

The Southern African Institute for Business Accountants NPC
(Registration Number 1990/005364/08)
Annual Financial Statements
for the year ended 30 June 2020

Audited Financial Statements
in compliance with the Companies Act 71 of 2008
Prepared under the supervision of: Chantelle Booyens
Professional designation: CBA(SA)
Title: Chief Financial Officer
Audited by: Yatin Soma
Professional designation: CA (SA)
Title: Registered Auditor

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General Information

Country of Incorporation and Domicile	South Africa
Registration Number	1990/005364/08
Nature of Business and Principal Activities	The company functions as a professional body for business accountants.
Directors	NF van Wyk PC de Jager C Booyens R Ngobeni L Germanos N Dick PM Majozi
Registered Office	Block A First Floor Sandton Close 2 Cnr Norwich Close and 5th Str Sandton 2196
Business Address	The Work Space at The Club Cnr Pinaster Ave & 18th Street Hazelwood Pretoria 0081
Postal Address	PO Box 7905 Centurion 0046
Bankers	ABSA Bank Limited
Level of Assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Auditors	Nexia SAB&T 119 Witch Hazel Avenue Highveld Technopark Centurion 0157
Preparer	The annual financial statements were internally compiled under the supervision of: Chantelle Booyens CBA(SA)

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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 annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The financial statements support the viability of the company.

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

The annual financial statements set out on pages 8 to 32, and the supplementary information set out on pages 33 to 34 which have been prepared on the going concern basis, were approved by the board of directors and were signed on 30 April 2021 on their behalf by:



NF van Wyk
Chief Executive Officer (CEO)



PC de Jager
Chairman of the Board

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Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of The Southern African Institute for Business Accountants NPC for the year ended 30 June 2020.

1. Nature of Business

The main objectives and purpose 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 Southern Africa.

There have been no material changes to the nature of the company's business from the prior year apart from the establishment of its own education and training division namely The SAIBA Academy.

2. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are also not aware of any material non-compliance with statutory of regulatory requirements or of any pending changes to legislation which may affect the company. The directors will assess the impact of the COVID-19 pandemic on an ongoing basis and adjust their view accordingly with regard to its impact on the company's ability to continue as a going concern.

The directors have given due consideration to the potential impact of the COVID-19 pandemic on the company's ability to continue as a going concern. The directors believe that the pandemic will have a temporary impact on the business activities. Notwithstanding these short-term challenges the directors are of the view that the company has sufficient resources to continue as a going concern.

3. Events after reporting date

The ongoing COVID-19 pandemic has had a far reaching effect on the macro economic environment, such as a rise in unemployment and the closure of many businesses. The effect of the lockdown instituted by the government of South Africa has also resulted in a downturn of economic activity.

The directors have determined that these events are non-adjusting events. Accordingly, the financial position and results of operations for the year ended 30 June 2020 have not been adjusted to reflect the impact. The duration and impact of the COVID-19 pandemic, as well the effectiveness of Government and The South African Reserve Bank responses, remain unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial performance and financial position of the company for future periods. The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

4. Directors' interest in contracts

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

5. Reclassification adjustment

Reclassifications of certain account balances were made in the current year to provide a clearer picture of the financial performance of the company. Member service and benefit accounts were created in the current year and their comparative figures were reallocated in the prior year, material changes as a result of reclassification include PI cover being reallocated from insurance and maintenance and improvement of the membership system being reallocated from computer expenses.

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Directors' Report

6. Directors

The directors of the company during the year and up to the date of this report are as follows:

Directors	Office	Designation	Nationality	Changes
NF van Wyk	Director	Executive	South African	
PC de Jager	Director	Non-executive	South African	
C Booyens	Director	Executive	South African	
R Ngobeni	Director	Non-executive	South African	
L Germanos	Director	Non-executive	South African	Appointed 03 July 2020
N Dick	Director	Non-executive	South African	Appointed 22 June 2020
PM Majози	Director	Non-executive	South African	Appointed 22 June 2020
LL Legadima	Director	Non-executive	South African	Resigned 20 July 2020
SR Corrigan	Director	Non-executive	South African	Resigned 06 April 2020
DR Thakhathi	Director	Non-executive	South African	Resigned 06 April 2020

7. Secretary

The company designated secretary is A Jones.

8. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act 71 of 2008, and believe that the company is liquid and solvent at the approval date of the financial statements.

9. Independent Auditors

Nexia SAB&T were the independent auditors for the year under review.

