



# 2023

## Integrated annual report

The Federation of Governing Bodies  
of South African Schools





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# INTRODUCTION AND OVERVIEW

## FEDSAS's approach to reporting

FEDSAS accepts the King IV™ Report on Governance for South Africa, 2016, as the source document on what constitutes sound governance.

This integrated annual report provides feedback on and a preview of how the organisation's activities contribute towards the organisation's commitment to good governance. The aim of this report is to provide all stakeholders, both internally and externally, with an overview of and insight into the non-financial and financial state of affairs in terms of FEDSAS's strategic goals. In this manner stakeholders can evaluate the organisation's performance and sustainability. With this report, FEDSAS would like to show stakeholders how the organisation adds value to the South African society.

## Period covered in this report

This report provides an overview of FEDSAS's activities for 2023, as well as the financial year of 2023.

## Key concepts, abbreviations and terms

- **Material matters:** All matters, aspects, and activities relevant to the organisation's value-adding. In terms of the guidelines of the International Integrated Reporting Council an organisation's impact on several capitals is only material or relevant if it significantly affects the availability, quality, and affordability of capitals upon which the organisation depends; affects stakeholders' perceptions of the organisation in such a way that it has a significant business consequence; or if it has some other strategic relevance. The organisation's impact can be positive, negative, or neutral.
- **FEDSAS:** The Federation of Governing Bodies of South African Schools
- **Non-profit organisation:** An organisation established not for profit, whether it is incorporated as a company under the Companies Act 71 of 2008 (an NPC), a statutory body, trust or voluntary association, and



irrespective of whether it is registered as a non-profit organisation under the Non-Profit Organisations Act 71 of 1997 or as a public benefit organisation under the Income Tax Act 58 of 1962

- **Schools' Act:** The South African Schools' Act 84 of 1996
- **National Education Policy Act:** The National Education Policy Act 27 of 1996
- **Employment of Educators Act:** The Employment of Educators Act 76 of 1998
- **Basic Education Laws Amendment Bill:** The Basic Education Laws Amendment Bill 15 of 2011

## Target audience

The information in this report is aimed at the needs and requirements of current and future stakeholders and investors with long-term interest in the organisation.

## Contact details and feedback

Feedback on the contents and structure of this report will enable FEDSAS to continue to improve its reporting practice.

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Email: [info@fedsas.org.za](mailto:info@fedsas.org.za)

Website: [www.fedsas.org.za](http://www.fedsas.org.za)



## FOREWORD: NATIONAL CHAIRPERSON

Immeasurable value is locked up in an organisation that has managed to remain focused on its original goal for 30 years. Not only is this testament to the credibility of the need which the organisation addresses, but also of exceptional leadership, planning, innovation, and adaptability during each of these 30 years.

FEDSAS's three decades as mouthpiece of school governing bodies is a success story of note. From the start, the organisation has not wavered in its focus on quality education and the interests of the children of South Africa. FEDSAS has grown from an organisation consisting only of volunteers to an established, professional organisation with an admirable record of good governance – an excellent example of a modern non-profit organisation that executes its vision and mission in a professional and passionate manner.

More depth is added to the FEDSAS story when considering the challenges facing the education sector in South Africa. Currently, the Basic Education Laws Amendment Bill, or BELAB, is probably the biggest challenge facing education and school governance. The South African Schools' Act's vision for public schools as community asset is negated by BELAB. Parents, guardians and communities are robbed of direct input into their children's education. While BELAB is receiving sustained attention in the media and public sphere, and rightly so, schools are still struggling with challenges such as finances, poor infrastructure and social and cultural issues that require attention.

FEDSAS has the experience, resources, staff, legal expertise and more importantly that famous X factor that distinguishes true leaders from the rest. The ability to read a situation and adapt quickly is what kept FEDSAS at the forefront of school governance over three decades. This integrated annual report provides an overview of how FEDSAS addressed challenges in 2023 to add value in six capitals, namely financial capital, manufactured capital, human capital, social and relationship capital, intellectual capital and natural capital.

Dr Shaun Mellors:  
National Chairperson





210.95

149.16

23.26

1.41%





## REPORT OF THE CEO

Our theme for 2023 was *We belong*, which was a good fit for FEDSAS' 30<sup>th</sup> birthday celebrations. It also helped us to focus on the organisation's original reason for being, namely, to be a collective voice for school governing bodies. The direct threat of BELAB also helped to enforce the importance of a combined voice for governing bodies among our members, and to reaffirm that FEDSAS is not simply a "service provider" in the sector.

There is irony in the fact that – 30 years later – FEDSAS is fighting for schools' survival again. However, FEDSAS does not stand in the shadow of BELAB; we have the advantage of 30 years of established structures, expertise, and a deep passion for our country and the children of this country. We deliberately did not host one big celebration but instead turned every gathering into a celebration.

Life and sports coaches often use the formula: Performance = Potential – Interference. It simply means a person's performance is defined by their true potential minus any interference. This is also applicable to organisations. In the education sector, we are used to working in an environment that is known for interferences or "disrupters" and we plan as best as we can. However, the 2023 interferences were bigger and more complex than other years, as is clear from this report. BELAB kept us busy and the uncertainty over a prolonged period is taking a toll on the system. We have seen an increase in LGBTQIA+ enquiries and disputes, state overreach has become the norm in most provinces, and we experience more tension brewing in governing bodies between school principals and the other members of governing bodies, partly because of a poor understanding of their roles.

The recent decision by the Council of Education Ministers to increase the quorum of the first meeting of the SGB election from 15% to 50%, and from 0% to 30% for the second meeting, is a good example of the disruption. FEDSAS had to react quickly and wrote to the Minister of Basic Education to set out the legal grounds and to ask that the decision be set aside. FEDSAS also requested an urgent meeting of the National Consultative Forum (NCF). As a result, the Council of Education Ministers withdrew their irrational decision. This was a big win for FEDSAS, but it required time and resources that could have been used elsewhere.

FEDSAS' Executive Committee (EC) played a key role in our achievements this year in helping to manage the difficult influences and keeping an eye on our goals. Our dedicated FEDSAS team worked hard to make a difference in education and the operational reports tell the story of many hours on the road to reach members, attend meetings and provide training.

Communication is one of FEDSAS's crucial functions. This year, we communicated in various creative ways, whether it was with staff,





members, board members, the media, or the public. Beautiful graphics and videos are now a part of everything we do, and we continue to enjoy unprecedented coverage in the mainstream media. We have made excellent progress down this road and are certainly heading in the right direction in the rapidly changing environment.

Two stalwarts retired this year after many years of commitment to education. Ben Ferreira (Gauteng) and Marietjie Fouché (North-West) were not only provincial managers but leaders and role-models in FEDSAS. We will miss them, but we are also honouring their selfless service to the children of South Africa.

FEDSAS could celebrate 30 years of existence because there came people before us who had a vision and a dream and who turned this into action. Initially FEDSAS took on different forms in various provinces but the golden thread throughout all the years was a passion for education and the children of South Africa. It is therefore fitting to honour each volunteer who was involved with FEDSAS over the years. Volunteers carried the organisation for more than a decade before the first salaried staff members were appointed. Volunteers on the National Council, Provincial Councils and committees still play a huge role today to keep the organisation true to its mission and vision through good governance and involvement. We extend our gratitude to each and everyone.

FEDSAS is a name and a structure, but it is the people who give it life, culture and who make things happen. Again, we are standing on the shoulders of staff members who helped to build the organisation over the years and who gave us a solid foundation to work from. Many of these staff members have passed away since but the work continues. We honour them for their role.

I am constantly in awe of the complex matters our staff deals with and how excellent they manage these. We are blessed with skilled and passionate individuals in FEDSAS, and this report bears witness to a year in which a lot of hard work was done, both in front of and behind the scenes. My gratitude to each and every one for their selfless service to the organisation and the children of our country.

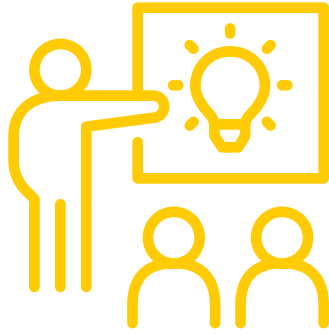
A heartfelt word of thanks to all the members of the Executive Committee. You lead with distinction! Many thanks to Juané and Riaan, who, as deputy CEOs, represented the organisation at the highest level and who are true ambassadors for FEDSAS. With this leadership team, the organisation is in good hands.

A special word of thanks to our National Council chairperson, Shaun Mellors, for his ongoing interest, support, leadership in the council, committee involvement, and our regular interactions. It is truly a privilege to work with you.

Thank you to everyone who makes it possible for our FEDSAS people to serve FEDSAS and education.

Our plans for 2024 are in place. It is time for school governing body elections and training of new members of SGBs. Our fight against the unreasonable stipulations in BELAB will continue, we are going to help mobilise communities for the election and then we will make sure that we present exceptional training sessions. After all, we are standing on the shoulders of 30 years of experience.

Dr Jaco Deacon  
CEO



## ADDING VALUE

### Who is FEDSAS?

FEDSAS is the leader in school governance and school management. The organisation focuses on the development of capable school governing bodies. FEDSAS provides information, organises, mobilises, and equips our members to maintain and build on the highest education standards in schools. The organisation was established in 1993 and over the past three decades has grown into one of the most respected role-players in South African education.

The **vision** of FEDSAS is the conservation and promotion of quality education in all schools in the Republic of South Africa.

The **mission** of FEDSAS is to do everything in its power to represent its members and their interest groups (parents, learners, and staff) in securing and promoting the highest possible standard of education for ALL children in our country in general and, in particular, to promote effective school leadership, governance and management to achieve the aforementioned.

### Core values

#### Excellence

To deliver uncompromising quality service and to always search for better ways of doing things through our commitment to constant improvement in both our personal and professional lives.

#### Integrity

To be honest, transparent, credible, and respectful, building on our differences in all our internal and external interactions.

#### Passion

To demonstrate enthusiasm, devotion, intensity, tenacity and to commit totally to everything that we undertake.

#### Accountability

To accept responsibility for our actions and to action what we commit to.

#### Relationships

To give effect to the virtuous cycle of respect, trust, and openness in all our relationships and to use that to influence and have an impact.



## The principles of FEDSAS

- FEDSAS endorses the Constitution of the Republic of South Africa.
- FEDSAS supports the principle of maximum devolution of school governance and management to governing bodies of public schools, and strives to promote and extend the powers and functions of governing bodies by building the capacity of governing bodies.
- FEDSAS supports and promotes the principle of the freedom of governing bodies and school communities to supplement the level at which education is provided by the State.
- FEDSAS endorses the principle of selection and recognition based on merit and excellence.
- FEDSAS supports the principle that school governing bodies should create opportunities for each learner to achieve his/her full potential.
- FEDSAS endorses the principle of maintaining and promoting a culture of learning and teaching at all schools as well as the principle of excellence in education.
- FEDSAS supports the principle of establishing and maintaining sound relationships with all education interest groups.
- FEDSAS supports and embraces the principle of tolerance. We recognise, honour and respect and celebrate the diverse cultures, religions, and languages of the peoples of the Republic of South Africa, united in our diversity.

