsible for strategic direction and control of SAIBA as assigned to it by SAIBA's Memorandum of Incorporation ("MoI").

The Board is elected by our members at each Annual General Meeting of SAIBA ("AGM"). All active members, in possession of a designation, have voting rights. In terms of the MoI at each AGM, one third of the non-executive directors are required to retire from office. The names of the directors eligible for reappointment are submitted at the AGM, accompanied by appropriate biographical details, as set out in the Report. New directors may only hold office until the next AGM, where they will be required to retire and offer themselves for election. DR Thakhathi, ES Klue and SR Corrigan retired at the AGM by rotation were eligible and reappointed as directors. PC de Jager and C Booyens were appointed to the Board during the year under review.

The Board comprised 10 members as at 30 June 2017, with the Chief Executive Officer and Chief Financial Officer as *ex officio* members. The Chairman of the Board is responsible for the effective leadership of the Board. The roles of the Chairman and the Chief Executive Officer remained separate.

MEET THE SAIBA BOARD

Professor Davhana Thakhathi
Chairperson

Stiaan Klue
Deputy Chairperson

Doctor Renosi Mokate
Non-Executive Director

Michael Sass
Non-Executive Director

Lerato Legadima
Non-Executive Director

Stephen Corrigan
Non-Executive Director

Gronnie Hugo
Non-Executive Director

Pieter de Jager
Non-Executive Director

Nicolaas van Wyk
Executive Director (CEO)

Chantelle Booyens
Executive Director (CFO)

BOARD COMPOSITION AND ATTENDANCE AT BOARD MEETINGS			
BOARD MEMBER	DESIGNATION	APPOINTMENT DATE	MEETINGS ATTENDED
DR Thakhathi (Chairperson)	Non-executive Director	07-03-2017	2/2
ES Klue (Vice Chairperson)	Non-executive Director	07-03-2017	2/2
RD Mokate	Independent Director	10-12-2015	2/2
G Hluyo	Non-executive Director	10-12-2015	2/2
SR Corrigan	Non-executive Director	07-03-2017	1/2
M Sass	Independent Director	10-12-2015	0/2
LLS Legadima	Independent Director	10-12-2015	2/2
PC de Jager	Non-executive Director	07-03-2017	–
NF van Wyk	Executive Director	01-03-2013	2/2
C Booyens	Executive Director	07-03-2017	2/2

Board subcommittee structure

The Board has established a number of standing committees with delegated authority from the Board. Each committee has agreed terms of reference as approved by the Board that addresses issues such as composition, duties, responsibilities and scope of authority, which are reviewed annually. Although the board delegates certain functions to these committees, it retains ultimate responsibility for their activities. The work of the Board, to identify, oversee and manage economic, environment and social risk and opportunities, is supported by constituted Board committees. The Board committees are formal statutory committees in terms of the Companies Act, 71 of 2008, as amended (the "Companies Act") and sub-committee of the Board, with sufficient non-executive representation. The Board is satisfied that the committees conducted their business in line with their terms of reference, discharging their responsibilities contained therein.

Audit and Risk Committee

The Audit and Risk Committee (the "Committee") is a formal statutory committee in term of the Companies Act, appointed by the members, and a sub-committee of the Board. This report of the Committee for the financial year ended 30 June 2017 is presented to members in compliance with the Companies Act.

The Terms of Reference to incorporate the recommendations of King IV was considered by the Committee during its June 2017 meeting.

The Committee has an independent role with accountability to both the Board and to members. The Committee's responsibilities include the statutory duties prescribed by the Companies Act, activities, as well as the additional duties assigned to the Committee by the Board.

MEMBERS	No of meetings held	No of meetings attended
Pre-2017AGM		
Cobus Hancke (Chair)	2	2
Bongani Mathibela	2	2
Niel Oosthuizen	2	1
Nicolaas van Wyk	2	2
Chris van Dyk	2	0
Invitees		
Chantelle Booyens	2	2
Post 2017 AGM		
Michael Sass (Chair)	1	1
Gronie Hluyo	1	1
Stephen Corrigan	1	0
Invitees		
Nicolaas van Wyk	1	1
Chantelle Booyens	1	1

Michael Sass, Gronie Hluyo and Stephen Corrigan were elected by the members at the Annual General Meeting held on 07 March 2017. The Chief Executive Officer and Chief Financial Officer attended meetings of the Committee by invitation and actively engaged in these meetings.
We, the Audit and Risk Committee members –

External audit
- nominated SizweNtsabulaGobodo ("SNG") as the external auditor, with Mr Alex Philippou as the designated auditor to the members for appointment as auditor for the financial year ended 30 June 2017, and ensured that the appointment complied with all legal and regulatory requirements for the appointment of an auditor;
- approved SNG's engagement letter, the plan and the budgeted audit fees payable to SNG;
- reviewed the audit and evaluated the effectiveness of the auditor;
- obtained a statement from the auditor confirming that its independence was not impaired.

Financial statements
- concluded that the annual financial statements fairly present the financial position of SAIBA at the end of the financial year;
- recommended the annual financial statements and integrated annual report for the financial year ended 31 December 2016 for approval to the SAIBA Board.

Risk management
- reviewed quarterly risk reports containing pertinent risks and opportunities.

Internal control
- considered the reports of SNG on SAIBA's systems of internal control, including financial controls, business risk management and maintenance of effective internal control systems;
- received assurances that proper accounting records were maintained and that the systems safeguarded SAIBA's assets against unauthorised use or disposal.

Integrated annual report
- The Committee reviewed this report, taking cognisance of material factors and risks that may impact the integrity thereof, and recommended that the Board approve the Integrated Annual Report of SAIBA for the year ended 30 June 2017.

On behalf of Audit and Risk Committee

Michael Sass
Chairperson
15 May 2018

Social and Ethics Committee

The SAIBA Social and Ethics Committee (the "Committee") is a statutory committee, which assists the Board with monitoring SAIBA's performance as a good and responsible corporate citizen within a framework of legislative compliance and prevailing codes of good corporate governance. The Committee is governed by its Terms of Reference, which details its statutory duties in terms of the Companies Act, its responsibilities delegated to it by the Board, as well as the requirements of King IV.

MEMBERS	No of meetings held	No of meetings attended
Pieter de Jager (Chair)	2	2
Gronie Hluyo	2	2
Dovhana Thakhathi	2	0
Invitees		
Nicolaas van Wyk	2	2
Chantelle Booyens	2	2

During February 2017, the Board combined the SAIBA Nominations, Remuneration and HR Committees into one Committee for practical and efficiency improvement purposes. The terms of reference, to incorporate the recommendations of King IV, were considered by the Committee during its June 2017 meeting.

The Committee comprises of 3 (three) non-executive directors. The executive directors attended meetings of the Committee by invitation and are actively engaged in these meetings. They will continue to serve on the Committee.