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 set out on pages 8 to 32, which comprise the statement of financial position as at 30 June 2020, and the statement of surplus or deficit 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 2020, 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 (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprise the information included in the document titled "The Southern African Institute for Business Accountants NPC Annual Financial Statements for the year ended 30 June 2020", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

Nexia SAB&T

Nexia SAB&T

Yatin Soma

Director

Registered Auditor

02 June 2021

119 Witch-Hazel Avenue

Highveld Technopark

Centurion

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Statement of Financial Position

Figures in R	Notes	2020	2019
Assets			
Non-current assets			
Property, plant and equipment	5	74,997	59,020
Intangible assets other than goodwill	6	450,556	292,557
Total non-current assets		525,553	351,577
Current assets			
Trade and other receivables	7	5,168,182	6,224,287
Cash and cash equivalents	8	2,269,452	1,330,031
Total current assets		7,437,634	7,554,318
Total assets		7,963,187	7,905,895
Equity and liabilities			
Equity			
Accumulated surplus		1,624,247	1,434,151
Liabilities			
Current liabilities			
Provisions	9	1,033,281	1,177,148
Trade and other payables	10	5,305,659	5,294,596
Total current liabilities		6,338,940	6,471,744
Total equity and liabilities		7,963,187	7,905,895

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Statement of Surplus or Deficit and Other Comprehensive Income

Figures in R	Notes	2020	2019
Revenue	11	19,422,257	14,253,191
Other income	12	1,634,196	1,421,928
Administrative expenses	13	(1,447,074)	(1,158,686)
Operating expenses	14	(19,504,422)	(14,360,443)
Other gains and (losses)	15	58,869	25,495
Surplus from operating activities	16	163,826	181,485
Finance income	17	26,270	17,416
Surplus for the year		190,096	198,901

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Statement of Changes in Equity

Figures in R	Accumulated surplus	Total
Balance at 1 July 2018	1,235,250	1,235,250
Changes in equity		
Surplus for the year	198,901	198,901
Balance at 30 June 2019	1,434,151	1,434,151
Balance at 1 July 2019	1,434,151	1,434,151
Changes in equity		
Surplus for the year	190,096	190,096
Balance at 30 June 2020	1,624,247	1,624,247

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Statement of Cash Flows

Figures in R	Notes	2020	2019
Cash flows from operations			
Net cash flows from operations	22	1,284,826	773,342
Interest received		26,270	17,416
Net cash flows from operating activities		1,311,096	790,758
Cash flows used from/(in) investing activities			
Proceeds from sales of property, plant and equipment		7,057	161
Purchase of property, plant and equipment		(65,215)	(25,476)
Purchase of intangible assets		(356,517)	(152,342)
Proceeds from disposal of non-current assets held for sale		43,000	-
Proceeds from disposal of other financial assets		-	47,117
Cash flows used in investing activities		(371,675)	(130,540)
Net increase in cash and cash equivalents		939,421	660,218
Cash and cash equivalents at beginning of the year		1,330,031	669,813
Cash and cash equivalents at end of the year	8	2,269,452	1,330,031

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Accounting Policies

1. General information

The Southern African Institute for Business Accountants NPC ('the company') functions as a professional body for business accountants.

The company is incorporated as a Non-Profit Company and domiciled in South Africa. The address of its registered office is Block A First Floor, Sandton Close 2, Cnr Norwich Close and 5th Str, Sandton, 2196.

2. Basis of preparation and summary of significant accounting policies

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

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

These accounting policies are consistent with the previous period.

2.1 Property, plant and equipment

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

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.

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes all of the expenditure which is directly attributable to the acquisition. Should the acquisition cost of an asset be equal to or less than R7000 then the asset will be expensed in the year of acquisition.

Subsequent expenditure incurred on items of property, plant and equipment is only capitalised to the extent that such expenditure enhances the value or previous capacity of those assets. Repairs and maintenance not deemed to enhance the economic benefit or service potential of items of property, plant and equipment are expensed as incurred.

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

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

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Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

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

Asset class	Useful life / depreciation rate	Depreciation method
Fixtures and fittings	5 years	Straight line
Office equipment	3 years	Straight line
Computer equipment	3 years	Straight line
Computer software	2 years	Straight line

Residual values, useful lives and depreciation methods are reviewed at each financial year end. Where there are significant changes in the expected pattern of economic consumption of the benefits embodied in the asset, the relevant changes will be made to the residual values and depreciation rates, and the change will be accounted for as a change in accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised when the asset is disposed of or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. Gains are classified as other gains on the face of the statement of surplus or deficit and other comprehensive income.

2.2 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. The asset is determined to be identifiable if it either is separable, or arises from contractual or other legal rights.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially measured at cost.