## The goals of FEDSAS

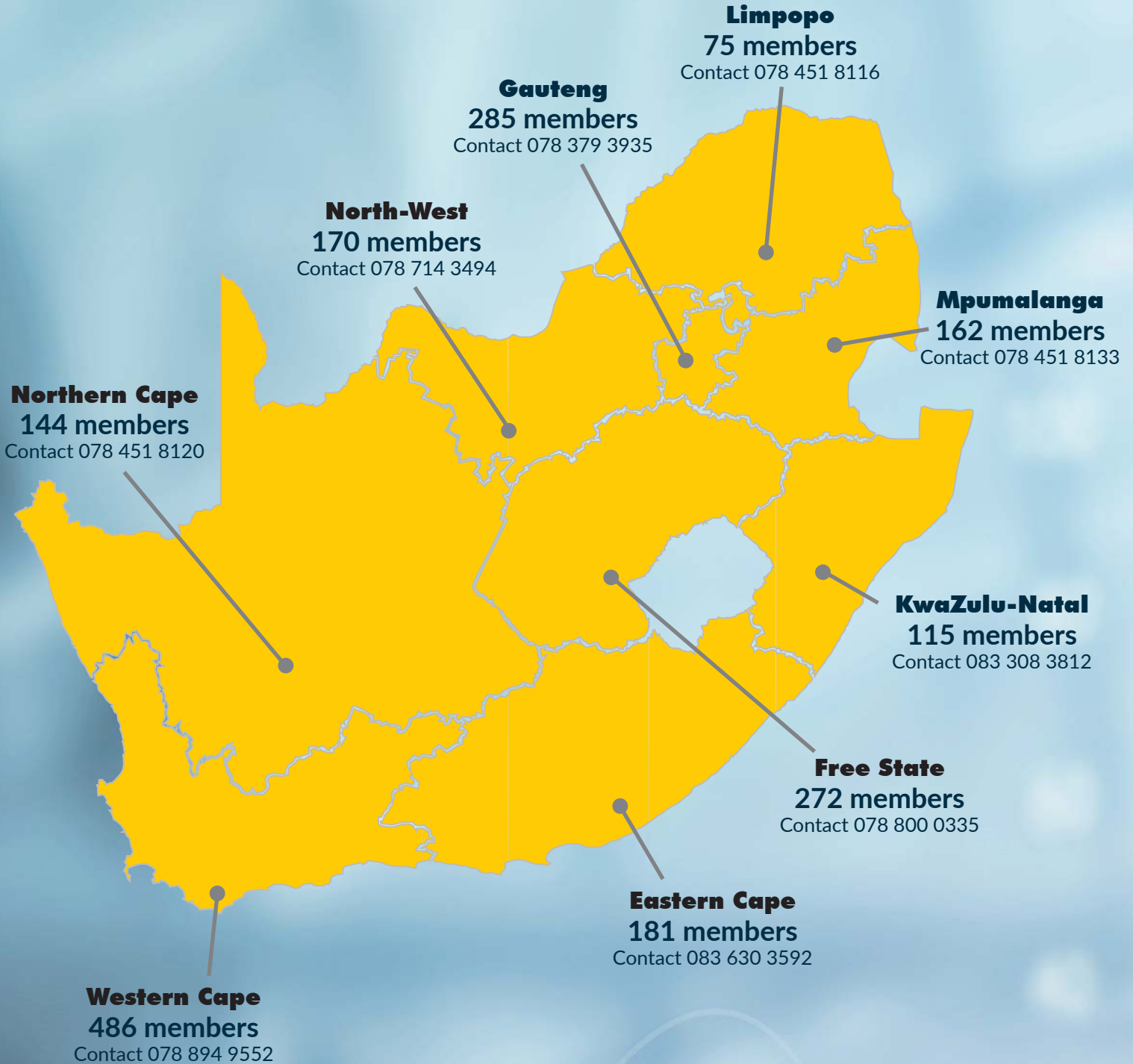
- To serve as the representative body and mouthpiece for the promotion of the common interests and ideals of its members, without interfering in their domestic affairs
- To obtain official recognition from all relevant bodies, institutions, and authorities
- To enter into discussions and negotiate with, and make submissions to, authority bodies and other institutions at all levels on behalf of its members
- To raise funds to achieve the goals of FEDSAS
- To take all steps that may be necessary to promote the mission or goals of FEDSAS
- To train, equip and assist its members in exercising their rights, executing their duties, and fulfilling their responsibilities
- To establish and promote sound communication with all education interest groups
- To be the main innovator exploiting maximum value from available technology for our internal and operational needs, to serve and to guide our member schools with respect to the impact of technology on education.



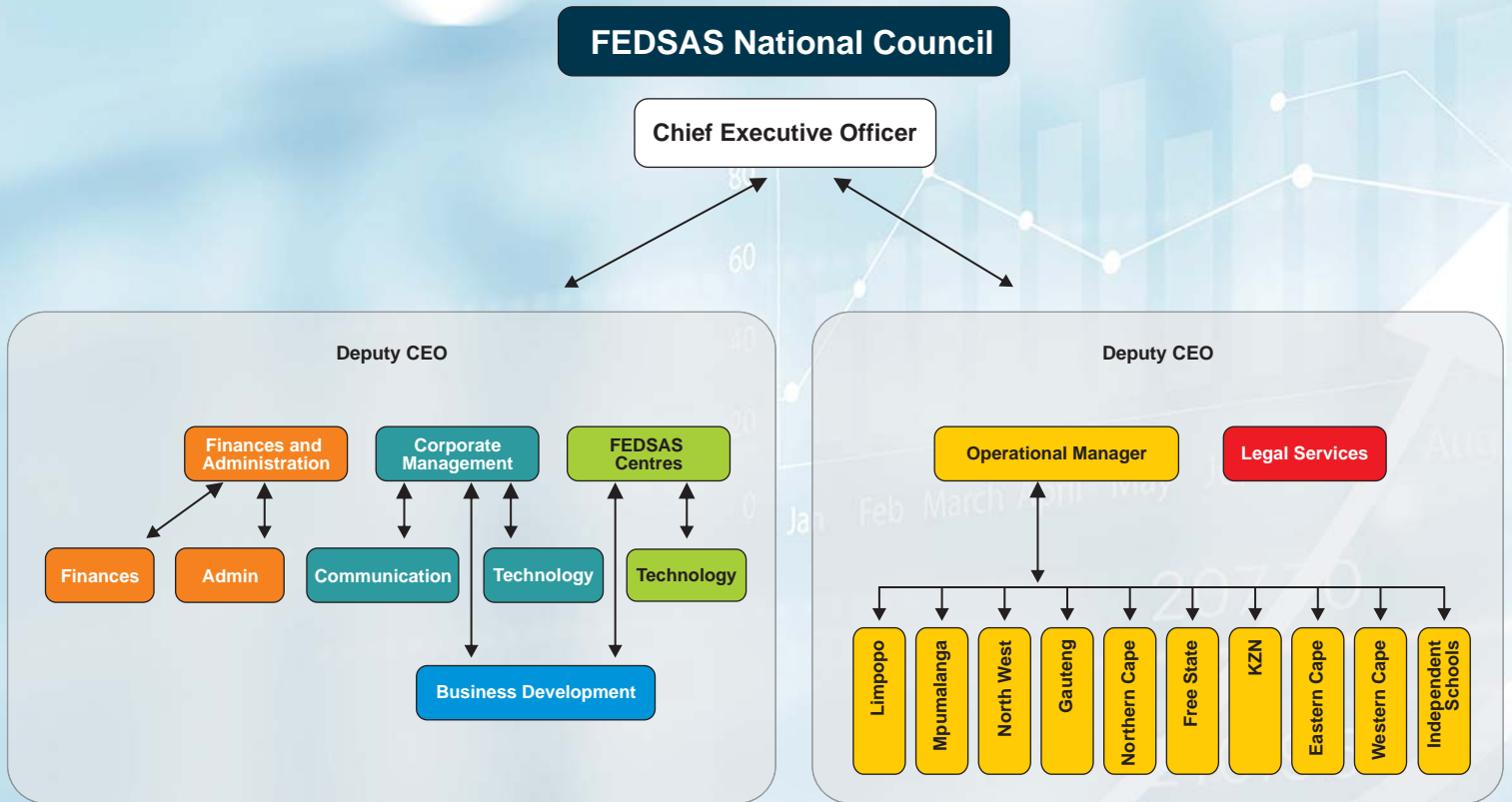
## National footprint

FEDSAS's national footprint:

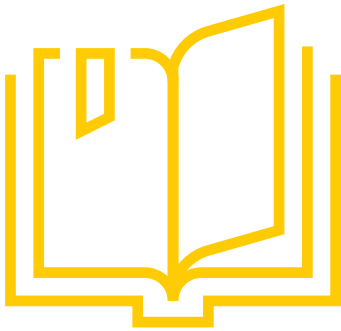
Distribution of members / contact details



# Structures



# The FEDSAS Blueprint for successful education



The blueprint concentrates all FEDSAS's actions on the organisation's vision: To preserve and promote quality education in all schools in the Republic of South Africa. It addresses systemic issues and change to have a lasting impact and effect on the education system. It offers a yardstick of government's progress, responsibility, and accountability, and provides data that enables us to serve as a whistle-blower and watchdog. It serves as a peg to hang our actions, plans and projects on so that we can pursue our vision in a coordinated, systematic, and consistent way. As many of the education building blocks fall outside FEDSAS's direct control, we will have to build sound relationships, exert influence and pressure and shape public opinion to facilitate change. The blueprint consists of eight pillars with five building blocks each. For more information visit [www.fedsas.org.za](http://www.fedsas.org.za)

**Pillar 1: Leadership, governance, and management:** 1) well-trained governing bodies, 2) well-trained principals and management teams, 3) engaged learner-leaders, 4) expert officials (circuit, district and province), 5) development of aspiring principals

**Pillar 2: Staff:** 1) Sufficient posts for each school, and a teacher in each classroom, every day, 2) the best principals, appointed more swiftly, 3) educators in class, busy teaching, 4) sufficient staff for specialised subjects/schools (including LSEN), 5) efficient filling of vacancies

**Pillar 3: Communication:** 1) Clear, regular, timeous, and direct communication among stakeholders, 2) quarterly meetings between Department and governing body organisations, 3) provincial departments adhere to statutory consultation on post provisioning and funding, 4) access to information, 5) acknowledging and responding to correspondence

**Pillar 4: Funding:** 1) sufficient funding for all schools, 2) timeous NNSF payments to schools, 3) disclosure of budgets and spending, 4) uniform guidelines/regulations for finance, 5) competent staff in schools' finance offices

**Pillar 5: Infrastructure:** 1) Minimum infrastructure standards for each school, 2) development and maintenance plan in each province, 3) development of sustainable water

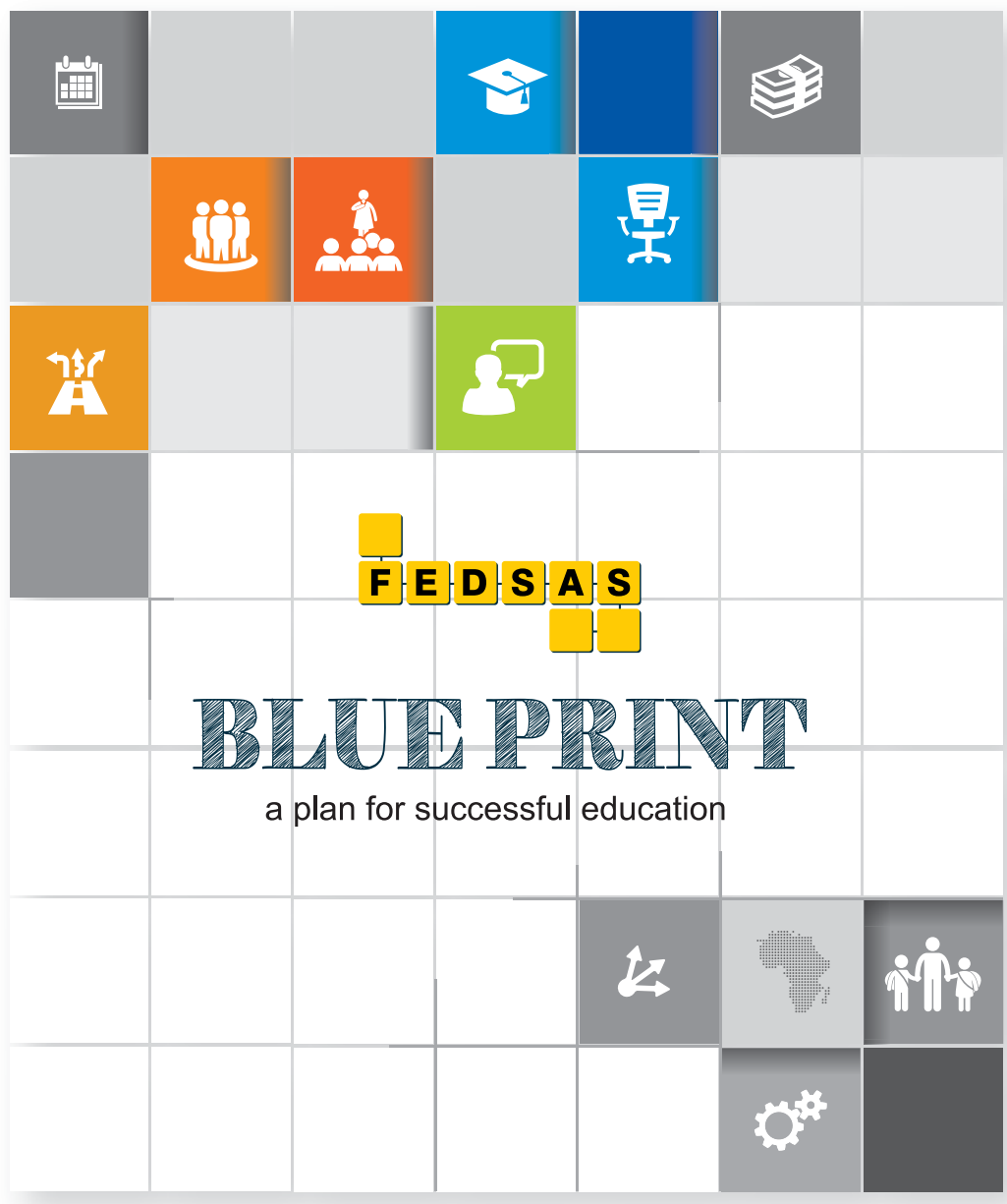
and electricity plan for schools, 4) emergency and safety plans in schools, 5) minimum standards for school technology

**Pillar 6: Partners and relationships:** 1) positive relationships between three education partners (state, school, and parents), 2) positive relationships with communities/community organisations, 3) involve communities – public schools, 4) positive relationship with unions and other governing body organisations, 5) value-driven schools



**Pillar 7: Curriculum outcomes:** 1) integrity of the system and assessment, 2) successful three-stream model, 3) e-learning and blended-learning models, 4) developing skills that offer access to jobs, 5) academic freedom

**Pillar 8: Socioeconomic programmes:** 1) Safety of learners and staff, 2) social workers in schools, 3) minimum resource package for schools/family support, 4) projects for sufficient and wholesome nutrition, 5) access to resources such as data and data points



## National Council

A National Council is entrusted with the governance of FEDSAS, which entails managing the funds and other assets belonging to the organisation. As the National Council controls assets belonging to others, the organisation as well as all individual members of the National Council stand in a relationship of trust (a fiduciary relationship) towards FEDSAS. In accordance with its fiduciary duties, the National Council is expected to act in the best interest of the organisation. In addition to their fiduciary duties, members of the National Council also have the duty to exercise due care, skill and diligence. They also have statutory duties imposed by various laws (such as the common law), the incorporation documentation of the organisation (the constitution of FEDSAS) and any agreements entered into by the organisation (such as the appointment letter or employment contract of a member of the National Council). National Council members should understand their duties to avoid personal liability that may follow from the breach of these duties. Members of the National Council receive no remuneration in return for their service. Regardless, a breach of their duties could still result in accountability and personal liability.