The responsibilities of the Committee include:

- monitoring social and economic development, good corporate citizenship, the environment, health and public safety;
- ensuring appropriate short, medium and long-term targets are set by management;
- monitor the progress of strategic performance against targets;
- monitoring all functions required in terms of the Companies Act and its regulations.

The Committee met twice during the year under review and performed the following activities –

- developed and monitored progress with the Social and Ethics Compliance Framework, including:
  - health and safety compliance levels;
  - labour relations and working conditions;
  - ethics and compliance;
  - training and development of skills;
  - progress of transformation and broad-based black economic empowerment;
- reviewed and made recommendations on the composition of the Board;
- reviewed and monitored the update of the Remuneration Policy;
- reviewing the responsibilities assigned to the social and ethics committee.

The activities of the Committee exemplify SAIBA's initiatives having regard to its responsibilities to the society and the environment in which it operates, while remaining accountable to its members in terms of financial performance. The Committee is satisfied that it has fulfilled its duties during the year under review.

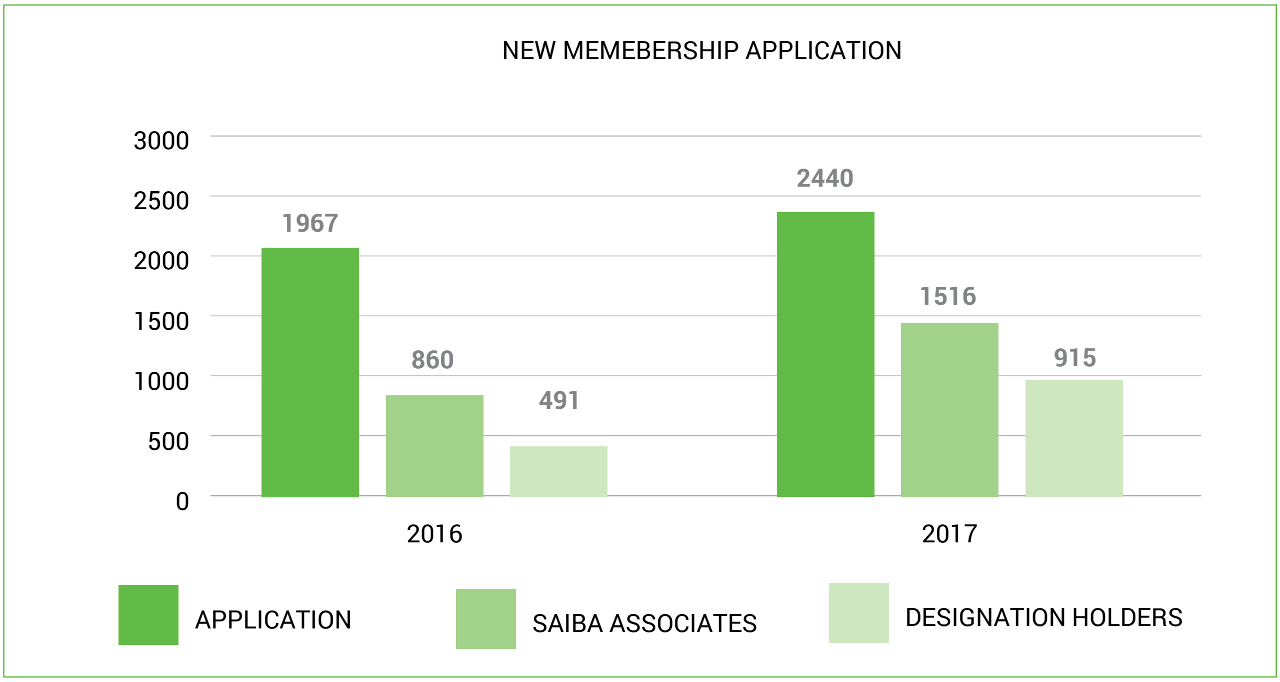
During the period under review, no substantive non-compliance with legislation and regulations, or non-adherence with the codes of best practice, relating to the areas within the mandate of the Committee, has been brought to its attention.

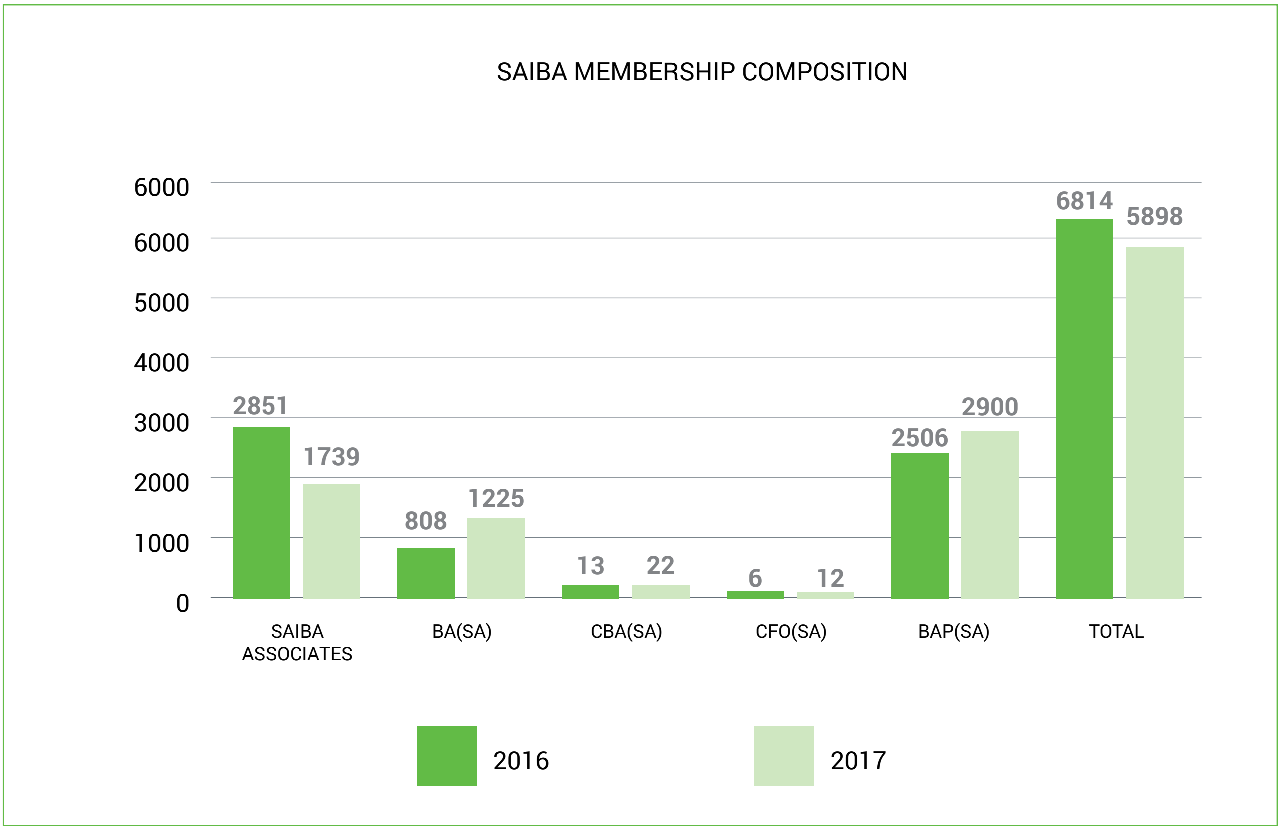
On behalf of the Social and Ethics Committee