Internally generated intangible assets are recognised initially at cost, being the sum of expenditure from the date the recognition criteria for an intangible asset are met, bearing in mind the following additional criteria:

- During the research phase, no intangible asset is recognised. Expenditure on research is recognised as an expense when it is incurred.
- During the development phase, an intangible asset will be recognised only if the following can be demonstrated:
 - it is technically feasible to complete the intangible asset so that it will be available for use or sale;
 - there is an intention to complete the intangible asset and use or sell it;
 - there is an ability to use or sell the intangible asset;
 - it is possible to demonstrate how the asset will generate probable future economic benefits;
 - there are available financial, technical and other resources to complete the development of the intangible asset as well as to use or sell the intangible asset;
 - the expenditure attributable to the intangible asset during the development phase can be reliably measured.

Research or development expenditure related to an in-process research or development project acquired separately or in a business combination and recognised as an intangible asset and is incurred after the acquisition of that project is also accounted for in this way.

Internally generated brands, mast heads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

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Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Expenditure on an intangible asset is recognised as an expense when it is incurred unless it is part of the cost of an intangible asset that meets the recognition criteria or if the item is acquired in a business combination and cannot be recognised as an intangible asset it is recognised as part of goodwill at the acquisition date. Expenditure on an intangible item that was initially recognised as an expense is not recognised as part of the cost of an intangible asset at a later date.

An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Intangible assets with an indefinite useful life are not amortised, but is tested for impairment annually and whenever there is an indication that the intangible asset may be impaired. The intangible asset's determination as having an indefinite useful life is also reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment. Reassessing the useful life of an intangible asset as finite rather than indefinite is an indicator that the asset may be impaired.

2.3 Financial instruments

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

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

Financial assets which are equity instruments:

- Mandatory at fair value through surplus or deficit; or
- Designated as at fair value through other comprehensive income.

Financial assets which are debt instruments:

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

Financial liabilities:

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

Trade and other receivables

Classification

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Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Trade and other receivables are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.

Impairment

The company recognises a loss allowance for expected credit losses on trade and other receivables. The amount of expected credit losses is updated at each reporting date.

The company measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses, which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The company makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

Credit risk

Details of the credit risk are included in the trade and other receivables note and the financial instruments and risk management note.

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

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Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Trade and other payables

Classification

Trade and other payables are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the company becomes a party to the contractual provision, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and 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 liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of the interest expense, then it is included in surplus or deficit in finance costs.

Trade and other payables expose the company to liquidity risk and possibly to interest rate risk.

2.4 Tax

No provision has been made for tax as the company is exempt from paying taxes in terms of section 10(1)(d)(iv)(bb) of the Income Tax Act No 58 of 1962.

2.5 Leases as lessee

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

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.

2.6 Impairment of assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

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Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Irrespective of whether there is any indication of impairment, the company also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- test goodwill acquired in a business combination for impairment annually, if applicable.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit 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.

The company 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.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

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

2.7 Revenue from contracts with customers

The company recognises revenue from the following major sources:

- Membership fees
- CPD, License and Upskilling fees
- Grant and tender income

Revenue is measured based on the consideration specified in a contract with a member and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a member.

Membership Fees

Membership fees are recognised in the financial period in which the application for membership is approved or renewed.

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Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

The prospective member applies for associate membership via the online application portal. The prospective member needs to accept the company's terms and conditions and pay the association fee before a membership number is issued and the revenue recognised. The associate member can then apply for one of the designations and provide the required supporting documentation as per the specific designation applied for. The designation application is assessed and if the requirements are met and the application approved, a proforma invoice is issued to the member for payment. The membership fee is only recognised once the proforma invoice is paid or a commitment/promise is shown by the member to pay the fees. The commitment/promise includes a formal arrangement by virtue of a debit order instruction or an informal verbal commitment to make payment. The terms and conditions prescribe the process for membership cancellation and require notice of cancellation at least 30 days prior to the renewal date. Membership is automatically renewed if no cancellation instruction is received. The automated system send communications to the members notifying them of the membership renewal which will be due within 30 days from the renewal date. If a member doesn't make a payment arrangement or full payment for his/her membership fees, or fails to adhere to the payment arrangements made, the membership is suspended and will be re-activated upon receipt of payment. Membership fees for which the members' profile has been suspended, is provided for in the impairment provision.

CPD, License and Upskilling Fees

SAIBA offers CPD, Licenses and Upskilling via its online platform, The SAIBA Academy.

SAIBA members are required to obtain CPD in the areas that they provide services to clients. SAIBA is required in terms of the Companies Regulations, 2010 and the National Qualifications Framework Act, 67 of 2008 to require members to do CPD, monitor their CPD points, and report findings to authorities. The SAIBA CPD program has been developed in line with the International Education Standard 7 issued by the IAESB and IFAC. This content was previously made available by the South African Accounting Academy (SAAA), however from the current year the company has started the process of transferring these services from SAAA to its own platform i.e. The SAIBA Academy. Revenue is recognised upon receipt of payment or a formal/informal payment arrangement.