### Committees

Executive committee	The executive committee is responsible for the execution of FEDSAS's strategy and business plans. It functions under the chairpersonship of the CEO and consists of all senior staff members of the organisation.
Human resources committee	The human resources committee forms part of the management structures of the National Council of FEDSAS and advises the National Council on all matters pertaining to human resources and remuneration of staff. The chairperson and members of the committee are appointed by the National Council.
Audit and risk committee	The audit and risk committee is responsible for overseeing FEDSAS's finances, risk and compliance. It is part of the management structures of the National Council and the chairperson and members are appointed by the National Council.
Strategy committee	The strategy committee is a standing committee of the National Council consisting of the chairperson, vice-chairperson, CEO and committee chairpersons, and advises the National Council on strategic matters.
IT committee	The IT committee forms part of the management structures of the National Council of FEDSAS and advises the National Council on all aspects pertaining to technology. The chairperson and members of the committee are appointed by the National Council.

Visit the FEDSAS website at [www.fedsas.org.za](http://www.fedsas.org.za) for information on provincial councils and FEDSAS staff in all the provinces.



## MATERIAL MATTERS

Material matters are those issues that could have a material effect on the ability of FEDSAS to add value to the school education landscape. Although this integrated annual report in its entirety represents these material aspects (those aspects that are indicative of FEDSAS's impact on the six capitals), this section provides an overview of some matters that were of particular importance during 2023.

**Legislation:** The Basic Education Laws Amendment Bill proposes comprehensive and far-reaching changes to the country's education laws. This will have a material impact on nearly every aspect of school education as well as the functioning of governing bodies. Some of the amendments will have a direct impact on two of the principles underpinning FEDSAS' activities, namely the support of the principle of maximum devolution of school governance to governing bodies of public schools, as well as the principle of the freedom of governing bodies and school communities to supplement the level at which education is provided by the State. FEDSAS has been involved in the BELAB process since 2017 and has actively commented on the process. The organisation has the necessary legal as well as practical experience to make expert contributions.

**Funding:** Sufficient funding to deliver the full spectrum of services available from FEDSAS remains a challenge. South Africa's economic prospects are bleak, which have impact on the sustainability of non-profit organisations.

**Socio-political instability:** The above-mentioned concern over economic prospects contributes to socio-political instability in the country. Unemployment, poor service delivery, loadshedding and other challenges often result in protest action. Schools are not excluded from this reality, and not only does it threaten the continuation of the academic calendar but also the safety of staff and learners. The run-up to the 2024 general election as well as the results will be carefully monitored.

**Communication and branding:** In an era of fast and information-driven communication and image-building, effective and credible communication remains a challenge. The FEDSAS Blueprint is an effort to manage in a purposeful manner these and other challenges.

**Relationship-building:** The South African education landscape is complex and, in many aspects, controversial. It requires continuous and deliberate footwork to build relevant and credible relationships to the benefit of members of FEDSAS.





## FEDSAS's COMPETITIVE LANDSCAPE

The organisational and operational activities of FEDSAS are executed in six focus areas, namely training and support, awareness, research, fundraising and relationship management, and good corporate governance. Each focus area has a direct or indirect impact on one or more of the six capitals. This section provides an overview of certain strategic goals and activities for the year, as well as how these activities influence or are influenced by certain capitals. Risks and opportunities are also highlighted.

### FOCUS AREA: TRAINING AND SUPPORT

FEDSAS's primary focus is on equipping school governing bodies. This includes internal training of and support to staff and member schools, as well as availing training opportunities to the broader school community.

#### Capitals

Capitals that are used or influenced by this focus area include financial and manufactured capital that are converted into human capital. Human capital is then used to increase intellectual capital. School visits and travelling to training events have an influence on natural capital in terms of FEDSAS's carbon footprint.

Specific strategic goals and activities for 2023 pertaining to training

#### FEDSAS Legal Services

##### Actions undertaken:

- Revision and implementation of instruments to support school governing bodies
- BELAB: attending all 27 public sessions, with written comments submitted at each session
- Comments on policy documents: 9 national and 12 provincial
- Contact with interest groups
- General legal assistance: 135 legal letters on behalf of members
- Revision of legal documents older than ten years: 92 documents
- Development and presentation of webinars

#### FEDSAS Centre for Technology

FEDSAS's Centre for Finance and Risk Management focuses on the sustainability of schools while the Centre for Technology focuses on the relevance of schools in the 21<sup>st</sup> century.

#### Actions undertaken:

- Expansion of the FEDSAS E-learning Platform that provides school governing bodies, parents, and staff with access to online courses to equip them for the challenges of school governance
- Sim4Schools fundraising project: The Centre for Finance and Risk Management actively started to look for fundraising opportunities and launched sim4schools in cooperation with MegsApp
- Development and marketing of national webinars
- Development and presentation of provincial webinars according to needs
- Nearly 2000 sessions/webinars
- E-magazines TechTalk and RandMatters: nearly 4000 readers

## Article

### Sustainability and relevance in schools

FEDSAS's Centre for Finance and Risk Management highlights the sustainability of schools while the Centre for Technology focuses on the relevance of schools in the 21<sup>st</sup> century. As is the case in the rest of the world, South Africa's economy is under enormous pressure, which ultimately affects schools' economy. Proper financial management and allocation of assets and resources are critically important in these challenging times. During 2023, the Centre for Finance and Risk Management made a presentation to the Department of Basic Education to adapt the formula and tables for exemption of school fees to cast the net for school fee payment wider to benefit our members.

The Centre for Technology brings the latest developments and trends on the international front to our members. There is a strong focus on the use and integration of current tools in schools for more effective governance and the improvement of learning outcomes. Most parents' life and world of work are already deeply rooted in the 21<sup>st</sup> century. The pace of change requires that our schools should also keep up so that learners' learning environment can reflect their life and future world of work.

To broaden our service and contribution to schools we regularly publish e-magazines filled with information, including useful leadership information, new developments such as ChatGPT and others as well as the excellent products and services offered by our corporate members.

We also launched a new initiative for technology enthusiasts and finance people at schools. This interest group is based on the concept of a learning community where we discuss and investigate new developments and challenges and learn from one another as well as from experts. It is an opportunity to belong, to work together, to learn and to contribute. Through TechTribe and FinFriends we established a community of people who can impact education and with whom we can regularly network on a personal level.

#### Staff training

##### Actions undertaken:

- Continuous development of staff through staff conferences
- Continuous training for administrative staff
- Induction of new staff over three-month period
- Thinkday Tuesday sessions

## Specific training of and support for school governing bodies

### Actions undertaken:

- Training presented during school visits: 940 sessions; 5603 participants; 1043 schools
- Continuous and advanced training: 327 sessions; 6268 participants; 2709 schools
- Training for RCL members: 25 sessions; 966 participants; 94 schools
- Financial training: 1396 sessions; 966 participants; 94 schools
- Interaction with education role-players: 112 sessions; 5690 participants; 1756 schools
- 53 online events (meetings and webinars) with 6 663 people online
- Induction of newly elected SGB members: 29 sessions; 328 participants; 50 schools

### Provincial actions:

- 4283 school visits

## Risks and opportunities

Training opportunities are determined by the changing needs and expectations of members. Courses and training material as well as how courses are presented should therefore keep up with the changing environment. FEDSAS's online offer has expanded significantly, and information is accessible across various platforms.

FEDSAS is an industry leader in terms of the opportunities presented by the virtual environment. The long-term investment in human capital is already reaping dividends. It is also an investment in intellectual capital, especially in terms of innovation and future success.

However, it is important not to discount risk. South Africa's internet infrastructure and especially the cost of internet access remain a challenge. As manufactured capital FEDSAS is dependent on external infrastructure in this regard. Although the organisation aims to use technology as effectively as possible, poor internet access, available hardware, and the cost of hardware, as well as the different skills levels of users remain a material risk for access to education. Attendance of some online opportunities is poor, and research is necessary to establish the underlying cause.

The impact of South Africa's electricity crisis is still a risk. Loadshedding influences online sessions and in the case of face-to-face sessions it requires an investment in a back-up power supply. The thousands of kilometres on the road for meetings, training and school visits also have a negative impact on natural capital.

## FOCUS AREA: AWARENESS

Awareness focuses on, among others, the activities of FEDSAS, awareness of the duties and responsibilities of school governing bodies as described in the Schools' Act, as well as awareness of special projects during specific periods.

### Capitals

Capitals used or influenced by this focus area include social and relationship capital through the strengthening of the FEDSAS brand.

### Specific strategic goals for 2023 pertaining to awareness

#### Awareness: BELAB

- Newsletters with information on specific aspects of BELAB
- Media interviews
- Information videos on YouTube and FEDSAS's social media

## Growth of FEDSAS's social media footprint

### Actions undertaken:

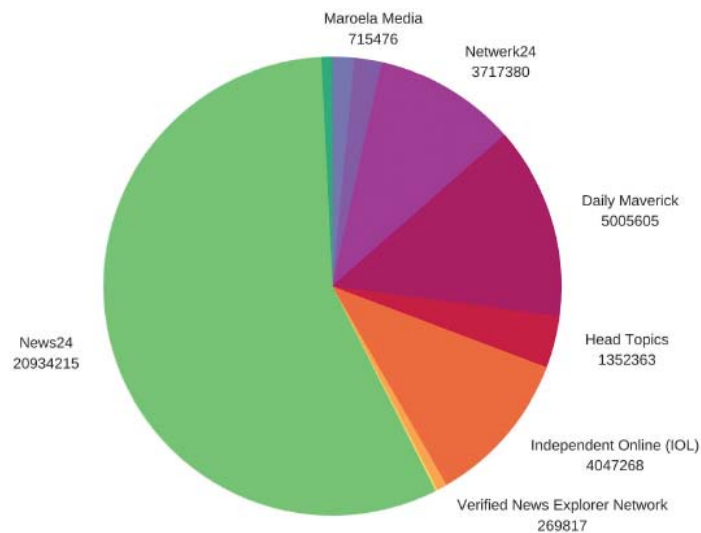
- Facebook followers: 13 620
- Instagram followers: 1306
- X followers: 2036
- LinkedIn followers: 201
- General awareness: traditional media

### Actions undertaken:

- Distribution of media releases on a variety of topics, some focusing on FEDSAS' activities and others as opinion leader
- 15 media releases for the period 1 January 2023 to 31 December 2023

## Article

### BELAB 1 January 2023 - 31 October 2024 reached 36 949 310 leaders

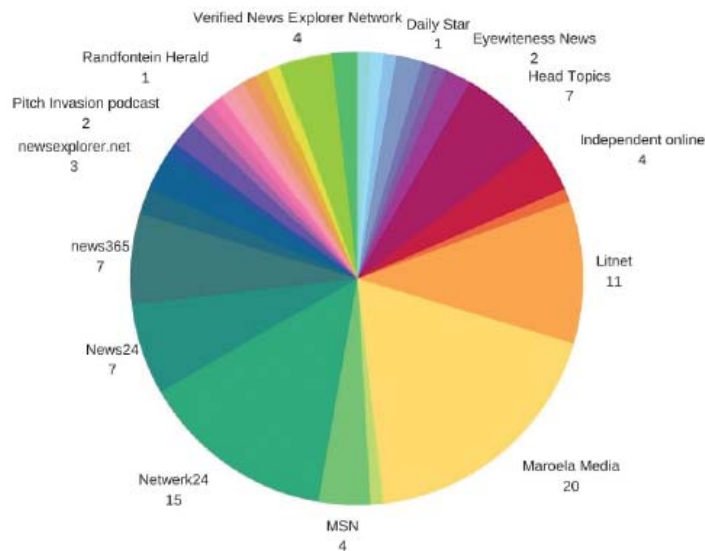


## General awareness: website

### Actions undertaken:

Continuous improvement of online experience ([www.fedsas.org.za](http://www.fedsas.org.za)), including development of video library for members

- 45 013 visits to website (January - October 2023): 19.5% returning visitors, 80.5% new visitors
- average visit of 4:12 minutes



## General awareness: Newsletters

### Actions undertaken:

- National: 30 newsletters (in Afrikaans and Engels)
- Provincial: 66 newsletters (in Afrikaans and Engels)
- Centre for Technology: 8 newsletters (in Afrikaans and Engels)
- Centre for Finance and Risk Management: 1 newsletters
- FEDSAS Today: internal newsletter every second week
- FEDSAS Communique: weekly staff communication

## Risks and opportunities

Awareness requires a fine balance between marketing the organisation and its projects, and the social contract that exists between a non-profit organisation and society to give expression to the value that the organisation adds according to its vision and mission. In-depth knowledge of the education environment and specifically legal knowledge about the duties and responsibilities of school governing bodies as described in the Schools' Act is a requirement for FEDSAS staff. Creating awareness of the role of school governing bodies in public schools goes further than official members, and here FEDSAS also has a duty to inform and educate the public. During 2023, BELAB received extensive media coverage. FEDSAS has been involved in this process throughout and this presented ample opportunity to create awareness of the organisation's activities and to underline FEDSAS's position as a leader in the education sector.