Pieter de Jager
Chairperson
15 May 2018

PERFORMANCE REVIEW FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017

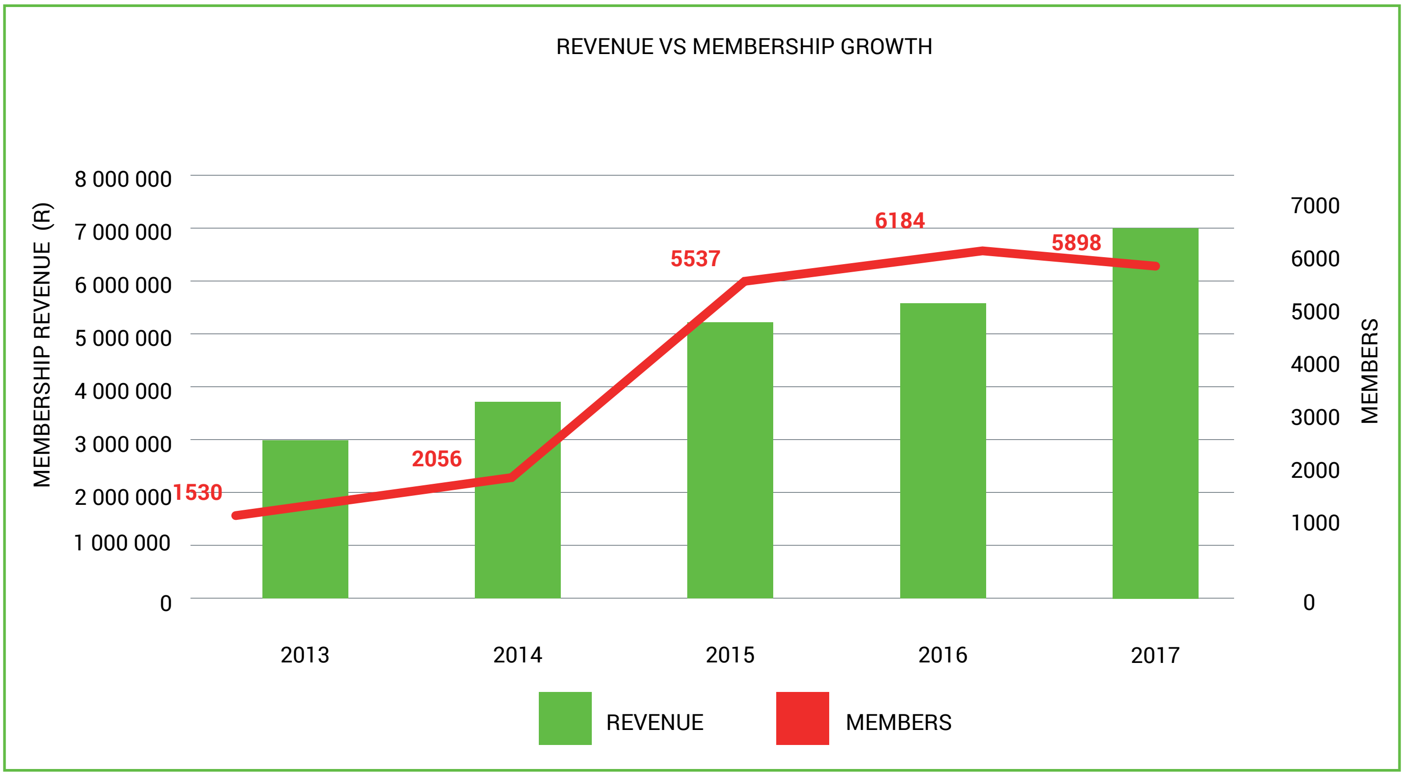
Membership (new, geographic gender and race diversity), events, partnerships, CFO Talks