License fees are generated in the instance where a member wishes to practice as a specialist in a specific field and the SAIBA license is a prerequisite.

Upskilling fees are generated in the instance where a member possesses the required experience necessary for a BAP(SA) designation but lacks certain core academic subject required to obtain said designation.

Grant and Tender Income

Revenue from the FASSET grant is recognised when the performance obligation is rendered in terms of the service level agreement.

During the period under review SAIBA recognised tender income relating to two projects, Unemployed 50 and Employed 35, which provided funding to students in order to develop their potential to qualify for professional designations with SAIBA. Both projects were completed in the period under review.

2.8 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as life and funeral cover), are recognised in the period 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.

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Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

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

2.9 Borrowing costs

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

2.10 Related parties

A related party is a person or entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. As a minimum, the following are regarded as related parties of the reporting entity:

- A person or a close member of that person's family is related to a reporting entity if that person:
 - has control or joint control of the reporting entity;
 - has significant influence over the reporting entity; or
 - is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- An entity is related to the reporting entity if any of the following conditions apply:
 - The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - Both entities are joint ventures of the same third party;
 - One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
 - The entity is controlled or jointly controlled by a person identified as a related party;
 - A person identified as having control or joint control over the reporting entity has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
 - The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

3. Critical accounting estimates and judgements

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

Critical accounting estimates and assumptions

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

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Accounting Policies

Critical accounting estimates and judgements continued...

3.1.1 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3.1.2 Impairment testing

The company reviews and test 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 determine 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.

3.1.3 Useful lives of property, plant and equipment

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

4. Changes in accounting policies and disclosures

The annual financial statements have been prepared in accordance with International Financial Reporting Standards on a basis consistent with the prior year, except for the adoption of the following new or revised standards.

Standard	Standard effective date	Adopted in the current year (Y/N)	Future adopted (Y/N)
IFRS 16 Leases	01 January 2019	Y	
Amendments to References to the Conceptual Framework in IFRS Standards	01 January 2020	Y	

Standards and Interpretations effective and adopted in the current year

In the current year, the company has adopted all new and revised IFRSs that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2014.

IFRS 16 Leases

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

Application of the above standards did not impact these financial statements.

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5. Property, plant and equipment

	2020			2019		
	Cost or revaluation	Accumulated depreciation	Carrying Value	Cost or revaluation	Accumulated depreciation	Carrying Value
Furniture and fittings	28,073	(19,963)	8,110	162,808	(136,134)	26,674
Office equipment	-	-	-	2,060	(2,058)	2
IT Equipment	238,576	(171,689)	66,887	251,252	(218,911)	32,341
Computer software	-	-	-	31,400	(31,397)	3
Total	266,649	(191,652)	74,997	447,520	(388,500)	59,020

Reconciliation of property, plant and equipment - 2020

	Opening Balance	Additions	Disposals	Depreciation	Closing Balance
Furniture and fittings	26,674	-	(6,678)	(11,886)	8,110
Office equipment	2	-	(2)	-	-
IT Equipment	32,340	65,215	(374)	(30,294)	66,887
Computer software	3	-	(3)	-	-
Total	59,019	65,215	(7,057)	(42,180)	74,997

Reconciliation of property, plant and equipment - 2019

	Opening Balance	Additions	Disposals	Depreciation	Closing Balance
Furniture and fittings	43,032	-	(156)	(16,202)	26,674
Office equipment	2	-	-	-	2
IT Equipment	39,929	25,476	(5)	(33,059)	32,341
Computer software	3	-	-	-	3
Total	82,966	25,476	(161)	(49,261)	59,020

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.

Refer to note 13 for details regarding the disposal of property, plant and equipment.

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6. Intangible assets

	2020			2019		
	Cost or Valuation	Accumulated amortisation	Carrying Value	Cost or Valuation	Accumulated amortisation	Carrying Value
Membership System	250,000	-	250,000	250,000	-	250,000
CFO Talks	20,213	-	20,213	20,213	-	20,213
Accounting Weekly	22,344	-	22,344	22,344	-	22,344
The SAIBA Academy	157,999	-	157,999	-	-	-
Total	450,556	-	450,556	292,557	-	292,557

Reconciliation of intangible assets - 2020

	Opening balance	Additions	Impairment loss	Closing Balance
Membership System	250,000	198,518	(198,518)	250,000
CFO Talks	20,213	-	-	20,213
Accounting Weekly	22,344	-	-	22,344
The SAIBA Academy	-	157,999	-	157,999
Total	292,557	356,517	(198,518)	450,556