Risks in this area include that social and relationship capital must be used to grow the organisation's operations but at the same time FEDSAS must increase social and relationship capital as resource of the organisation. This give-and-take relationship requires a healthy balance to ensure that social and relationship capital as a resource is not depleted.

Continued technological advancement also means that the organisation must remain at the forefront of developments in terms of online communication. The FEDSAS website is continually updated and extended. Although an expense in terms of financial capital, the website enables FEDSAS to tell the story of how the organisation adds value and at the same time increase access to the organisation's intellectual capital.

The challenge to remain relevant is a risk as well as an opportunity. Public perception of FEDSAS and the activities of the organisation have a direct impact on funding and new members. FEDSAS therefore has the opportunity to develop as opinion leader through balanced participation in public discourse, whether positive, negative, or neutral.



## FOCUS AREA: RESEARCH

FEDSAS's committed team of education law specialists continuously conduct research on policy development, draft legislation and other aspects of legislation that influences school governing bodies.

### Capitals

Capitals used or influenced by this focus area include an increase in intellectual capital as well as social and relationship capital.

## Article

### Practical advice to schools the focus of new FEDSAS book

Schools don't want definitions, they want advice. This is the golden thread that guides all the activities of FEDSAS. The organisation's commitment to practical support to especially school governing body members but also other education role-players is confirmed again with the publication of *School Governance II: More issues and practical advice*.

The book is the fifth in a series that specifically focuses on issues faced daily by school governing bodies and schools. FEDSAS CEO, Dr Jaco Deacon and Deputy CEO, Ms Juané van der Merwe are the authors. Juta is the publisher of the series.

The previous books focused on topics that included court cases relevant to education, financial management in public schools and human resources management in public schools. The first book in the series was in question-and-answer format and dealt with real problems faced by real schools.

"This new book is a continuation of the approach followed in the first book. The new publication focuses on 180 burning issues ranging from school discipline and educators to hostels and the activities of the school governing body," says Deacon.

Deacon says the book had its origin in FEDSAS's focus on the professional development of staff. "Each week our staff members must supply solutions to a real problem faced by a school community. The answer is discussed in the next week's internal newsletter. This allows staff to stay on top of the interpretation of legislation and provides them with an opportunity to learn from others."

Deacon, an established author of several publications, holds Van der Merwe in high esteem. "Over the past nearly ten years Juané has established herself as a leading expert on education law. She is also the Head of FEDSAS's legal services. In most cases, she was the first person contacted by members about the problems they were facing."

Van der Merwe says as authors their approach was to present the content in the same practical, accessible way that the initial incidents were handled. "We work with people, not problems. With the right information and the necessary guidance, FEDSAS members can solve the problems on their own or prevent them."

Deacon says the book is aimed at an audience larger than just governing body members. "South Africa's education system can only be successful if we have knowledgeable role-players. To this end, the book is also aimed at government officials, educators and any other person who is involved with education in one way or another. FEDSAS has always been very open to sharing knowledge and expertise and this book is evidence of that."

## Specific strategic goals for 2023 pertaining to research

### Actions undertaken:

- Continuous research for specific legal actions and court cases in which FEDSAS is involved on behalf of its members
- Summary of public commentary available on FEDSAS website
- Legal team presents papers at annual conference of South African Education Law Association (SAELA)
- Publication of *School Governance II: More issues and practical advice*

### Risks and opportunities

Risk is inherent to legal action, given the financial cost and the potential risk to the organisation's reputation. FEDSAS considers legal action a last resort and prefers to use the organisation's influence in several structures in the education sector, including with the government, to resolve issues or to make sure that statutory regulations and responsibilities are adhered to in a proper manner. However, the inherent risk to legal action cannot be discounted.

New legislation and policies as well as important court decisions provide ample opportunity for FEDSAS to increase intellectual capital through the development of legal opinions, policies, publications, and training material. However, it also provides FEDSAS with the opportunity to use its legal knowledge and experience to provide guidance to school governing bodies and other role-players, including education departments, to navigate this new environment.

## FOCUS AREA: MEMBERSHIP GROWTH

On 31 December 2023, a total of 1897 school governing bodies of public schools were members of FEDSAS. However, there are 22 511 public schools in South Africa and growing FEDSAS's membership remains a primary goal.

### Capitals

Capitals used or influenced by this focus area include an increase in financial capital, human capital and social and relationship capital.

## Specific strategic goals for 2023 pertaining to membership growth

### Actions undertaken:

- Recruiting members through general training events and webinars that provide access to non-members
- Follow up on referrals from existing members
- Product "FEDSAS in a box" free of charge for new members
- Collecting membership fees
- Discount process for schools who cannot afford full membership fee

### Risks and opportunities

The number of members has a direct impact on the organisation's financial position. With South Africa's economy under pressure, several members struggle to pay the membership fee. Other governing body organisations compete in the same market and therefore also pose a risk. However, FEDSAS's stellar reputation as leader in school governance provides the organisation with an opportunity to grow its membership.

## FOCUS AREA: FUNDRAISING, RELATIONSHIP MANAGEMENT AND MOUTHPIECE FOR GOVERNING BODIES

FEDSAS is a non-profit organisation and, apart from membership fees, is dependent on external sources for income.

### Capitals

Capitals used or influenced by this focus area include an increase in financial capital as well as social and relationship capital.

## Article

### FEDSAS strengthens international ties

It is good and bad news that local challenges in education are not unique to South Africa. “In many European countries there is pressure on schools in terms of admissions policy as well as concerns over an aging educator corps and the loss of skills,” says Dr Jaco Deacon, CEO of FEDSAS. Deacon was a speaker at a conference of the European Federation of Education Employers (EFEE) in Ljubljana in Slovenia. Sixteen countries were represented at the conference.

“Of course, it is bad news that education is still facing so many challenges and especially that these challenges are so similar across countries. But the good news is that there are also a lot more plans and opportunities to learn from others.” Deacon says in many European countries, schools are confronted with challenges with admissions due to an influx of immigrants and refugees. “Schools must adapt to accommodate learners from diverse backgrounds, languages and cultures.”

Another general problem is pressure on school principals. “Due to the pressure, principals opt for early retirement and there are few candidates interested in applying for vacant positions. As is the case in South Africa, staff wellness is high on the agenda. Plans are necessary to ensure that education becomes an attractive professional career option and especially a sustainable career. Teachers worldwide are leaving the profession due to the pressures of large classes, a shortage of resources and a lack of support.”

Deacon says FEDSAS and the EFEE also had a separate meeting to discuss closer cooperation in future. “I am excited about this prospect. FEDSAS now has friends in many countries. There are several touchpoints between FEDSAS and the EFEE. Over the coming months, we will be attending each other’s webinars and share documentation. I hope that we will eventually be able to establish an exchange agreement to provide staff with exposure to different systems. In the short term we are looking at cooperation in terms of leadership, policy and technology.”

Discussions are also underway about an international network where collectives could be addressed. “The UN’s International Labour Organisation and UNESCO often only engage with international labour federations. As a result, policy and documentation are sometimes forced upon countries without different circumstances being considered. In fact, many countries do not even have a voice on these fora.”

Deacon says for FEDSAS to remain the leader in school governance, continuous renewal is necessary. “That is why we are building out our international network. FEDSAS focuses on the development of competent school governing bodies. International cooperation is proof that we consult, observe and cooperate far and wide to ensure that our members have access to the very best training and support.”

## Specific strategic goals for 2023 pertaining to fundraising and relationship management

### Actions undertaken:

- Strategic partnerships
- Regular meetings and formal and informal events with education stakeholders, including political leadership, to maintain FEDSAS' role as opinion leader and to build healthy, proactive relationships with stakeholders
- FEDSAS is represented at all departmental meetings that directly relate to the power and functions of governing bodies
- Regular liaising with provincial education departments, as representative of members but also as education partner
- Meetings with departmental officials at provincial level (Provincial Consultative Forum): 112 sessions; 5690 participants; 1756 schools
- Meetings with departmental officials (National Consultative Forum): 169 sessions; 10 061 participants; 14 128 schools
- Mediation of serious conflict situations between governing bodies and school principals/teachers and/r education departments
- Liaising with unions and other non-governmental organisations that play a role in education
- CEO attends Leadership Skills in Education Conference in Europe as guest of European Federation of Education Employers (EFEE)
- Establish position of National Development Officer with a focus on training, extending FEDSAS's training portfolio and making it accessible to as many SGBs as possible

### Risks and opportunities

As non-profit organisation FEDSAS is dependent on strategic partnerships, especially in terms of financial support. Economic disruption results in significantly less funding from donations and sponsorships. This holds a serious threat for financial sustainability and is a risk that must be managed actively through among others internal cost-saving measures as well as identifying new sources of income.

Managing relationships with external stakeholders, especially in terms of donations and sponsors, is key to the organisation's future. Other crucial relationships include FEDSAS's relationship with the national Department of Basic Education as well as provincial education departments. Over the years FEDSAS has established itself as an education partner to the government. This relationship has enabled the organisation to facilitate sometimes challenging situations between school governing bodies and education departments. Although this relationship creates an opportunity to grow FEDSAS' reputation and membership, it must be managed carefully as damage to this relationship, or any perception of a loss of impartiality, holds significant risk, especially to the organisation's reputation.

## FOCUS AREA: GOOD CORPORATE GOVERNANCE

FEDSAS is committed to good corporate governance and structures that will create the best possible environment for executing the organisation's duties.

### Capitals

Capitals used or influenced by this focus area include human capital as well as social and relationship capital.



## Specific strategic goals for 2023 pertaining to good corporate governance

### Actions undertaken:

- Further implementation of principles of King IV™ Report on Governance for South Africa, 2016, as the source document on what constitute sound governance
- Development of the FEDSAS Blueprint that directs FEDSAS's activities within the framework of the King IV™ Report and provides a vision for accountable education in South Africa
- Establishing and maintaining effective governance systems, policy, and procedures in terms of risk management

### Risks and opportunities

On the one hand applying the principles of good corporate governance holds risk as it can be seen as merely complying with minimum legal requirements. On the other hand, it provides an opportunity to create an environment – internally and externally – where values rather than rules guide actions and activities. With regard to good corporate governance, FEDSAS is in the unique position that the organisation can communicate the principles to members through example (members' contact with FEDSAS as an organisation built on the principles of good governance) and training (courses, training material, policies and other instruments available to governing bodies) – it is a classic case of “practise what you preach”. The challenges brought about by the pandemic in terms of policies hold risk for corporate governance because new ways of work for several operational functions had to be developed. At the same time, it offered an opportunity to strengthen areas where good governance might still have been a challenge. FEDSAS's personal experience enables the organisation to equip members effectively when they must face similar challenges or circumstances.



# OVERVIEW: FINANCIAL STATEMENTS

## GENERAL INFORMATION

### Period

This section contains a brief overview of the financial position of FEDSAS for the financial year ending 31 December 2023.

### Management's responsibility and approval

These financial statements were compiled in accordance with the International Financial Reporting Standards for Small and Medium Organisations and the South African Statements of Generally Accepted Practice and are based on applicable accounting policy that is applied consistently and supported by reasonable and prudent judgement and estimations. Based on the information and explanations provided by the management of FEDSAS, it is the Council's opinion that the internal management systems provide reasonable assurance of the dependability of the financial records in compiling the financial statements. Any internal systems for financial control can only provide reasonable, and not absolute, assurance against any substantial irregular declaration or loss. FEDSAS's management has scrutinised the organisation's cash flow prediction for the year ending 31 December 2023 and is in the light of this scrutiny and the current financial position assured that the governing body has sufficient resources or access to sufficient resources to continue its activities for the near future.

### Auditors

Core Audit Incorporated Auditor  
Chartered Accountants  
Registered Auditor



# ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

**FEDSAS**  
**(Registrasiensnommer: NPO 128-598)**

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG 31**  
**DESEMBER 2023**

**ALGEMENE INLIGTING**

**Land van inkorporasie en domisilie** Suid-Afrika / South Africa

**Aard van besigheid en hoofaktiwiteite** Federasie van Skoolbeheerliggame /  
Federation of School Governing  
Bodies

**Raadslede** Dr S Mellors (Voorsitter)/(Chairperson)  
Dr HJ Deacon (HUB)/(CEO)

**Posadres** Posbus / PO Box 31963  
Fichardtpark  
Bloemfontein  
9317

**Ouditeur** Core Audit Incorporated  
Geoktrooieerde Rekenmeesters/Chartered Accountants  
Geregistreeerde Ouditeure / Registered Auditors

**Belastingverwysingsnommer** 9754360163

**BTW verwysingsnommer** 4790279584

**Organisasie registrasiensnommer** NPO 128-598

**Bankier** ABSA Bank Beperk/Limited

**Vlak van gerusstelling** Hierdie finansiële state is geoudit in ooreenstemming met die toepaslike vereistes van die Grondwet van die Nasionale Raad. / These annual financial statements have been audited in compliance with the applicable requirements of the Constitution of the National Council.