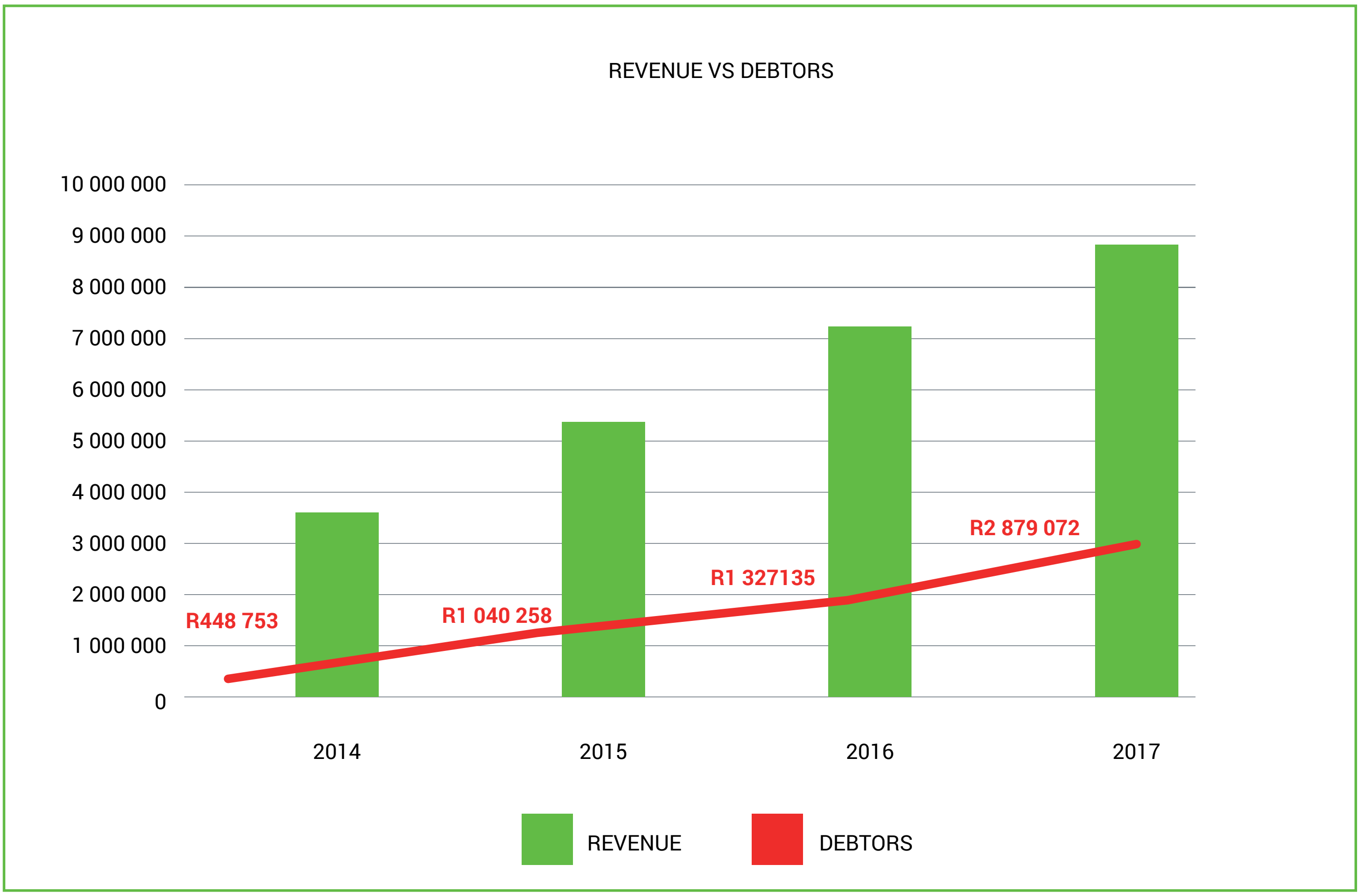




We receive an average of 200 new member applications per month. Our aim is to convert these applications to Associate members, to help the member reach his/her full potential and obtain one of our designations.

During 2015/2016 we ran a membership drive campaign, together with our CPD provider. A number of individuals were selected and awarded a year's free Associate membership, with the option to cancel should they not wish to remain with the organisation. About 50% of these members were cancelled as most of them were already associated with other professional Bodies and did not wish to maintain a dual membership.





We have experienced a significant increase in debtors the past year, mostly resulting from the downturn in the economy. We responded in various manners including –

- a debit order drive campaign was launched;
- efforts were made to ensure that members could make payment effortlessly from the membership system;
- a variety of payment options introduced: Snapscan, Credit Card, Online debit order application;
- rewards enhanced to make member offering more attractive to members in good standing. These rewards included, amongst others, special discount offerings on products by rewards partners such as SAGE and Draftworx.

Events and networking

CFO Talks™ is devoted to sharing ideas and conversations between CFOs, a platform which facilitates insightful and powerful talks relevant to CFOs. CFO Talks™ is an initiative between IAFEI, UNISA SBL, CIMA and SAIBA. Through our network, we can source and connect knowledgeable thought leaders with the CFO community, covering all issues affecting the CFO, including business, social, technical and global issues.

46th IAFEI World Congress

SAIBA, the youngest member of the IAFEI, hosted the 46th World Congress for Finance Executives in Cape Town in November 2016. Over 200 global CFOs, Finance Directors, Financial Managers and other finance executives from all continents gathered at the five-star Cape Town International Convention Centre and shared knowledge and expertise, reflected on history, assimilated new information and delved into the future of the finance profession. Our CFO (SA) designation was launched at this prestigious event. Amongst the elite that attended the event, was the SARS Commissioner, as well as the Cape Town Executive Mayor.

24th International ESAAG conference

We are keen on spreading the philosophy of fiscal discipline in Government to other Africa countries and to establish relationships with others in Africa. To this end, we identified ESAAG as a way of establishing this goal and participated by exhibiting at this conference.

Regional member forums – hosting a number of regional SAIBA member events in Limpopo, Johannesburg and Cape Town.

Alliances and associations
We are formally associated with the following establishments –

International Association of Financial Executives Institutes (IAFEI)
SAIBA is a member of IAFEI, the global society for finance executives that represents more than 22000 CFOs, FDs, FMs in more than 21 countries. SAIBA CBA(SA) and CFO(SA) members gain access to a network of global finance executives;

South African Institute of Tax Professionals (SAIT)
SAIBA signed a mutual recognition agreement with SAIT. SAIBA members who have been awarded a SAIBA designation, receive 50% discount of SAIT membership

Institute of Certified Bookkeepers (ICB)
SAIBA signed a mutual recognition agreement with ICB. ICB members who have obtained an NQF 6 (old) qualification may apply for SAIBA BAP(SA) status.

UNISA School for Business Leadership (UNISA SBL)
The MBL programme of UNISA (SBL) has been accredited by SAIBA for the attainment of the CFO(SA) designation.

AMAX
Through our partnership with AMAX, SAIBA offered quality technical support to its members and their accounting practices.

SA Accounting Academy
Our approved provider ensuring quality seminars, conferences and webinars to satisfy our members' CPD requirements;

Department of Social Development (DSD)
SAIBA, SAIT and the DSD launched a volunteer project to help non-profit organisations (NPOs) become compliant with their financial reports and tax returns. An estimated, 80 000 NPOs are non-compliant and are able to benefit from the www.npoassist.co.za volunteer project.

SAGE
Through our partnership with SAGE, our members have access to commission on successful software referrals on any SAGE product, as well as discount on training, seminars or workshops.

Draftworx
Through our partnership with Draftworx, our members have access to discount on training, seminars or workshops.

QuickBooks
SAIBA partnered with QuickBooks, the world's largest accounting software solutions company, to bring our members exclusive QuickBooks offers.

Aon South Africa (Pty) Ltd (AON)
In proud association with AON, the leading specialty insurance brokers in South Africa, we have structured a unique offering for SAIBA Members to address these risks, at highly preferential rates.

The Southern African Institute for Business Accountants NPC
(Registration number 1990/005364/08)
Financial statements
for the year ended 30 June 2017

The Southern African Institute for Business Accountants NPC
(Registration number 1990/005364/08)
Financial Statements for the year ended 30 June 2017

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Professional body for business accountants
Directors	DR Thakhathi ES Klue G Hluyo LL Legadima M Sass NF van Wyk RD Mokate SR Corrigan C Booyens PC de Jager
Registered office	Building 2 Oxford Office Park 3 Bauhinia Street Highveld Technopark CENTURION 0169
Business address	Building 2 Oxford Office Park 3 Bauhinia Street Highveld Technopark CENTURION 0169
Postal address	PO Box 7905 CENTURION 0046
Bankers	ABSA Bank Limited
Auditors	SizweNtsalubaGobodo Inc Registered Auditors
Company secretary	C van Dyk
Company registration number	1990/005364/08
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The financial statements were independently compiled by: DJ Oosthuizen CA(SA)
Published	15 January 2018

Index

The reports and statements set out below comprise the financial statements presented to the members:

Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these financial statements. The external auditor's is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these financial statements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 30 June 2018 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor's are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor's and their report is presented on page 6.

The financial statements set out on pages 4 to 32, which have been prepared on the going concern basis, were approved by the board of directors on 15 January 2018 and were signed on its behalf by:

DR Thakhathi	NF van Wyk

Directors' Report

The directors have pleasure in submitting their report on the financial statements of The Southern African Institute for Business Accountants NPC for the year ended 30 June 2017.

1. Nature of business

The main objectives and purposes of the company are to establish and provide membership, tiered recognition, designations, certifications and licensing for persons to be employed, or self-employed as accountants and finance professionals in commerce, private practice, the public sector and academia, and all other objectives relating hereto. The company operates principally in South Africa.