Reconciliation of intangible assets - 2019

	Opening balance	Additions	Impairment loss	Closing Balance
Membership System	250,000	152,342	(152,342)	250,000
CFO Talks	20,213	-	-	20,213
Accounting Weekly	22,344	-	-	22,344
Total	292,557	152,342	(152,342)	292,557

Other Information

The Membership System ("the system") is used as a membership management system, member portal and member account management. The system is recognised at cost less impairment losses. The useful life of the system is deemed indefinite, as management believes that the system will be used SAIBA indefinitely due to the system being heavily customised for SAIBA's unique needs and the probability of another system being able to fulfill these needs is highly unlikely. SAIBA was approached by a professional body in 2018 to purchase the system for R250 000 as it is specifically designed to cater for the professional body's environment. The professional body was subsequently unable to acquire the system due to lack of funds. The fair value is taken as R250 000 as management believes that due to the effectiveness of the system the current annual economic benefits exceed the costs if the company had to hire a similar system and/or employed more employees.

CFO Talks and Accounting Weekly are registered trademarks of SAIBA undergoing continuous development and expansion in order to increase SAIBA's exposure and visibility to the wider public and stakeholders in the accounting profession. The useful lives of the CFO Talks and Accounting Weekly trademarks are indefinite as management will continue to further develop the intangible assets to attract new members and generate new sponsorship and advertising revenue

The SAIBA Academy platform ("the platform") was launched in the current reporting period to provide members with access to various educational resources. The platform has been deemed to have an indefinite useful life as SAIBA intends to further develop its capabilities to deliver quality educational resources to members.

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7. Trade and other receivables

Trade and other receivables comprise:

Trade receivables	7,050,152	7,814,930
Trade receivables impairment	(1,926,878)	(1,631,309)
Trade receivables - net	5,123,274	6,183,621
Deposits	40,666	40,666
Staff Auction Accounts	4,242	-
Total trade and other receivables	5,168,182	6,224,287

Exposure to credit risk

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if members fail to make payments as they fall due.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

A loss allowance is recognised for all trade receivables, in accordance with IFRS Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery.

The company's historical credit loss experience does not show significantly different loss patterns for different member segments. The expected credit losses are based on the loss allowance matrix which differentiates between formal payment arrangements, i.e. debit orders, and no payment arrangements, these include informal arrangements and promises to pay, with members which have outstanding balances due. The loss allowance provision is determined as follows:

	2020			2019		
	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
Membership Fees Receivable: current year - formal payment arrangements	2,476,084	(229,195)	2,246,889	2,584,278	(260,038)	2,324,240
Membership Fees Receivable: current year - informal payment arrangements	1,311,223	(135,547)	1,175,676	677,087	(93,268)	583,819
Membership Fees Receivable: prior years - formal payment arrangements	703,711	(65,143)	638,568	1,084,442	(302,246)	782,196
Membership Fees Receivable: prior years - informal payment arrangements	1,040,071	(617,844)	422,227	795,066	(130,944)	664,122
Other Receivables - formal payment arrangements	613,775	-	613,775	2,392,316	(563,072)	1,829,244
Other Receivables - no formal payment arrangements	879,150	(879,150)	-	281,741	(281,741)	-
Total	7,024,014	(1,926,879)	5,097,135	7,814,930	(1,631,309)	6,183,621

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8. Cash and cash equivalents

Cash and cash equivalents included in current assets:

Cash

Balances with banks

826,621

547,384

Cash equivalents

Short term deposits

1,442,831

782,647

2,269,452

1,330,031

The fair value of cash and cash equivalents approximates their carrying amounts.

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.

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit risk of funds invested in current/short term deposits is limited because the counter party is a bank with a stable credit rating assigned by international credit-rating agencies and is regulated by the South African Reserve Bank which monitors the financial performance, capital ratios and conduct amongst banks. Accordingly, there is no material expected credit loss from a Probability of Default, Loss Given Default or any material Exposure at Default.

9. Provisions

9.1 Provisions comprise:

Provisions for employee benefits

955,488

692,148

Other provisions

77,793

485,000

1,033,281

1,177,148

Provisions for employee benefits

955,488

692,148

Other provisions

77,793

485,000

Current portion

1,033,281

1,177,148

1,033,281

1,177,148

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Provisions continued...

9.2 Details of employee benefit provisions

Leave pay provision

The leave pay provision consists of the monetary value of an employee's accrued annual leave days as at the reporting date.

This amount is only payable to an employee upon termination of their employment, whether this termination is voluntary or otherwise. Should an employee not utilise all their leave days during a leave cycle, then they will forfeit all accrued leave days.

Bonus provision

The bonus provision consists of the annual bonus due to employees after completion of their annual performance reviews.