**Kompileerder** Hierdie finansiële state is onafhanklik opgestel deur Mnr JN Kriel GR (S.A.) / The annual financial statements were independently compiled by Mr JN Kriel CA (S.A.)

**FEDSAS**  
**(Registration number: NPO 128-598)**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**GENERAL INFORMATION**

**Country of incorporation and domicile**

**Nature of business and principal activities**

**Board members**

**Postal address**

**Auditor**

**Tax reference number**

**VAT reference number**

**Organisation registration number**

**Bankers**

**Level of assurance**

**Preparer**

**FEDSAS**  
**(Registrasienommer: NPO 128-598)**

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG**  
**31 DESEMBER 2023**

Die verslae en state soos vervat in die dokument verteenwoordig die finansiële state wat aan die raadslede voorgelê is:

**Inhoud**

	<b><u>Bladsv/Page</u></b>
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Onafhanklike Ouditeursverslag	6-8
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Staat van Finansiële Posisie	12
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**Vlak van gerusstelling**

Hierdie finansiële state is geoudit in ooreenstemming met die toepaslike vereistes van die Grondwet van die Nasionale Raad.

**FEDSAS**

**(Registration number: NPO 128-598)**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

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

**Contents**

	<b><u>Contents</u></b>
	Members' Responsibilities and Approval
	Independent Auditor's Report
	Practitioner's Compilation Report
	Members' Report
	Statement of Financial Position
	Statement of Comprehensive Income
	Statement of Changes in Equity
	Statement of Cash Flow
	Accounting Policies
	Notes to the Financial Statements
	The following supplementary information does not form part of the Annual Financial Statements and is unaudited: Detailed Income Statement

**Level of assurance**

These annual financial statements have been audited in compliance with the applicable requirements of the Constitution of the National Council.



**LEDE SE VERANTWOORDELIKHEDE EN GOEDKEURING**

Die grondwet bepaal dat die lede omvattende rekeningkundige rekords moet handhaaf en verantwoordelik is vir die inhoud en integriteit van die jaarlikse finansiële state en verwante finansiële inligting wat by die verslag ingesluit word. Dit is hul verantwoordelikheid om te verseker dat die jaarlikse finansiële state 'n redelike weergawe is van die organisasie se sake soos aan die einde van die finansiële jaar asook die finansiële prestasie en kontantvloei vir die periode, ter voldoening aan die rekeninkundige basis soos beskryf in Nota 1. Die eksterne ouditeure is aangestel om 'n onafhanklike mening oor die finansiële state uit te spreek.

Die jaarlikse finansiële state is in ooreenstemming met die vereistes soos omskryf in Nota 1 en is gegrond op toepaslike rekeningkundige beleide wat konsekwent toegepas is en deur redelike en verstandige oordeel en ramings ondersteun is.

Die lede erken dat hulle uiteindelik verantwoordelik is vir die stelsels van interne finansiële beheer wat die organisasie ingestel het en plaas aansienlike klem op die handhawing van streng beheer. Sodat die lede die verantwoordelikhede kan nakom, stel die raad standaarde vir interne beheer wat daarop gerig is om die risiko van foute of verlies op 'n kostedoeltreffende wyse te verklein. Die standaarde sluit in die behoorlike delegasie van verantwoordelikhede binne 'n duidelik gedefinieerde raamwerk, effektiewe rekeningkundige prosedures en toereikende skeiding van pligte om 'n aanvaarbare risikovlak te verseker. Die beheermaatreëls word deur die hele organisasie gemonitor en alle werknemers moet die hoogste etiese standaarde handhaaf om te verseker dat die organisasie se besigheid gedoen word op 'n wyse wat onder alle redelike omstandighede bo verdenking is.

Die organisasie se risikobestuur is gerig op die identifisering, evaluering, bestuur en monitering van alle bekende risiko's in die organisasie. Hoewel die bedryfsrisiko nie heeltemal uitgekakel kan word nie, probeer die organisasie dit tot 'n minimum beperk deur te verseker dat die toepaslike infrastruktuur-, beheer- en ander stelsels en etiese gedrag volgens voorafbepaalde prosedures en beperkings toegepas word.

**MEMBERS' RESPONSIBILITIES AND APPROVAL**

The members are required by the Constitution of the National Council, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the organisation 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 the basis of accounting described in Note 1. The external auditor is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the basis of accounting described in Note 1 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the organisation and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the members set 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 organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.




**LEDE SE VERANTWOORDELIKHEDE EN GOEDKEURING**

Die lede is op grond van inligting en verduidelikings wat bestuur verskaf, van mening dat die interne beheerstelsels redelike sekerheid bied dat daar vir die opstel van die jaarlikse finansiële state op die finansiële rekords gesteun kan word. Enige interne stelsels vir finansiële beheer kan egter slegs redelike, en nie absolute, versekering bied teen enige wesenlike wanvoorstelling of verlies.

Die lede het die organisasie se kontantvloeï vooruitskatting vir die jaar geëindig 31 Desember 2023 geëvalueer, en is in die lig hiervan tesame met die huidige finansiële posisie, oortuig dat die organisasie toereikende middele het om sy bedrywighede in die afsienbare toekoms voort te sit.

Die eksterne ouditeur is verantwoordelik vir die onafhanklike audit van die organisasie se jaarlikse finansiële state en om daarvoor verslag te doen. 'n Eksterne audit is uitgevoer op hierdie finansiële state deur die organisasie se eksterne ouditeur en hul verslag word op bladsye 6 tot 8 aangebied.

Die jaarlikse finansiële state wat op bladsye 12 tot 28 uiteengesit word en deur die Nasionale Raad opgestel is, is 23 Maart 2023 deur die lede goedgekeur en namens hulle onderteken deur:



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**Dr S Mellors (Voorsitter)/(Chairperon)**

**MEMBERS' RESPONSIBILITIES AND APPROVAL**

The members 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 members have reviewed the organisation's cash flow forecast for the year ended 31 December 2023 and, in the light of this review and the current financial position, they are satisfied that the organisation has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the organisations annual financial statements. The annual financial statements have been examined by the organisations external auditor and their report is presented on pages 6 to 8.

The annual financial statements set out on pages 12 to 28, which have been prepared on the going concern basis, were approved by the National Council 23 March 2023 and were signed by:



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**Dr HJ Deacon (HUB)/(CEO)**

## ONAFHANKLIKE OUDITEURSVERSLAG

Aan die lede van FEDSAS

### Ouditverslag van die Jaarlikse Finansiële State

#### Mening

Ek het die jaarlikse finansiële state van FEDSAS, soos uiteengesit op bladsy 12 tot 26 geaudit, wat bestaan uit die staat van finansiële posisie soos op 31 Desember 2023, die staat van omvattende inkomste, staat van verandering in ekwiteit en staat van kontantvloeï vir die jaar wat op daardie datum geëindig het, en die aantekeninge, wat bestaan uit 'n opsomming van beduidende rekeningkundige beelde.

Na ons mening, is die jaarlikse finansiële state redelik aangebied, in alle wesenlike opsigte, vir die jaar geëindig 31 Desember 2023, in ooreenstemming met die grondslag van rekeningkunde beskryf in Aantekening 1 van die finansiële jaarstate en die vereistes van die Grondwet van die Nasionale Raad.

#### Grondslag vir mening

Ek het die audit ooreenkomstig Internasionale Ouditstandaarde ('ISAs') uitgevoer. Ons verantwoordelikhede in terme van die standaard word verder beskryf in die Oudit se Verantwoordelikhede vir die Oudit van die Jaarlikse Finansiële State-afdeling van ons verslag. Ons is onafhanklik van die onderneming in ooreenstemming met die Onafhanklike Regulerende Raad vir Ouditore (IRBA Kode) en ander onafhanklikheid vereistes toepaslik op die uitvoer van audits van finansiële state in Suid-Afrika. Ons het die ander etiese verantwoordelikhede in ooreenstemming met die IRBA-kode en in ooreenstemming met ander etiese vereistes van toepassing op die uitvoer van audits in Suid-Afrika vervul. Die IRBA-kode is konsekwent met die ooreenstemmende afdelings van die 'International Ethics Standards Board for Accountant's International Code of Ethics for Professional Accountants' (insluitende Internasionale Onafhanklikheid Standaard) onderskeidelik. Ons glo dat die auditbewyse wat ons verkry het, toereikend en toepaslik is om 'n grondslag vir ons auditmening te bied.

#### Beklemtoning van aangeleentheid - Grondslag van Rekeningkunde

Ek vestig die aandag op Aantekening 1 van die jaarlikse finansiële state, wat die grondslag van rekeningkunde beskryf. Die finansiële jaarstate word in ooreenstemming met die organisasie se eie rekeningkundige beleid opgestel om die finansiële inligtingsbehoefes van die gebruikers te bevredig. Gevolglik is die finansiële jaarstate moontlik nie geskik vir 'n ander doel nie. My mening word nie gewysig ten opsigte van hierdie aangeleentheid nie.

#### Ander inligting

Die raadslede is verantwoordelik vir die ander inligting. Die ander inligting ingesluit in die dokument met die titel "FEDSAS jaarlikse finansiële state vir die jaar geëindig 31 Desember 2023", wat die Raadsledeverslag en die aanvullende inligting soos uiteengesit in bladsye 26 tot 28 insluit, wat ons verkry het voor die datum van hierdie verslag. Die ander inligting sluit nie die jaarlikse finansiële state en ons ouditeursverslag daarop in nie.

Ons mening oor die jaarlikse finansiële state dek nie die ander inligting nie en ek spreek geen vorm van gerusstelling daarvoor uit nie.

## INDEPENDENT AUDITORS' REPORT

To the members of FEDSAS

### Report on the Audit of the Annual Financial Statements

#### Opinion

I have audited the annual financial statements of FEDSAS (the entity) set out on pages 12 to 26, which comprise the statement of financial position as at 31 December 2023, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including significant accounting policies.

In my opinion, the annual financial statements of FEDSAS for the year ended 31 December 2023 are prepared, in all material respects, in accordance with the basis of accounting described in Note 1 to the annual financial statements and the requirements of the Constitution of the National Council.

#### Basis for opinion

conducted my audit in accordance with International Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of my report. I am independent of the organisation 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 annual financial statements in South Africa. I have fulfilled my other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of Matter - Basis of Accounting

I draw attention to Note 1 to the annual financial statements, which describes the basis of accounting. The annual financial statements are prepared in accordance with the organisation's own accounting policies to satisfy the financial information needs of the users of the financial statements. As a result, the annual financial statements may not be suitable for another purpose. My opinion is not modified in respect of this matter.

#### Other information

The members are responsible for the other information. The other information included in the document titled "FEDSAS annual financial statements for the year ended 31 December 2023", which includes the Member's Report and the supplementary information as set out on pages 26 to 28. The other information does not include the annual financial statements and my auditor's report thereon.

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

Directors: S Kotzé - BAcc(Hons) CA(SA) RA | D Mc Lean - BCom(Hons) CA(SA) RA | JN Kriel - BCompt(Hons) CA(SA) RA

A Brink - BAcc(Hons) CA(SA) RA | HE Venter - BAcc(Hons) CA(SA) RA

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In verband met ons audit van die jaarlikse finansiële state is dit ons verantwoordelikheid om die ander inligting te lees, en sodoende te oorweeg of die ander inligting wesenlik teenstrydig is met die jaarlikse finansiële state of kennis verkry gedurende die audit, of andersins blyk om wesenlik wanvoorgestel te wees. Indien ons, gebaseer op die werk wat ons uitgevoer het, tot die gevolgtrekking kom dat daar 'n wesenlike wanvoorstelling van hierdie ander inligting is, word van ons vereis om daardie feit te rapporteer. Ons het niks om te rapporteer in die verband nie.

#### **Verantwoordelikhede van die raadslede vir die Jaarlikse Finansiële State**

Die raadslede is verantwoordelik vir die opstel en redelike voorstelling van die jaarlikse finansiële state ooreenkomstig met die grondslag van rekeningkunde beskryf in Aantekening 1 by die finansiële jaarstate en die vereistes van die Grondwet van die Nasionale Raad, asook vir die interne kontrole wat deur die lede bepaal is soos benodig om die voorbereiding van die jaarlikse finansiële state moontlik te maak wat sonder wesenlike wanvoorstellings mag wees, hetsy weens bedrog of foute.

As deel van die opstel van die jaarlikse finansiële state is die raadslede daarvoor verantwoordelik om die entiteit se vermoë om as 'n lopende saak voort te bestaan te beoordeel, en waar toepaslik aangeleenthede wat verband hou met lopende saak en die gebruik van die lopende saak-grondslag van verslagdoening te openbaar, tensy die raadslede beplan om die organisasie te likwideer of om bedrywighede te staak, of geen realistiese alternatief het as om so te maak nie.