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

2. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these financial statements and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

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

3. Directors

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

Directors	Office	Designation	Nationality	Changes
DR Thakhathi	Chairperson	Non-executive	South African	
G Hluyo	Director	Non-executive	South African	
ES Klue	Director	Non-executive	South African	
SR Corrigan	Director	Non-executive	South African	
NF van Wyk	Director	Executive	South African	
RD Mokate	Director	Non-executive	South African	
LL Legadima	Director	Non-executive	South African	
M Sass	Director	Non-executive	South African	
C Booyens	Director	Non-executive	South African	Appointed 7 March 2017
PC de Jager	Director	Non-executive	South African	Appointed 7 March 2017

4. Directors' interests in contracts

The directors' interest in services rendered to the company during the financial year under review have been disclosed in note 17 of the financial statements.

5. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report, which has a significant effect on these financial statements.

6. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

Directors' Report

7. Auditors

SizweNtsalubaGobodo Inc will continue in office in accordance with section 90 of the Companies Act 71 of 2008.

8. Secretary

The company secretary is C van Dyk.

9. Date of authorisation for issue of financial statements

The financial statements have been authorised for issue by the directors on 15 January 2018. No authority was given to anyone to amend the financial statements after the date of issue.

10. Liquidity and Solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa, and believe that the company is liquid and solvent at the approval date of the financial statements.

Sizwe Ntsaluba Gobodo

AUDIT • ADVISORY • FORENSICS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE SOUTHERN AFRICAN INSTITUTE FOR BUSINESS ACCOUNTANTS NPC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Southern African Institute for Business Accountants NPC, as set out on pages 9 to 31 which comprise the statement of financial position as at 30 June 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the 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 The Southern African Institute for Business Accountants NPC as at 30 June 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). 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 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.

Head Office
20 Morris Street East, Woodmead, 2191
P.O. Box 2939, Saxonwold, 2132
Tel: +27 (0) 11 231 0600
Fax: +27 (0) 11 234 0933

Pretoria
Building 4, Summit Place Office Park
221 Garsfontein Road, Menlyn, 0081
Private Bag x2008, Menlyn, 0063
Tel: +27 (0) 86 117 6782
Fax: +27 (0) 12 460 1277

Victor Sekese (Chief Executive)
A comprehensive list of all Directors is available at the company offices or registered office.
SizweNtsalubaGobodo Incorporated. Registration Number: 2005/034639/21

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 International Financial Reporting Standards 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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.

Jeanine Nellmapius-Clarke
Director
Registered Auditor
SizweNtsalubaGobodo Inc

15 January 2018

221 Garsfontein Road
Summit Place Office Park, Building 4
Pretoria, Gauteng

Statement of Financial Position as at 30 June 2017

Figures in Rand	Note(s)	2017	2016
Assets			
Non-Current Assets			
Property, plant and equipment	3	108 396	130 180
Intangible assets	4	179 499	69 077
Other financial assets	5	303 313	266 593
		591 208	**465 850**
Current Assets			
Trade and other receivables	6	2 922 038	1 385 403
Cash and cash equivalents	8	437 683	436 834
		3 359 721	**1 822 237**
Total Assets		**3 950 929**	**2 288 087**
Equity and Liabilities			
Equity			
Incorporation capital		6 895	6 895
Retained surplus		72 639	11 581
		79 534	**18 476**
Liabilities			
Current Liabilities			
Trade and other payables	9	3 871 395	2 269 611
Total Equity and Liabilities		**3 950 929**	**2 288 087**

Statement of Comprehensive Income

Figures in Rand	Note(s)	2017	2016
Revenue	10	8 842 510	7 251 845
Other income	11	1 936 741	286 733
Operating expenses		(10 730 303)	(8 192 445)
Operating surplus/(deficit)	12	**48 948**	**(653 867)**
Investment revenue	13	13 500	31 555
Finance costs		(1 390)	-
Surplus/(deficit) for the year		**61 058**	**(622 312)**
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		**61 058**	**(622 312)**

Statement of Changes in Equity

Figures in Rand	Incorporation capital	Retained surplus	Total equity
Balance at 1 July 2015	**6 895**	**633 893**	**640 788**
Loss for the year	-	(622 312)	(622 312)
Other comprehensive income	-	-	-
Surplus/(deficit) for the year	**-**	**(622 312)**	**(622 312)**
Balance at 1 July 2016	**6 895**	**11 581**	**18 476**
Profit for the year	-	61 058	61 058
Other comprehensive income	-	-	-
Surplus/(deficit) for the year	**-**	**61 058**	**61 058**
Balance at 30 June 2017	**6 895**	**72 639**	**79 534**

Note(s)

Statement of Cash Flows

Figures in Rand	Note(s)	2017	2016
Cash flows from operating activities			
Cash generated from operations	16	156 998	352 776
Interest income		13 500	31 555
Finance costs		(1 390)	-
Net cash from operating activities		**169 108**	**384 331**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(44 868)	(97 398)
Sale of property, plant and equipment	3	23 751	3 500
Purchase of other intangible assets	4	(110 422)	(69 077)
Sale of financial assets		(36 720)	(142 157)
Net cash from investing activities		**(168 259)**	**(305 132)**
Total cash movement for the year		**849**	**79 199**
Cash at the beginning of the year		436 834	357 635
Total cash at end of the year	6	**437 683**	**436 834**

Accounting Policies

1. Summary of significant accounting policies

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

1.1 Basis of preparation

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

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

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

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates.

The following are the key assumptions concering the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year. Significant judgements include:

Trade and other receivables

The company assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade and other receivables is based on the indicators of financial difficulties of the debtors which management feel will not be collected or only partially collected.

Property, plant and equipment's useful lives, depreciation methods and residual values

The useful lives, depreciation methods and residual values of the items of property, plant and equipment are reviewed annually. For residual values the estimate is made after taking into account the condition of the item, age and judgement relating to the useful lives.

Impairment testing

The company reviews and test are the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determines the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

1.3 Property, plant and equipment

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

Properrty, plant and equipment is initially measured at cost.

Accounting Policies

1.3 Property, plant and equipment (continued)

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment is depreciated using the straight-line method to write down the cost, less estimated residual value over the expected useful life of the property, plant and equipment, which is as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 years
Office equipment	Straight line	3 years
IT equipment	Straight line	3 years
Computer software	Straight line	2 years

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

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.4 Intangible assets

Intangible asset is initially measured at cost.

After initial recognition intangible assets are carried at cost less impairment losses. No amortisation is recognised as management believes that the useful of the intangible asset is indefinite. The useful life of the intangible asset is reviewed annually.

It is uncommon (As per IAS 38 Par 78) for an active market to exist for an intangible asset, although this may happen. However, an active market cannot exist for brands, newspaper mastheads, patents or trademarks, because each such asset is unique. Also, although intangible assets are bought and sold, contracts are negotiated between individual buyers and sellers, and transactions are relatively infrequent. For these reasons, the price paid for one asset may not provide sufficient evidence of the fair value of another. Moreover, prices are often not available to the public.