Bonuses are only payable if an employee's performance during the period of assessment has been deemed to be adequate by management. Bonuses are not guaranteed as the cash flow and financial position of the company are first taken into account before the decision is made to pay any bonuses. Should resources not be adequate at the time of assessment then no bonuses are paid.

SAIBA entrenches a culture of performance driven remuneration through the implementation of a performance incentive system. Executive management's performance incentives are calculated and approved by the members of the Social and Ethics, Remuneration and Nomination Committee ("The Committee"). The Committee is also responsible for the determination and review of performance targets which executive management have to reach in order to qualify for any bonuses, on an annual basis. Performance incentives do not form part executive management's cost to company packages and thus there is no guarantee of continuity and it may be withdrawn at the committee's discretion.

9.3 Details of other provisions

Provision - Printer lease settlement

During the period under review the lease expired on the company's offices, this coupled with the imposition of lockdown measures due to the COVID-19 pandemic necessitated a shift to remote working and a paperless working environment. To this end the printer lease agreement had to be cancelled. However the company was obligated to continue payment of the monthly rental until the end of the lease period, i.e. July 2021, in the form of a settlement amount. The supplier was approached and it was agreed that the company would pay the settlement amount in monthly instalments to alleviate pressure on the cash flow.

Provision - CFO World Congress

Provision was made in the previous financial year for the expenses relating to the CFO World Congress held in Matera, Italy. Delegates started paying for their attendance of the congress in the prior financial year and the expense was provided for when the initial revenue was recognised as well.

The expense could not be allocated proportionately in the prior year as it formed part of a package.

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10. Trade and other payables

Trade and other payables comprise:

Trade payables	310,397	1,192,000
Deferred revenue	3,201,062	3,000,228
PAYE, UIF and SDL	286,217	133,050
Value added tax	1,507,983	969,318
Total trade and other payables	5,305,659	5,294,596

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

The deferred revenue, R 3 206 062, relates to membership fees received in advance for which SAIBA is obligated to provide membership support services, CPD updates and incurring costs related to sustain professional designations.

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11. Revenue

Revenue comprises:

Membership Fees	14,102,955	12,045,737
CPD, Licenses and Upskilling	3,029,782	296,056
Tender and grant income	1,994,829	1,744,007
CFO World Congress Revenue	294,691	167,391
Total revenue	19,422,257	14,253,191

Membership fees

No membership fee increases were effected during the financial year under review. The revenue increase from the prior year represents a true reflection of the growth in members.

CPD, Licenses and Upskilling

During the current reporting period SAIBA launched the SAIBA Academy platform in order to facilitate in the professional development of its members. The sale of CPD packages has been carried over from the South African Accounting Academy ("SAAA") to provide members with the easiest possible access to differing packages in order to comply with their designation's CPD compliance.

Specialised licenses have also been launched for members to provide specialised services to their clients. These licenses are recognised by SAIBA and provide the necessary training for members to gain the necessary skills and information for their specialisation.

Upskilling courses are made available to members in order to bridge any educational requirements which are required for designation applications and approval. They also act as refresher courses for members to brush up on any changes in legislation or standards.

Tender and grant income

Tender and grant income consists of monies received from Fasset for two projects, Unemployed 50 and Employed 35, which were launched to address skills gaps for young professionals to obtain designations with SAIBA. The projects were managed by SAIBA and SAAA was contracted to provide the learning material and lecturers needed for the projects. The project was completed in the reporting period.

CFO World Congress Matera

The 49th IAFEI CFO World Congress took place in October 2019. SAIBA as a member of IAFEI sent several delegates to the congress, which took place in Matera, Italy, in order to represent the South African CFO community. A provision for the expenses around this congress was made in the prior year as revenue was recognised in that period and the travel costs were quoted as a package deal.

12. Other income

Other income comprises:

CPD Retainer	240,000	300,000
Sponsorships and advertising income	1,394,196	1,121,928
Total other income	1,634,196	1,421,928

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13. Administrative expenses

Administrative expenses comprise:

Accounting fees	28,800	25,620
Auditors remuneration - Fees	116,298	91,770
Bank charges	218,980	171,182
Computer expenses	679,765	267,265
Debt collection	3,595	4,374
Secretarial, disciplinary and legal fees	131,815	350,095
Subscriptions	8,800	41,620
Telephone and internet	259,021	206,760
Total administrative expenses	1,447,074	1,158,686

14. Operating expenses

Operating expenses comprise:

Accreditation costs	54,824	-
Advertising, marketing and branding	531,105	483,956
Bad debts	1,980,481	1,619,565
Cleaning	5,680	5,245
Consulting fees	1,044,621	1,022,455
Courier and postage	40,210	50,874
CPD Production costs	1,917,337	-
Depreciation	42,180	49,261
Education, Technical Support and Upskilling	168,162	121,463
Employee costs	8,956,127	7,491,457
Entertainment	124,102	95,849
Event Costs	390,270	950,900
Fines and penalties	-	22,863
Honorariums and board expenses	94,875	25,103
HR Review and Recruitment Assessment	-	13,996
Impairment	198,518	152,342
Insurance	35,672	42,175
Learnerships - FASSET Tender	1,573,369	546,249
Lease rentals on operating lease	693,962	535,226
Membership Rewards Program	430,893	336,182
Membership Service Improvements	396,409	257,852
Municipal charges	-	70,141
PR, design and podcast costs	401,870	152,237
Printing and stationery	30,932	36,931
Repairs and maintenance	9,192	7,517
RPL assessment costs	24,196	18,901
Social Responsibility	19,021	-
Staff welfare and training	87,447	64,925
Travel - Local	173,566	134,889
Travel - Overseas	79,401	51,889
Total other expenses	19,504,422	14,360,443

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15. Other gains and (losses)

Other gains and (losses) comprise:

Gain or (loss) on disposal of assets	43,000	59
Gain or (loss) on foreign exchange differences	15,869	25,436
Total other gains and (losses)	58,869	25,495

Due to the Covid-19 pandemic SAIBA transitioned to full-time remote working. To facilitate the transition an auction was held for staff members, whereby they purchased furniture and equipment from SAIBA in order to equip their home offices.

16. Surplus from operating activities

16.1 Surplus from operating activities includes the following separately disclosable items

Other operating expenses

Property plant and equipment - depreciation	42,180	49,261
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Intangible assets - impairment loss	198,518	152,342
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Audit fees

Auditors remuneration - Fees	116,298	91,770
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16.2 Other material items requiring separate disclosure

Employee Costs	8,956,127	7,491,457
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17. Finance income

Finance income comprises:

Interest received	26,270	17,416
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18. Income tax expense

No provision has been made for 2020 tax as the company is exempt from paying taxes in terms of section 10(1)(d)iv(bb) of the Income Tax Act 58 of 1962.

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19. Related parties

Directors' emoluments

Directors' emoluments - 2020

Name	Designation	Honorarium	Emoluments	Performance Incentives	Subsistence and Reimbursements	Total remuneration
NF van Wyk	Executive	-	2,198,708	832,500	36,265	3,067,473
PC de Jager	Non-executive	12,000	-	-	-	12,000
C Booyens	Executive	-	895,009	44,252	3,577	942,838
R Ngobeni	Non-executive	6,000	-	-	821	6,821
L Legadima	Non-executive	6,000	-	-	-	6,000
S Corrigan	Non-executive	12,000	-	-	-	12,000
DR Thakhathi	Non-executive	50,000	-	-	739	50,739
Total		86,000	3,093,717	876,752	41,402	4,097,871

Directors' emoluments - 2019

Name	Designation	Honorarium	Emoluments	Performance Incentives	Subsistence and Reimbursements	Total remuneration
NF van Wyk	Executive	-	2,120,868	540,000	11,792	2,672,660
C Booyens	Executive	-	819,168	-	-	819,168
DR Thakhathi	Non-executive	60,000	-	-	-	60,000
Total		60,000	2,940,036	540,000	11,792	3,551,828

The disclosure of the performance incentives for executive directors for the prior year was erroneously disclosed. The amount has been corrected and the correction does not have an effect on the financial statements beyond this note. The error was deemed to not have any impact upon the economic decisions on those relying on this disclosure note for making informed decisions.

A benchmarking exercise was conducted to establish what fair compensation to Non-executive directors ("NED's") would be, considering the time and effort NED's allocate to the business of SAIBA. It was found that it is uncommon for Professional Bodies to remunerate NED's for their services and that NED's volunteer their services free of charge. The risk, however, is not being able to attract and retain high calibre candidates to one's Board.

In light of this the a R6000 emolument for NED's for each of the following functions was proposed and approved by members :

- Annual General Meeting
- Strategy and budget meeting

The chairperson of the board is provided with a monthly honorarium of R6000 for the execution of their duties.

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20. Going concern

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

The directors have given due consideration to the potential impact of the COVID-19 pandemic on the company's ability to continue as a going concern. The directors believe that the pandemic will have a temporary impact on the business activities. Notwithstanding these short-term challenges the directors are of the view that the company has sufficient resources to continue as a going concern.

21. Financial risk management

This note explains the company's exposure to financial risks and how these risks could affect the company's future financial performance. Current year surplus and deficit information has been included where relevant to add further context.