#### **Ouditeur se verantwoordelikhede vir die audit van die Jaarlikse Finansiële State**

Ons doelwitte is om redelike gerusstelling te verkry dat die jaarlikse finansiële state as 'n geheel sonder wesenlike wanvoorstelling is, hetsy weens bedrog of foute, en om 'n ouditeursverslag uit te reik wat ons mening bevat. Redelike gerusstelling is 'n hoë vlak van gerusstelling, maar is nie 'n waarborg dat 'n audit wat ooreenkomstig die ISAs uitgevoer is altyd 'n wesenlike wanvoorstelling sal opspoor wanneer dit bestaan nie. Wanvoorstellings kan ontstaan as gevolg van bedrog of foute, en word individueel of in totaal wesenlik geag indien dit redelikerwys verwag kan word dat sodanige wanvoorstellings die ekonomiese besluite van gebruikers wat op grond van hierdie jaarlikse finansiële state geneem word, sal beïnvloed.

As deel van 'n audit ooreenkomstig die ISAs, oefen ek professionele oordeel uit en handhaaf ek professionele skeptisisme gedurende die audit. Insluitende:

- Identifiseer en beoordeel die risiko's van wesenlike wanvoorstelling van die Jaarlikse Finansiële State, hetsy weens bedrog of foute, ontwerp en voer prosedures uit na aanleiding van daardie risiko's, en verkry auditbewyse wat voldoende en toepaslik is om 'n grondslag vir ons auditmening te bied. Die risiko van nie-opsporing van 'n wesenlike wanvoorstelling as gevolg van bedrog is groter as vir 'n wesenlike wanvoorstelling as gevolg van foute, aangesien bedrog samespanning, vervalsing, doelbewuste weglatings, wanvoorstellings, of die omseiling van interne beheer kan behels.
- Verkry 'n begrip van interne beheer relevant tot die audit ten einde auditprosedures te ontwerp wat toepaslik is in die omstandighede, maar nie vir die doel om 'n mening uit te spreek oor die effektiwiteit van die entiteit se interne beheer nie.
- Evalueer die toepaslikheid van rekeningkundige beleid wat gebruik is en die redelikheid van rekeningkundige ramings en verwante openbaarmaking wat deur bestuur gemaak is.

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

#### **Responsibilities of the board members for the Annual Financial Statements**

The members are responsible for the preparation of the annual financial statements in accordance with the basis of accounting described in Note 1 to the annual financial statements and the requirements of the Constitution of the National Council, for determining that the basis of preparation is acceptable in the circumstance and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the members are responsible for assessing the entity'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 members either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the Annual Financial Statements**

My objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.

- Kom tot 'n gevolgtrekking oor die toepaslikheid van die raadslede se gebruik van die lopende saak-grondslag van verslagdoening, en gebaseer op ouditbewyse verkry, kom tot 'n gevolgtrekking oor die bestaan van 'n wesenlike onsekerheid wat verband hou met gebeure of omstandighede wat beduidende twyfel kan laat bestaan oor die groep en die genootskap se vermoë om as 'n lopende saak voort te bestaan. Waar ons tot die gevolgtrekking kom dat 'n wesenlike onsekerheid bestaan word daar van ons vereis om in ons ouditeursverslag aandag te vestig op die toepaslike openbaarmaking in die jaarlikse finansiële state, of, indien sodanige openbaarmaking onvoldoende is, om ons mening te wysig. Ons gevolgtrekkings word gebaseer op ouditbewyse verkry tot en met die datum van ons ouditeursverslag. Toekomstige gebeure en omstandighede mag egter daartoe aanleiding gee dat die groep en / of die genootskap ophou om as 'n lopende saak voort te bestaan.

- Evalueer die algehele voorstelling, struktuur en inhoud van die jaarlikse finansiële state, insluitende die openbaarmaking, en of die jaarlikse finansiële state die onderliggende transaksies en gebeure op só 'n manier weergee dat redelike voorstelling bereik word.

Ek kommunikeer met die organisasie oor, onder andere, die beplande omvang en tydsberekening van die oudit en beduidende ouditbevindinge, insluitende enige beduidende tekortkominge in interne beheer wat ek tydens ons oudit identifiseer.

#### **Verslag rakende ander wetlike en regulatoriese vereistes**

In terme van die IRBA-kode wat in die Staatskoerant, nommer 39475, op 4 Desember 2015 gepubliseer is, bevestig ek dat Core Audit Incorporated FEDSAS geoudit het vir 6 jaar.



**Ms D McLean**  
**Director**  
**Registered Auditor**  
**Chartered Accountant (SA)**

- Conclude on the appropriateness of the members 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 organisation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

#### **Report on other legal and regulatory requirements**

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, I report that Core Audit Incorporated has audited FEDSAS for 6 years.

## PRAKTISYN KOMPILASIE VERSLAG

### Aan die lede van FEDSAS

Ek het die jaarlikse finansiële state van FEDSAS, soos uiteengesit op bladsy 12 - 28, opgestel volgens die inligting wat aan my verskaf is. Hierdie jaarlikse finansiële state bestaan uit die staat van finansiële posisie soos op 31 Desember 2023, en die staat van omvattende inkomste, staat van verandering in ekwiteit en staat van kontantvloei vir die jaar wat op daardie datum geëindig het, en die aantekeninge wat bestaan uit 'n opsomming van beduidende rekeningkundige beleide en ander verduidelikende inligting.

Ek het die kompilasie gedoen volgens die Internasionale Standaard van Verwante Dienste 4410 (Hersien), Kompilasie aanstellings.

Ek het my kundigheid in rekeningkunde en finansiële verslagdoening aangewend om u by te staan met die opstel en aanbieding van die jaarlikse finansiële state op grond van rekeningkunde beskryf in Aantekening 1 van die finansiële jaarstate. Ek het aan die relevante etiese vereistes voldoen, insluitend beginsels van integriteit, objektiwiteit, professionele bevoegdheid en behoorlike sorg.

Die jaarlikse finansiële state en die akkuraatheid en volledigheid van die inligting wat gebruik is om op te stel is u verantwoordelikheid.

Aangesien 'n kompilasie nie 'n gerustellingsaanstelling is nie, hoef ek nie die akkuraatheid of volledigheid van die inligting wat u aan my verskaf is om die jaarlikse finansiële state te kompilleer, te verifieer nie. Gevolglik, spreek ek geen mening uit om aan te dui of die jaarlikse finansiële state voltooi is in lyn met die rekeningkunde beskryf in Aantekening 1 van die finansiële jaarstate.

## PRACTITIONER'S COMPILATION REPORT

### To the members of FEDSAS

I have compiled the annual financial statements of FEDSAS, as set out on pages 12 - 28, based on the information you have provided. These annual financial statements comprise the statement of financial position of FEDSAS as at 31 December 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

I performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

I have applied my expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements on the basis of accounting described in Note 1 to the annual financial statements. I have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, I am not required to verify the accuracy or completeness of the information you provided to me to compile these annual financial statements. Accordingly, I do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the basis of accounting described in Note 1 to the annual financial statements.



Mr JN Kriel  
Director  
Registered Auditor  
Chartered Accountant (SA)



**LEDE SE VERSLAG**

Die lede het die voorreg om hulle verslag rakende die jaarlikse finansiële state van FEDSAS vir die jaar geëindig 31 Desember 2023 voor te lê.

**1. Aard van besigheid**

FEDSAS is geïnkorporeer en is werksaam in Suid-Afrika en is hoofsaaklik betrokke by die ondersteuning van skoolbeheerliggame by die uitvoering van hulle pligte.

Gedurende die jaar het geen wesenlike veranderinge plaasgevind ten opsigte van die besigheidsaktiwiteite nie.

Daar was geen wesenlike veranderinge in die aard van die organisasie se besigheid vanaf die vorige jaar nie.

**2. Hersiening van finansiële resultate en aktiwiteite**

Die finansiële jaarstate is opgestel in ooreenstemming met entiteitspesifieke grondslag van rekeningkunde en die vereistes van die Grondwet van die Nasionale Raad. Die rekeningkundige beleid is konsekwent toegepas in vergelyking met die vorige jaar.

Volledige besonderhede van die finansiële posisie, die bedryfsresultate en die kontantvloei van die onderneming word in hierdie finansiële jaarstate uiteengesit.

**3. Versekering en risikobestuur**

Die onderneming volg 'n beleid om jaarliks risiko's te identifiseer wat verband hou met bates en moontlike laste voortspruitend uit besigheidstransaksies. Waar dit moontlik is word bates outomaties ingesluit. Daar is ook deurlopende batesrisiko-kontroleprogramme wat uitgevoer word tesame met die versekeringsmakelaars van die organisasie. Alle risiko's word geag behoorlik gedek te wees, behalwe vir die politieke risiko's, in die geval waar soveel dekking as wat redelik beskikbaar is gereël is.

**4. Lede**

Die lede in amptposisies op die datum van die verslag is as volg:

**Lede**

Dr S Mellors (Voorsitter)

Dr HJ Deacon (Hoof Uitvoerende Beamppte)

Daar was geen veranderinge vir die huidige periode in oorsig nie.

**5. Eiendom, aanleg en toerusting**

Daar was geen verandering in die aard van eiendom, aanleg en toerusting van die onganisasie of in die beleid rakende hulle gebruik nie.

**MEMBERS' REPORT**

The members have pleasure in submitting their report on the annual financial statements of FEDSAS for the year ended 31 December 2023.

**1. Nature of business**

FEDSAS was incorporated and operates in South Africa and is involved in assisting school governing bodies in the performance of their duties.

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

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

**2. Review of financial results and activities**

The annual financial statements have been prepared in accordance with Entity specific basis of accounting and the requirements of the Constitution of the National Council. The accounting policies have been applied consistently compared to prior year.

Full details of the financial position, results of operations and cash flow of the organisation are set out in these Annual Financial Statements.

**3. Insurance and risk management**

The entity follows a policy of reviewing the risks relating to assets and possible liabilities arising from business transactions with its insurers on an annual basis. Wherever possible assets are automatically included. There is also a continuous asset risk control program, which is carried out in conjunction with the entity's insurance brokers. All risks are considered to be adequately covered, except for political risks, in the case of which as much cover as is reasonably available has been arranged.

**4. Members**

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

**Members**

Dr S Mellors (Chairperson)

Dr HJ Deacon (Chief Executive Officer)

There have been no changes to the members for the period under review.

**5. Property, plant and equipment**

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

**LEDE SE VERSLAG**

Op 31 Desember 2023 het die organisasie se belegging in eiendom, aanleg en toerusting R519 634 (2022: R383 481) beloop, waarvan R362 981 (2022: R207 248) in die huidige jaar toegevoeg is.

**6. Na balanstaat gebeure**

Die lede is nie bewus van enige ander wesenlike gebeurtenis wat na die verslagdoeningsdatum en tot op die datum van hierdie verslag plaasgevind het nie.

**7. Lopende saak**

Die Jaarlikse Finansiële State is opgestel op grond van rekeningkundige beleid wat op 'n lopende saak-grondslag gebaseer was. Dié grondslag veronderstel dat daar fondse sal wees om toekomstige bedrywighede te befonds en dat die realisering van bates en die vereffening van laste, voorwaardelike aanspreeklikhede en verbintenisse in die gewone gang van sake sal plaasvind.

**8. Ouditeur**

Core Audit Ingelyf is in 2023 as ouditeur van die onderneming voortgesit.

Tydens die algemene jaarvergadering sal die lede gevra word om Core Audit Incorporated weer aan te stel as onafhanklike eksterne ouditeur van die organisasie en om te bevestig dat Me D Mc Lean die aangewese ouditeur vir die 2024 finansiële jaar sal wees.

**9. Datum van magtiging vir uitreik van finansiële state**

Die Jaarlikse Finansiële State is deur die raadslede 18 Maart 2024 gemagtig vir uitreiking. Geen magtiging is aan enige iemand gegee om die Finansiële State te wysig na die datum van uitreiking nie.

**MEMBERS' REPORT**

At 31 December 2023 the organisation's investment in property, plant and equipment amounted to R519 634 (2022: R383 481), of which R362 981 (2022: R207 248) was added in the current year through additions.

**6. Events after the reporting period**

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

**7. 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.

**8. Auditors**

Core Audit Incorporated continued in office as auditor for the organisation for 2023.

At the annual general meeting, the members will be requested to reappoint Core Audit Incorporated as the independent external auditor of the organisation and to confirm Me D Mc Lean as the designated lead audit partner for the 2024 financial year.

**9. Date of authorisation for issue of financial statements**

The Annual Financial Statements have been authorised for issue by the members on 18 March 2024. No authority was given to anyone to amend the financial statements after the date of issue.