As per the extract from IAS 38, the company will not be able to use the revaluation model, as there is no open market for an asset that was uniquely designed with the specific needs of the company and tailored towards their operations and use. There is no open market, as the company will not be able to make the asset availabe to any individual for sale.

Based on the fact that there is no active market for the product internally generated, the company can only apply the cost model.

1.5 Financial instruments

Initial recognition and measurement

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Accounting Policies

1.5 Financial instruments (continued)

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets. Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received) that form an integral part of the effective interest rate, transaction cost and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period. Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at fair value through profit or loss

Impalment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each end of the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For financial assets, measured at amortised cost using the effective interest rate method, the following objective evidence is considered in determining when an impairment loss has been incurred significant financial difficulty of the debtor; a breach of contract, such as a default or delinquency in interest or principal repayments, and it is becoming probable that the debtor will enter bankruptcy or other financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account.

Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised through profit or loss, except to the extend that they reverse gains previously recognises in other comprehensive income.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Accounting Policies

1.5 Financial instruments (continued)
Derecognition of financial asset

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risk and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

Subsequent measurement

FINANCIAL ASSETS

The subsequent measurement of financial assets depends on their classification as follows:

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at amortised cost.

FINANCIAL LIABILITIES

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit and loss or at amortised cost, as appropriate. The company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value, and in the case of loans and borrowings at amortised costs, plus directly attributable transaction costs. The company's financial liabilities include trade and other payables, bank overdraft and other borrowings.

Subsequent measurement of financial liabilities depends on their classification as follows.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Accounting Policies

1.6 Incorporation capital

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

1.7 Contingent liabilities and contingent assets

A contingent asset is a possible asset that arise from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future uncertain events not within the control of the entity. The company does not recognise a contingent asset.

A contingent liability is a possible obligation depending on whether some uncertain future event occurs, or a present obligation of which payment is not probable or the amount cannot be measured reliably. The company does not recognise a contingent liability.

1.8 Tax

Tax expenses

The company is exempt from paying tax in accordance with section 10(1)(d)(iv)(bb) of the Income Tax Act.

1.9 Leases

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.10 Impairment of non-financial assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase

1.11 Employee benefits

Short-term employee benefits

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

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

Accounting Policies

1.12 Revenue

Revenue from membership fees are recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at fair value of the consideration received or receivable and represents amounts receivable for the right to use one of the designations provided by the company, net of VAT where there is reasonable assurance that income will be received and all attaching conditions will be complied with.Thus the revenue is recognised when the consideration is receivable and the membership fees entitles the members the use of an appropriate designation only.

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

1.13 Other income

Other income is measured at the fair value of the consideration received or receivable, excluding sales taxes.

1.14 Borrowing costs

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

1.15 Related party

A related party transaction is disclosed for a person or a close family member and/or related entity of that person, if that person or a close family member and/or related entity of that person

- has control or joint control over the company;
- has significant influence over the company; or
- is a member of the key management personnel of the company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the company and include:

- that person's children and spouse or domestic partner;
- children of that person's spouse or domestic partner; and
- dependants of that person or that person's spouse or domestic partner

1.16 Events after reporting periods

An event, which could be favourable or unfavourable, which occurs between the end of the reporting period and the approval date of the financial statements, is treated as follows:

An income and asset, or expenditure and liability are recognised for events that provide evidence of conditions that existed at the reporting date.

No income and asset, or expenditure and liability are recognised for events that indicate conditions that arose only after the reporting date.

1.17 Going concern

The directors perform liquidity and solvency tests annually to establish whether the company has adequate financial resources to continue in operation for the foreseeable future. The directors also consider and review market conditions as part of their risk management strategy to satisfy themselves when applying the going concern basis of accounting in preparing the financial statements.

1.18 Fair Value Estimation

Where assets and liabilities are recognised at fair value, the items are measured at the price that should be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on measurement date. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Accounting Policies

1.18 Fair Value Estimation (continued)

- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

- Level 3: Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs).

(a) Items in level 1
The fair value of items traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's-length basis.

(b) Items in level 2
The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Specific valuation techniques used to value items include;
- Quoted market prices or dealer quotes for similar instruments;
- The fair value of forward exchange contracts is determined using forward exchange rates at the statement of financial position date;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments;
- The carrying value less impairment provision of trade receivables, other receivables, cash and cash equivalents and trade payables are assumed to approximate their fair values due to the short-term nature of these balances. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar instruments.If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Notes to the Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations that have been issued but not yet effective at 30 June 2016

The following accounting policies are standards which have been issued with effective dates subsequent to the financial period under review and which have not been adopted:

Standard/ Interpretation	Effective date
IFRS 15 Revenue from Contracts with Customers	01 January 2018
IFRS 9 Financial Instruments	01 January 2018
IFRS 16 Leases	01 January 2019

The company is currently assessing the effect of the standards issued, but not yet effective. Therefore the impact that application of the new standards and interpretations will have on the entity's financial statements is not yet known.

3. Property, plant and equipment

	2017			2016		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Furniture and fixtures	166 016	(106 578)	59 438	152 970	(91 377)	61 593
Office equipment	2 060	(2 048)	12	2 060	(1 364)	696
IT equipment	229 255	(180 312)	48 943	240 437	(172 549)	67 888
Computer software	31 400	(31 397)	3	31 400	(31 397)	3
Total	**428 731**	**(320 335)**	**108 396**	**426 867**	**(296 687)**	**130 180**

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	61 593	13 046	-	(15 201)	59 438
Office equipment	696	-	-	(684)	12
IT equipment	67 888	37 593	(20 049)	(36 489)	48 943
Computer software	3	-	-	-	3
	130 180	**50 639**	**(20 049)**	**(52 374)**	**108 396**

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	25 857	45 295	-	(9 559)	61 593
Office equipment	1 383	-	-	(687)	696
IT equipment	53 567	57 874	(5 849)	(37 704)	67 888
Computer software	1 231	-	-	(1 228)	3
	82 038	**103 169**	**(5 849)**	**(49 178)**	**130 180**

Expected useful lives and estimated residual values

No adjustments have been made to the carrying value of property, plant and equipment and the depreciation expense although the expected useful lives and residual values have been reviewed at year end. The carrying value of property, plant and equipment would have increased by R31 801 (2016: R35 438) if the adjustments were made. The directors are of the opinion that the effect is not material to the financial statements.