21.1 Credit risk

Credit risk is the risk of financial loss to the company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

Trade receivables comprise a widespread member base. Management evaluated credit risk relating to members on an ongoing basis. If members are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the member, 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.

The maximum exposure to credit risk is presented in the table below:

	2020			2019		
	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Trade and other receivables	7,095,060	(1,926,878)	5,168,182	7,855,596	(1,631,309)	6,224,287

21.2 Liquidity risk

The company is exposed to liquidity risk, which is the risk that the company will encounter difficulties in meeting its obligations as they become due.

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Financial risk management continued...

Maturities of financial liabilities

The below analyses the company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date 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.

Contractual maturities of financial liabilities	Less than 6 months	Between 6 months and 1 year	Total contractual cash flows	Carrying amount
Year ended 30 June 2020				
Trade and other payables	596,613	3,201,062	3,797,675	3,797,675
VAT Payable	338,930	1,169,054	1,507,983	1,507,983
Total non-derivatives	935,543	4,370,116	5,305,658	5,305,658
Year ended 30 June 2019				
Trade and other payables	1,325,050	3,000,228	4,325,278	4,325,278
VAT Payable	257,519	711,799	969,318	969,318
Total non-derivatives	1,582,569	3,712,027	5,294,596	5,294,596

22. Cash flows from operating activities

Surplus for the year	190,096	198,901
Adjustments for:		
Finance income	(26,270)	(17,416)
Depreciation and amortisation expense	42,180	49,261
Impairment losses and reversal of impairment losses recognised in surplus or deficit	2,178,999	152,342
Gains and losses on foreign exchange realised in surplus or deficit	(15,869)	(25,436)
Gains and losses on disposal of non-current assets	(43,000)	(59)
Change in operating assets and liabilities:		
Adjustments for increase in trade accounts receivable	(920,134)	(2,235,440)
Adjustments for increase in other operating receivables	(4,242)	-
Adjustments for decrease in trade accounts payable	(881,603)	-
Adjustments for increase in other operating payables	892,666	2,651,189
Adjustments for provisions	(127,997)	-
Net cash flows from operations	1,284,826	773,342

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Detailed Income Statement

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	Notes	2020	2019
Revenue	11		
CFO World Congress		294,691	167,391
CPD, Licenses & Upskilling		3,029,782	296,056
Grant Income		1,994,829	1,744,007
Membership Fees		14,102,955	12,045,737
		19,422,257	14,253,191
Other income	12		
CPD Retainer		240,000	300,000
Sundry Income		1,394,196	1,121,928
		1,634,196	1,421,928
Administrative expenses	13		
Accounting fees		28,800	25,620
Auditors remuneration - Fees		116,298	91,770
Bank charges		218,980	171,182
Computer expenses		679,765	267,265
Debt collection		3,595	4,374
Secretarial, disciplinary and legal fees		131,815	350,095
Subscriptions		8,800	41,620
Telephone and internet		259,021	206,760
		1,447,074	1,158,686

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Detailed Income Statement

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	Notes	2020	2019
Operating expenses	14		
Accreditation costs		54,824	-
Advertising, marketing and branding		531,105	483,956
Bad debts		1,980,481	1,619,565
Cleaning		5,680	5,245
Consulting fees		1,044,621	1,022,455
Courier and postage		40,210	50,874
CPD Production costs		1,917,337	-
Depreciation		42,180	49,261
Education, Technical Support and Upskilling		168,162	121,463
Employee costs		8,956,127	7,491,457
Entertainment		124,102	95,849
Event Costs		390,270	950,900
Fines and penalties		-	22,863
Honorariums and board expenses		94,875	25,103
HR Review and Recruitment Assessment		-	13,996
Impairments and reversals - intangible assets		198,518	152,342
Insurance		35,672	42,175
Learnerships - FASSET Tender		1,573,369	546,249
Lease rentals on operating lease		693,962	535,226
Membership Rewards Program		430,893	336,182
Membership Service Improvements		396,409	257,852
Municipal charges		-	70,141
PR, design and podcast costs		401,870	152,237
Printing and stationery		30,932	36,931
Repairs and maintenance		9,192	7,517
RPL assessment costs		24,196	18,901
Social Responsibility		19,021	-
Staff welfare and training		87,447	64,925
Travel - Local		173,566	134,889
Travel - Overseas		79,401	51,889
		19,504,422	14,360,443
Other gains and losses	15		
Gain/Loss on disposal of non-current assets		43,000	59
Gain/Loss on foreign exchange differences		15,869	25,436
		58,869	25,495
Surplus from operating activities	16	163,826	181,485
Finance income	17		
Interest received		26,270	17,416
Surplus for the year		190,096	198,901