**FEDSAS**  
**(Registrasiënommer: NPO 128-598)**

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG**  
**31 DESEMBER 2023**

**STAAT VAN FINANSIËLE POSISIE SOOS OP**  
**31 DESEMBER 2023**

**FEDSAS**  
**(Registration number: NPO 128-598)**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**STATEMENT OF FINANCIAL POSITION AS AT**  
**31 DECEMBER 2023**

	Aant.	2023 R	2022 R	Notes	
<b>BATES</b>					<b>ASSETS</b>
<b>Nie-bedryfsbates</b>					<b>Non-current assets</b>
Eiendom, aanleg en toerusting	2	519 634	383 481	2	Property, plant and equipment
Ander finansiële bates	3	83 672	83 672	3	Other financial assets
		<u>603 306</u>	<u>467 153</u>		
<b>Bedryfsbates</b>					<b>Current assets</b>
Voorraad	4	-	194 453	4	Inventories
Handels- en ander debiteure	5	473 097	55 858	5	Trade and other receivables
Kontant- en kontantekwivalente	6	14 461 375	12 779 029	6	Cash and cash equivalents
		<u>14 934 472</u>	<u>13 029 340</u>		
<b>Totale Bates</b>		<u>15 537 778</u>	<u>13 496 493</u>		<b>Total Assets</b>
<b>EKWITEIT EN LASTE</b>					<b>EQUITY AND LIABILITIES</b>
<b>Ekwiteit</b>					<b>Equity</b>
Fondse en reserwes		2 321 623	512 377		Funds and Reserves
Behoue inkomste		11 366 452	11 326 646		Retained income
		<u>13 688 075</u>	<u>11 839 023</u>		
<b>Bedryfslaste</b>					<b>Current liabilities</b>
Handels- en ander krediteure	7	1 849 703	1 657 470	7	Trade and other payables
<b>Totale Ekwiteit en Laste</b>		<u>15 537 778</u>	<u>13 496 493</u>		<b>Total Equity and Liabilities</b>

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG**  
**31 DESEMBER 2023**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31**  
**DECEMBER 2023**

**STAAT VAN OMVATTENDE INKOMSTE**

**STATEMENT OF COMPREHENSIVE INCOME**

	<b>Aant.</b>	<b>2023</b> <b>R</b>	<b>2022</b> <b>R</b>	<b>Notes</b>	
Inkomste	8	21 000 834	20 365 651	8	Revenue
Ander inkomste	9	4 364 460	4 772 655	9	Other income
Bedryfsuitgawes	10	(24 518 861)	(23 293 283)		Operating expenses
<b>Bedryfssurplus</b>		<b>846 433</b>	<b>1 845 023</b>	10	<b>Operating surplus</b>
Beleggingsinkomste	11	1 553 073	826 517	11	Investment revenue
Rente van toepassing op fondse	12	(72 237)	(2 324)		Interest relating to reserve funds
Fondse oorgedra aan reserwes		(2 287 463)	(502 325)		Funds transferred to reserves
<b>Oorskot vir die jaar</b>		<b>39 806</b>	<b>2 166 891</b>		<b>Surplus for the year</b>
<b>Beweging in fondse</b>					
Erkenning van Vrystaat regsfonts		-	-		Recognition of Free State legal fund
Rente		72 237	2 324		Interest
Oordra na/(van) fondse		2 085 080	502 325		Distribution to /(transfer) from funds
Fondse aangewend		(550 452)	(40 000)		Utilisation of funds
<b>Netto beweging in fondse</b>		<b>1 606 865</b>	<b>464 649</b>		<b>Net movement in funds</b>
<b>Totale omvattende oorskot vir die jaar</b>		<b>1 646 671</b>	<b>2 631 540</b>		<b>Total comprehensive surplus for the year</b>

**FEDSAS**  
**(Registrasi nommer: NPO 128-598)**

**FEDSAS**  
**(Registrasi nommer: NPO 128-598)**

FINANSIËLE STATE VIR DIE JAAR GEËINDIG  
31 DESEMBER 2023

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
DECEMBER 2023

STAAT VAN VERANDERING IN EKWITEIT

STATEMENT OF CHANGES IN EQUITY

	TAO Fonds / TAO Fund	Algemene vergadering fonds / Annual general meeting fund	Publikasiefonds / Publication fund	Diversiteitsfonds / Diversity fund	Omgewing- analise fonds / Environmental analysis fund	Vrystaat regs-fonds / Free / State legal fund	Totale reserves / Total reserves	Behoue verdiens-te / retained income	Totale ekwiteit / total equity
	R	R	R	R	R	R	R	R	R
<b>Balans op 1 Januarie 2022</b>	-	-	-	-	-	47 728	47 728	9 159 752	9 207 480
Surplus vir die jaar	-	-	-	-	-	-	-	2 669 219	2 669 219
<b>Totale omvattende surplus vir die jaar</b>	-	-	-	-	-	-	-	2 669 219	2 669 219
Bydrae ontvang						2 324	2 324		2 324
Rente	109 195	200 000	43 130		150 000	(40 000)	(40 000)		(40 000)
Transfer of funds							502 325		(502 325)
<b>Totale beweging</b>	<b>109 195</b>	<b>200 000</b>	<b>43 130</b>	<b>-</b>	<b>150 000</b>	<b>(37 676)</b>	<b>464 649</b>	<b>-502 325</b>	<b>(37 676)</b>
<b>Balans op 1 Januarie 2023</b>	<b>109 195</b>	<b>200 000</b>	<b>43 130</b>	<b>-</b>	<b>150 000</b>	<b>10 052</b>	<b>512 377</b>	<b>11 326 646</b>	<b>11 839 023</b>
Surplus vir die jaar	-	-	-	-	-	-	-	2 327 267	2 327 267
Ander omvattende inkomste	-	-	-	-	-	-	-	-	-
<b>Totale omvattende surplus vir die jaar</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 327 267</b>	<b>2 327 267</b>
Rente	15 756	-	72	24 833	-	31 576	72 237		72 237
Aanwend van fondse	(78 880)	-	(53 632)	(417 940)	-	-	(550 452)		(550 452)
Oordrag van fondse	301 387	200 000	12 035	1 143 107	(150 000)	780 932	2 287 461	(2 287 461)	-
<b>Totale beweging</b>	<b>238 263</b>	<b>200 000</b>	<b>(41 525)</b>	<b>750 000</b>	<b>(150 000)</b>	<b>812 508</b>	<b>1 809 246</b>	<b>(2 287 461)</b>	<b>(478 215)</b>
<b>Balans op 31 Desember 2023</b>	<b>347 458</b>	<b>400 000</b>	<b>1 605</b>	<b>750 000</b>	<b>-</b>	<b>822 560</b>	<b>2 321 623</b>	<b>11 366 452</b>	<b>13 688 075</b>

**Balance on 1 January 2022**  
Surplus for the year  
**Total comprehensive surplus for the year**  
Contributions received  
Interest

**Balance on 1 January 2023**  
Surplus for the year  
Other comprehensive income  
**Total comprehensive surplus for the year**  
Interest  
Utilisation of funds  
Transfer of funds  
**Total changes**  
**Balance at 31 December 2023**



**FINANSIËLE STATE VIR DIE JAAR GEëINDIG**  
**31 DESEMBER 2023**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**STAAT VAN KONTANTVLOEI**

**STATEMENT OF CASH FLOW**

	<b>Aant.</b>	<b>2023</b> <b>R</b>	<b>2022</b> <b>R</b>	<b>Notes</b>
<b>Kontantvloei uit bedryfsaktiwiteite</b>				<b>Cash flows from operating activities</b>
Kontantontvangstes van kliënte		25 079 151	25 366 263	Cash receipts from customers
Kontant betaal aan verskaffers en werknemers		(26 333 087)	(22 762 612)	Cash paid to suppliers and employees
Kontant gegeneer deur/(aangewend in) bedrywighe	16	1 033 525	2 603 651	15 Cash generated from/(used in) operations
Rente inkomste		1 553 073	826 517	Interest income
<b>Netto kontant uit bedryfsaktiwiteite</b>		<b>2 586 598</b>	<b>3 430 168</b>	<b>Net cash from operating activities</b>
<b>Kontantvloei uit beleggingsaktiwiteite</b>				<b>Cash flows from investing activities</b>
Aankoop van eiendom, aanleg en toerusting	2	(362 981)	(207 246)	2 Purchase of property, plant and equipment
Verkoop van eiendom, aanleg en toerusting	2	9 181	22 077	2 Sale of property, plant and equipment
Beweging in fondse		(550 452)	(40 000)	Movement in funds
Netto bewegings in finansiële bates		-	1 261 896	Net movement of financial assets
<b>Netto kontant uit beleggingsaktiwiteite</b>		<b>(904 252)</b>	<b>1 036 727</b>	<b>Net cash from investing activities</b>
<b>Totale kontantbeweging vir die jaar</b>		<b>1 682 346</b>	<b>4 466 896</b>	<b>Total cash movement for the year</b>
Kontant aan die begin van die jaar		12 779 029	8 312 133	Cash at the beginning of the year
<b>Totale kontant op jaareinde</b>	6	<b>14 461 375</b>	<b>12 779 029</b>	6 <b>Total cash at year end</b>

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**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
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**REKENINGKUNDIGE BELEIDE**

**ACCOUNTING POLICIES**

**1. Basis van voorbereiding en 'n opsomming van die beduidende rekeningkundige beleide**

Die finansiële jaarstate is op 'n lopende saak-grondslag opgestel in ooreenstemming met die rekeningkundige beleid soos hieronder uiteengesit. Die finansiële jaarstate is op die historiese koste-grondslag opgestel. Hulle word aangebied in Suid-Afrikaanse Rande.

Hierdie rekeningkundige beleid stem ooreen met die vorige tydperk, behalwe vir die volgende: FEDSAS het besluit om hul finansiële state vir 31 Maart 2023 op hul eie finansiële grondslag voor te berei in plaas van Internasionale Finansiële Verslagdoeningstandaarde vir Klein en Mediumgrootte Entiteite as gevolg van die aard van die entiteit. Dit het slegs gelei tot die skepping van spesifieke doelfondse wat in die toekoms gebruik kan word.

**1.1 Beduidende verordeninge en bronne van ramings-onsekerheid**

**Kritiese verordeninge met toepassing van die rekeningkundige beleide**

Bestuur het nie kritiese oordeel oor die toepassing van rekeningkundige beleid gemaak nie, behalwe dié wat ramings behels, wat die finansiële jaarstate aansienlik sou beïnvloed.

**Sleutelbronne van beramingsonsekerheid**

Die jaarlikse finansiële state sluit nie bates of laste in waar die drabedrag gebaseer is op ramings en waarvoor daar 'n beduidende risiko van wesenlike aanpassings in die komende finansiële jaar as gevolg van die sleutelaannames is nie.

**1.2 Eiendom, aanleg en toerusting**

Eiendom, aanleg en toerusting is tasbare items wat gehou word vir gehou word vir eie gebruik of vir die verhuring aan ander en sal na verwagting in meer as een tydperk gebruik word.

Eiendom, masjinerie en toerusting word aanvanklik teen kosprys gemeet.

Koste sluit kostes in wat aanvanklik aangegaan is om eiendom, aanleg en toerusting te verkry en te bou sowel as die koste wat daarna aangegaan is om daarby aan te bou, 'n deel daarvan te vervang of dit te diens. Indien die vervangingskoste van 'n item in die drabedrag van 'n ander item eiendom, masjinerie en toerusting erken word, word die erkenning van die drabedrag van die betrokke item omgeswaai.

**1. Basis of preparation and summary of significant accounting policies**

The annual financial statements have been prepared on a going concern basis in accordance with the accounting policies as set out below. The annual financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period, except for the following: FEDSAS decided to prepare their financial statements for 31 March 2023 on their own accounting policies instead of International Financial Reporting Standards for Small and Medium sized Entities due to the nature of the entity. This resulted in creating specific purpose funds to be utilised in the future.

**1.1 Significant judgements and sources of estimation uncertainty**

**Critical judgements in applying accounting policies**

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

**Key sources of estimation uncertainty**

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

**1.2 Property, plant and equipment**

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

Property, plant and equipment is initially measured at cost.

Costs includes 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.

**REKENINGKUNDIGE BELEIDE**

Uitgawes wat later aangegaan word vir groot dienste, aanvullings of vervanging van onderdele van vaste eiendom, aanleg en toerusting word gekapitaliseer indien dit waarskynlik is dat toekomstige ekonomiese voordele verbonde aan die organisasie en die koste betroubaar gemeet kan word. Die daaglikse bedieningskoste word by die wins of verlies ingesluit in die tydperk waarin dit aangegaan word.

Eiendom, aanleg en toerusting word vervolgens getoon teen kosprys minus opgelope waardevermindering en opgehoopte waardedalingsverliese, behalwe vir grond wat teen kosprys getoon word minus enige opgehoopte waardedalingsverliese.

Waardevermindering van 'n bate begin wanneer die bate beskikbaar is vir gebruik soos beplan is deur bestuur. Waardevermindering is gehef om die bates se drawaardes af te skryf oor die geskatte nutsduur na hul geskatte reswaardes, deur die metode te gebruik wat die patroon van gebruik van die ekonomiese voordele van die bates die beste aandui.

Die gebruiksduur van eiendom, aanleg en toerusting is onder uiteengesit:

<b>Item</b>	<b>Metode en nutsduur</b>	
Kantoortoerusting	Reguitlyn grondslag	5
Rekenaartoerusting	Reguitlyn grondslag	5

Wanneer daar aanduidings is dat die nutsduur en reswaardes van die items van eiendom, aanleg en toerusting verander het sedert die mees onlangse jaarlikse verslagdoening datum, word dit herassesseer. Enige veranderinge word daarna erken as 'n verandering in rekeningkundige raming.