Notes to the Financial Statements

Figures in Rand	2017	2016

4. Intangible assets

	2017			2016		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Member and learner management system	179 499	-	179 499	69 077	-	69 077

Reconciliation of intangible assets - 2017

	Opening balance	Additions	Total
Member and learner management system	69 077	110 422	179 499

Reconciliation of intangible assets - 2016

	Opening balance	Additions	Total
Member and learner management system	-	69 077	69 077

5. Other financial assets

	2017	2016
At amortised cost		
The Southern African Institute for Business Accountants Namibia Unsecured loan bearing interest and rates determined from time to time with no fixed terms of repayment.	303 313	266 593
Non-current assets		
At amortised cost	303 313	266 593

6. Trade and other receivables

	2017	2016
Trade receivables	3 716 697	1 910 373
Provision for the impairment of debtors (Refer note 7)	(837 625)	(563 238)
VAT	-	8 354
Deposits	42 966	49 914
	2 922 038	**1 385 403**

All amounts are short term. The carrying value of the trade and other receivables reflects the approximate fair value at year end.

The membership fees past due but not impaired and have been reviewed for indicators of impairment.

During the current financial year trade receivables were written off. (Refer note 7)

Trade receivables past due but not impaired

	2017	2016
90 days plus	59 155	120 105
120 days plus	2 234 103	625 238
	2 293 258	**745 343**

Trade and other receivables which are less than 3 months past due date are not considered to be impaired. As at 30 June 2017 R2 293 258 (2016 R745 343) were past due but not impaired.

Notes to the Financial Statements

Figures in Rand	2017	2016

7. Provision for the impairment of debtors

Reconciliation of provision for the impairment of debtors - 2017

	Opening balance	Additions	Utilised during the year	Total
Trade receivables	583 238	504 387	(250 000)	837 625

Reconciliation of provision for the impairment of debtors - 2016

	Opening balance	Additions	Utilised during the year	Total
Trade receivable	205 164	500 000	(121 926)	583 238

8. Cash and cash equivalents

Cash and cash equivalents consist of:

	2017	2016
Bank balances	385 044	384 836
Short-term deposits	52 639	51 998
	437 683	**436 834**

The company has ceded R50 000 of the investment account balance in favour of ABSA Bank Limited as security for the company's debit order facility.

9. Trade and other payables

	2017	2016
Trade payables	879 749	971 896
Deferred revenue	2 608 989	760 554
VAT	191 127	-
Employee accruals	191 530	537 161
	3 871 395	**2 269 611**

All amounts are short term. The carrying value of the trade and other payables reflects the approximate fair value at year end.

10. Revenue

	2017	2016
Membership fees	8 842 510	7 251 845

11. Other income

	2017	2016
Profit on sale of assets and liabilities	9 473	3 422
Sponsorship	947 807	-
Advertising & sundry income	646 351	283 311
Bad debt recovered	28 507	-
License revenue	304 603	-
	1 936 741	**286 733**

Notes to the Financial Statements

Figures in Rand	2017	2016

12. Operating surplus/(deficit)

Operating surplus/(deficit) for the year is stated after accounting for the following:

Operating lease charges		
Premises		
• Contractual amounts	416 135	218 195
Equipment		
• Contractual amounts	130 211	69 647
	546 346	**287 842**
Profit with sale of plant and equipment	9 473	3 422
Depreciation on plant and equipment	52 374	49 178
Employee costs	4 536 568	3 672 958

13. Investment revenue

Interest revenue		
Bank	13 500	31 555

14. Taxation

No provision has been made for 2017 tax as the company is exempt of paying taxes in terms of section 10(1)(d)(iv)(bb).

15. Auditor's remuneration

Fees	62 553	59 665

16. Cash generated from operations

Profit (loss) before taxation	61 058	(622 312)
Adjustments for:		
Depreciation and amortisation	52 374	49 178
Profit on sale of assets	(9 473)	(3 422)
Interest received	(13 500)	(31 555)
Finance costs	1 390	-
Changes in working capital:		
Trade and other receivables	(1 536 635)	(325 231)
Trade and other payables	1 601 784	1 286 118
	156 998	**352 776**

17. Commitments

Operating leases – as lessee (expense)

Minimum lease payments due		
- within one year	376 047	343 836
- in second to fifth year inclusive	394 849	697 410
	770 896	**1 041 246**

Operating lease payments represent rentals payable by the company for office property. Leases are negotiated for an average term of three years. No contingent rent is payable. The company has entered into a new 3 year lease agreement effective from the 1st of July 2016.

Notes to the Financial Statements

Figures in Rand	2017	2016

18. Related parties

Relationships

Entities with mutual directors	SA Accounting Academy Proprietary Limited (SAAA) The South African Institute of Tax Professionals NPC (SAIT)
Close family member of non-executive director	ThisisY Proprietary Limited (Y Klue)
Directorate	Refer to directors' report

Related party Transactions

Related party balances

	2017	2016
Amounts included in Trade Reivable/(Payable)		
SA Accounting Academy Proprietary Limited	117 051	(306 859)
The South African Institute of Tax Professionals NPC	(9 540)	(100 709)

Services rendered to/(received from) related parties

	2017	2016
The South African Institute of Tax Professionals		
CPD's collected on behalf of SAIT	248 978	1 064 110
CPD's paid to SAIT	(359 228)	(963 401)
SA Accounting Academy Proprietary Limited		
CPD's collected on behalf SAAA	583 259	1 896 527
CPD's paid to SAAA	(861 224)	(1 626 313)
ThisisY Proprietary Limited		
Monthly marketing retainer	(415 780)	(786 396)

Notes to the Financial Statements

Figures in Rand	2017	2016

19. Directors' remuneration

Executive

2017

	Emoluments	Travel allowance	Reimburse-ments	Company contributions	Backpay	Total
NF van Wyk	1 681 250	27 000	8 927	91 750	371 317	2 180 244
C Booyens	534 000	-	716	6 000	-	540 716
	2 215 250	**27 000**	**9 643**	**97 750**	**371 317**	**2 720 960**

2016

	Emoluments	Bonus	Travel allowance	Reimburse-ments	Company contributions	Total
NF van Wyk	1 225 052	108 333	130 698	36 684	60 000	1 560 767

Non-executive

2017

	Directors' fees	Total
DR Thakhathi	60 000	60 000

2016

	Directors' fees	Re-imbursement of travelling expenses	Total
DR Thakhathi	60 000	-	60 000
ES Klue	-	9 539	9 539
	60 000	**9 539**	**69 539**

20. Reclassification

During the period, more information became available about prior year balances and transactions. As a result, prior year disclosure balances and transactions have been reclassified as follows:

At 30 June 2016

	Restated 2016 in 2017 AFS	As presented in 2016 AFS
Trade and other receivable - prepaid expenses	-	266 593
Other financial assets - loan and receivables	266 593	-
Trade and other payables - trade payables	(971 896)	(660 181)
Trade and other payables - deferred revenue	(760 554)	(1 072 269)
Profit or Loss		
AGM and launch expenses	-	106 496
Advertising, congresses and exhibitions	80 754	82 350
IAFEI Conference and events costs	195 876	-
Subscription	123 422	127 246
Repair and maintenance	32 969	26 219
Technical support	237 078	327 789

Notes to the Financial Statements

Figures in Rand	2017	2016

21. Risk Management

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

The gearing ratio at 2017 and 2016 respectively were as follows:

Net debt	3 871 395	2 269 611
Total equity	79 534	18 476
Total capital	**3 950 929**	**2 288 087**
Gearing ratio	98%	99%

Financial risk management

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk cash flow interest rate risk and price risk), credit risk and liquidity risk.

Liquidity risk

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the company's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Trade and other payables - less than 1 year	3 871 395	2 269 611

Interest rate risk

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

Financial assets exposed to credit risk at year end were as follows:

Financial instruments

Cash and cash equivalents	437 683	436 834
Trade and other receivables	2 922 038	1 385 403
	3 359 721	**1 822 237**

22. Going concern

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

23. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report, which has a significant effect on these financial statements.

Notes to the Financial Statements

24. Categories of financial instruments

	Note(s)	Financial assets at fair value through profit or loss	Loans and receivables at amortised cost	Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Equity and non financial instruments assets and liabilities	Total
Categories of financial instruments - 2017							
Assets							
Non-Current Assets							
Property, plant and equipment	3	-	-	-	-	108 396	108 396
Intangible assets	4	-	-	-	-	179 499	179 499
Other financial assets	5	-	303 313	-	-	-	303 313
		-	**303 313**	**-**	**-**	**287 895**	**591 208**
Current Assets							
Trade and other receivables	6	-	2 922 038	-	-	-	2 922 038
Cash and cash equivalents	8	-	437 683	-	-	-	437 683
		-	**3 359 721**	**-**	**-**	**-**	**3 359 721**
Total Assets		**-**	**3 663 034**	**-**	**-**	**287 895**	**3 950 929**

Notes to the Financial Statements

24. **Categories of financial instruments (continued)**

	Note(s)	Financial assets at fair value through profit or loss	Loans and receivables at amortised cost	Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Equity and non financial instruments assets and liabilities	Total
Equity and Liabilities							
Equity							
Incorporation capital		-	-	-	-	6 895	6 895
Accumulated profit		-	-	-	-	72 639	72 639
		-	-	-	-	**79 534**	**79 534**
Total Equity		-	-	-	-	**79 534**	**79 534**
Liabilities							
Current Liabilities							
Trade and other payables	9	-	-	3 871 395	-	-	3 871 395
Total Liabilities		-	-	**3 871 395**	-	-	**3 871 395**
Total Equity and Liabilities		-	-	**3 871 395**	-	**79 534**	**3 950 929**

Notes to the Financial Statements

24. Categories of financial instruments (continued)

Categories of financial instruments - 2016

	Note(s)	Financial assets at fair value through profit or loss	Loans and receivables at amortised cost	Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Equity and non financial instruments assets and liabilities	Total
Assets							
Non-Current Assets							
Property, plant and equipment	3	-	-	-	-	130 180	130 180
Intangible assets	4	-	-	-	-	69 077	69 077
Other financial assets	5	-	266 593	-	-	-	266 593
		-	**266 593**	**-**	**-**	**199 257**	**465 850**
Current Assets							
Trade and other receivables	6	-	1 385 402	-	-	-	1 385 402
Cash and cash equivalents	8	-	436 834	-	-	-	436 834
		-	**1 822 236**	**-**	**-**	**-**	**1 822 236**
Total Assets		**-**	**2 088 829**	**-**	**-**	**199 257**	**2 288 086**

Notes to the Financial Statements

	Note(s)	Financial assets at fair value through profit or loss	Loans and receivables at amortised cost	Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Equity and non financial instruments assets and liabilities	Total
24. Categories of financial instruments (continued)							
Equity and Liabilities							
Equity							
Incorporation capital		-	-	-	-	6 895	6 895
Accumulated profit		-	-	-	-	11 581	11 581
		-	-	-	-	18 476	18 476
Total Equity		-	-	-	-	18 476	18 476
Liabilities							
Current Liabilities							
Trade and other payables	9	-	-	2 269 611	-	-	2 269 611
Total Liabilities		-	-	2 269 611	-	-	2 269 611
Total Equity and Liabilities		-	-	2 269 611	-	18 476	2 288 087

Detailed Income Statement

Figures in Rand	Note(s)	2017	2016
Revenue			
Membership fees		8 842 510	7 251 845
Other income			
Bad debts recovered		28 507	-
Gains on disposal of assets		9 473	3 422
Interest received	13	13 500	31 555
License income		304 603	-
Sundry income		1 594 158	283 311
		1 950 241	**318 288**
Operating expenses			
Accounting fees		35 537	53 176
Advertising, congresses and exhibitions		389 248	80 754
Auditors remuneration	15	62 553	59 665
B&A Magazine costs		206 748	781 396
Bad debts		504 387	500 000
Bank charges		110 028	94 449
Cleaning		6 545	10 077
Commission paid		13 777	35 868
Committee meetings		24 567	25 915
Computer expenses		212 408	172 724
Consulting fees		485 035	404 015
Depreciation		52 374	49 178
Discount allowed		31 164	-
Employee costs		4 536 568	3 672 958
Entertainment and meeting costs		79 449	51 855
Fines and penalties		-	250
HR consulting and recruitment costs		49 895	39 130
IAFEI Conference and events costs		2 007 259	195 876
Insurance		33 476	25 286
Internet fees		74 248	52 466
Lease rentals on operating lease		546 346	287 843
Legal fees - debt collection		48 822	8 719
Municipal expenses		40 500	28 436
Postage		90 358	108 022
Printing and stationery		88 293	79 145
RPL asessments costs		141 009	142 620
Re-branding costs, certificates and guides		4 232	134 256
Repairs and maintenance		44 381	32 969
Secretarial fees		70 341	232 561
Security		-	872
Subscriptions		31 717	123 422
Technical support		145 940	237 078
Telephone and fax		160 547	136 794
Training		19 173	46 392
Travelling costs		383 378	288 276
		10 730 303	**8 192 445**
Operating surplus/(deficit)	12	**62 448**	**(622 312)**
Finance costs		(1 390)	-
Surplus/(deficit) for the year		**61 058**	**(622 312)**

Certificate from the company secretary

In terms of section 88(2)(e) of the Companies Act No. 71 of 2008, as amended, we certify that to the best of our knowledge and belief the company has lodged with the Companies and Intellectual Property Commission all such returns as required in terms of the Companies Act No. 71 of 2008, as amended, in respect of the year ended 30 June 2017, and that all such returns are true, correct and up to date.

Chris van Dyk

Company Secretary

16 May 2018

ADMINISTRATION

REGISTERED NAME:	The Southern African Institute for Business Accountants NPC
PHYSICAL ADDRESS:	2 Oxford Office Park 3 Bauhinia Street Highveld Technopark Centurion 0140
POSTAL ADDRESS:	P O Box 7905 Centurion 0046
TELEPONE NUMBER:	+27 12 643 1800
FAX NUMBER:	086 508 2923
E-MAIL NUMBER:	saiba@saiba.org.za
WEBSITE	www.saiba.org.za
AUDITORS:	Sizwe Ntsaluba Gobodo
BANKERS	ABSA