Waardedalingstoetse word op eiendom, aanleg en toerusting uitgevoer as daar 'n aanduiding is dat dit benadeel kan word. Wanneer die drabedrag van 'n eiendom, aanleg en toerusting beoordeel word as hoër as die beraamde verhaalbare bedrag, word 'n waardedalingsverlies onmiddellik in die wins of verlies erken om die drabedrag in ooreenstemming met die verhaalbare bedrag te bring.

n Item van eiendom, aanleg en toerusting word ontken met verkoop of wanneer daar nie toekomstige ekonomiese voordele verwag word uit die gebruik of verkoop. Enige wins of verlies wat ontstaan uit die verkoop van die item van eiendom, aanleg en toerusting, bepaal as die verskil tussen die netto opbrengs, indien enige, en die drabedrag van die item, is ingesluit in die wins of verlies wanneer die bate ontken word.

**ACCOUNTING POLICIES**

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

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

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the organisation.

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

<b>Item</b>	<b>Method</b>	<b>Average useful life</b>
Office equipment	Straight line	5
IT equipment	Straight line	5

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

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

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

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**REKENINGKUNDIGE BELEIDE**  
**1.3 Finansiële instrumente**

**ACCOUNTING POLICIES**

**1.3 Financial instruments**

**Aanvanklike meting**

**Initial measurement**

Finansiële instrumente word aanvanklik gemeet teen transaksieprys (transaksiekoste ingesluit behalwe met aanvanklike meting van finansiële bates en laste wat gemeet word teen billike waarde deur wins of verlies) tensy die ooreenkoms 'n finansieringstransaksie in effek is wat teen die huidige waarde van toekomstige betalings gemeet word, verdiskonteer teen 'n markverwante rentekoers van 'n soortgelyke skuldinstrument.

Financial instruments are initially measured at the transaction price (including transaction cost except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

**Finansiële instrumente teen geamortiseerde koste**

**Financial instruments at amortised cost**

Dit sluit lenings, handelsdebiteure en handelsdebiteure in. Daardie skuldinstrumente wat aan die kriteria in artikel 11.8 (b) van die standaard voldoen, word vervolgens teen die geamortiseerde koste gemeet volgens die effektiewe rente-metode. Skuldinstrumente wat as bedryfsbates of bedryfslaste geklassifiseer word, word gemeet teen die onbeperkte bedrag van die kontant wat na verwagting ontvang of betaal sal word, tensy die reëling effektief 'n finansieringstransaksie uitmaak.

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

Aan die einde van elke verslagdoeningsdatum word die drabedrae van bates wat in hierdie kategorie gehou word, hersien om te bepaal of daar objektiewe bewyse van waardedaling is. As daar objektiewe bewyse is, word die verhaalbare bedrag geskat en vergelyk met die drabedrag. As die geraamde verhaalbare bedrag liefhebber is, word die drabedrag verminder tot die beraamde verhaalbare bedrag, en 'n waardedalingsverlies word in die wins of verlies erken.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in profit or loss.

**Finansiële instrumente teen koste**

**Financial instruments at cost**

Verpligtinge om 'n lening te ontvang word gemeet teen koste minus waardedaling.

Commitments to receive a loan are measured at cost less impairment.

Ekwiteitsinstrumente wat nie openbaar verhandel word nie en wie se billike waarde andersins nie betroubaar gemeet kan word sonder onbehoorlike koste of moeite nie, word gemeet teen kosprys minus waardedaling.

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

**Finansiële instrumente teen billike waarde**

**Financial instruments at fair value**

Alle ander finansiële instrumente word deur wins en verlies teen billike waarde bepaal.

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

Indien 'n betroubare meting van die billike waarde nie meer beskikbaar is sonder koste of moeite, dan sal die billike waarde op die laaste datum wat so billike meting beskikbaar was hanteer word as die kosprys van die instrument. Die instrument is dan gemeet teen die kosprys minus waardedaling tot bestuur in staat is om die billike waarde sonder koste en moeite te meet.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

#### **1.4 Hure**

'n Huurkontrak word geklassifiseer as 'n finansiële bruikhuur indien dit wesenlik alle risiko's en voordele verbonde aan eienaarskap aan die huurder oordra. Al die ander huurkontrakte is bedryfshuurkontrakte.

#### **Bedryfshuur - huurder**

Bedryfshuurbetalings word regstreeks op die huurtermyn as 'n uitgawe erken tensy:

- 'n Ander stelselmatige basis verteenwoordigend is van die tydpatroon van die voordeel uit die gehuurde bate, selfs al is die betalings nie op die basis nie, of

- Die betalings gestruktureer is om te styg in ooreenstemming met die verwagte algemene inflasie (gebaseer op gepubliseerde indekse of statistieke) om te vergoed vir die verhuurder se verwagte inflasiekoste.

Enige voorwaardelike huur word as 'n uitgawe erken in die tydperk waarin die aangegaan word.

#### **1.5 Voorraad**

Voorraad word op die eerste-in-eerste-uit (EIEU) grondslag teen die kosprys of die verkoopprijs minus koste tot voltooiing of verkope bereken.

#### **1.6 Waardedaling van bates**

Die organisasie beoordeel op elke verslagdoeningsdatum of daar 'n aanduiding is dat eiendom, aanleg en toerusting blootgestel is aan 'n daling in die waarde daarvan.

As daar so 'n aanduiding is, word die verhaalbare bedrag van enige effekte (of groep verwante bates) geskat en vergelyk met die drabedrag daarvan, maar nie die bedrag hoër as die bedrag nie, word die drabedrag verminder tot die beraamde verhaalbare bedrag, en 'n waardedalingsverlies word onmiddellik in die wins of verlies erken.

As 'n waardedalingsverlies later omkeer, word die drabedrag van die bate (of groep verwante bates) verhoog tot die hersiene raming van die verhaalbare bedrag daarvan, maar nie die bedrag wat bepaal sou word as die waardedalingsverlies nie erken was vir die bate (of groep of bates) in vorige jare nie. 'n Terugskrywing van waardedaling word onmiddellik in die wins of verlies erken.

#### **1.4 Leases**

A lease is classified as 'n finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

#### **Operating lease - lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- Another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or

- The payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

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

#### **1.5 Inventories**

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell, on the first-in, first-out (FIFO) basis.

#### **1.6 Impairment of assets**

The organisation assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group or assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.



**REKENINGKUNDIGE BELEIDE**

**1.7 Ekwiteit**

'n Ekwiteitsinstrument is enige kontrak wat bewys lewer van 'n resbelang in die bates van 'n entiteit nadat al sy verpligtinge afgetrek is.

**1.8 Werknemersvoordele**

**Korttermyn-werknemersvoordele**

Die koste van korttermynwerknemersvoordele, dié betaalbaar binne 12 maande nadat die diens gelewer is, soos verlofbetaling en siekteverlof, bonusse en nie-monetêre voordele soos mediese sorg, word erken in die tydperk waarin die diens word gelewer en word nie afslag gegee nie.

**1.9 Inkomste**

Inkomste word erken in die mate waarin die organisasie die beduidende risiko's en voordele verbonde aan die eienaarskap van goedere aan die koper oorgedra het, of dienste gelewer het ingevolge 'n ooreenkoms, mits die bedrag aan inkomste betroubaar gemeet kan word en dit waarskynlik is dat ekonomiese voordele verbonde aan die transaksie sal na die organisasie vloei. Inkomste word gemeet teen die billike waarde van die vergoeding ontvang of ontvangbaar, uitgesonderd omsetbelasting en kortings.

Rente word erken in wins en verlies volgens die effektiewe rentekoersmetode.

Ledegeld word in wins en verlies erken wanneer dit van die verskeie skole ontvang word.

Skenkings word erken wanneer dit ontvang word, in wins en verlies.

**ACCOUNTING POLICIES**

**1.7 Equity**

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

**1.8 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 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.

**1.9 Revenue**

Revenue is recognised to the extent that the organisation has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the organisation. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

Membership fees are recognised in profit and loss when received from the various schools.

Donations are recognised when received, in profit and loss.

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**REKENINGKUNDIGE BELEIDE****ACCOUNTING POLICIES****1.10 Fondse en Reserwes****1.10 Funds and Reserves**

Fondse word direk ontvang of die direksie het die oordrag van fondse na spesifieke goedgekeurde projekte goedgekeur. Die fondse word dan aangewend deur al die verwante uitgawes aan hierdie fondse toe te wys. Die groei van die beleggings word ook in die ekwiteit erken en die fondse kan aangewend word deur die goedkeuring van die direksie.

Funds are received directly or the board approved the transfer of funds to specific approved projects. The funds are then utilised by allocating all the related expenses to these funds. The growth of the investments are also recognised in the equity and the funds can be utilized by the approval of the board.

Regsfonds - Vrystaat Regsfonds: Hierdie rekening is 'n gesamentlike rekening tussen SAOU Vrystaat en FEDSAS Vrystaat vir sake van gemeenskaplike belang. Hierdie fondse kan slegs aangewend word met toestemming van beide organisasies se provinsiale leiers.

Legal Fund - Free State Legal Fund: This account is a joint account between SAOU Free State and FEDSAS Free State for matters of common interest. These funds can only be utilised with consent from both organisations' provincial leaders.

Rente op die fonds word in ekwiteit erken en die fondse word dan aangewend deur al die verwante uitgawes aan hierdie fonds toe te wys na goedkeuring.

Interest on the fund is recognised in equity and the funds are then utilized by allocating all the related expense to this fund after approval.

Regsfonds: Die FEDSAS Regsfonds word van tyd tot tyd aangevul met spesifieke bydraes tot spesifieke regsfondse kwessies. Die bydraes word vir hierdie doel gebruik en die bydrae en doel van die bydrae word dus behou in ag geneem.

Legal Fund: The FEDSAS Legal Fund is supplemented from time to time with specific contributions to specific legal issues. The contributions are used for this purpose and the contribution and purpose of the contribution is therefore kept accounted for.

Daar is tans 4 spesifieke bydraes wat vir regstappe gebruik word:

There are currently 4 specific contributions used for legal action:

1. BELAB – Wysigingswetsontwerp op Basiese Onderwyswet wat alle skole sal raak
2. NNSSF – subsidies in die Oos-Kaap wat nie ten volle betaal word nie
3. Toelatings in Gauteng
4. Regskoste provinsies

1. BELAB – Basic Education Law Amendment Bill that will affect all schools
2. NNSSF – subsidies in the Eastern Cape that are not paid in full
3. Admissions in Gauteng
4. Legal fees provinces

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**REKENINGKUNDIGE BELEIDE**

TAO Fonds - FEDSAS doen jaarliks aansoek by die Trust vir Afrikaanse Onderwys (TAO) vir projekbefondsing. Hulle verslagdoeningstydperk is Maart tot Februarie en al die projekte by FEDSAS val in twee finansiële jare.

Publikasiefonds - Hierdie fonds is tantième vir FEDSAS-verwante publikasies en skenkings van FEDSAS-personeel wat ontvang word vir toesprake by geleenthede in 'n amptelike FEDSAS-hoedanigheid om te gebruik vir toekomstige moontlike publikasies.

Algemene jaarvergaderingsfonds - Hierdie fonds word gebruik om voorsiening te maak vir die algemene jaarvergadering se toekomstige uitgawes wat gehou word elke drie jaar. FEDSAS dra dus R200 000 per jaar oor na die fonds om in die derde jaar aangewend te word.

Omgewingsontledingsfonds- Elke 4 jaar doen FEDSAS 'n uitgebreide navorsingsprojek in ons ledeskole.

Groot hoeveelhede data word oor 'n tydperk versamel en verwerk sodat ons verslae kan publiseer of inligting kan kry om sinvol in die media te reageer en/of produkte te ontwikkel. Die geld kom óf uit bedryfsgeld waarvoor ons begroot of uit projekgeld soos die TAO. Die uitgawes is oor meer as een jaar.

Diversiteitsfonds- Die Diversiteitsfonds se doel is om bestuur te voorsien van die finansiële hulpbronne wat nodig is om en behou top professionele swart en bruin individue by FEDSAS. Die fonds beklemtoon FEDSAS se verbintenis tot diversiteit, veral om skole sonder geld in hul huistale te bedien, diversiteit in bestuur te bereik en 'n sterk teenwoordigheid in Afrikataalmedia te vestig.

**ACCOUNTING POLICIES**

TAO Fund - FEDSAS applies annually to the Trust for Afrikaans Education (TAO) for project funding. Their reporting year is March to February and all the projects at FEDSAS fall into two financial years.

Publication fund - This fund is royalties for FEDSAS related publications and donations from FEDSAS staff received for speaking at events in an official FEDSAS capacity to utilise for future possible publications.

Annual general meeting fund - This fund is used to provide for the annual general meeting's future expenses which is held every three years. FEDSAS therefore transfers R200 000 per year to the fund to be utilised in the third year.

Environmental analysis fund- Every 4 years, FEDSAS conducts an extensive research project in our member schools. Large amounts of data are collected and processed over a period of time so that we can publish reports or get information to respond meaningfully in the media and/or develop products. The money comes either from operating money for which we budget or from project money such as the TAO. The expenses are in more than one year.

Diversity Fund- The Diversity Fund's goal is to provide management with the financial resources necessary to attract and retain top professional black and coloured individuals at FEDSAS. The fund highlights FEDSAS' commitment to diversity, particularly serving no-fee schools in their home languages, achieving diversity in governance, and establishing a strong presence in African language media.

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

**AAANTEKENINGE TOT DIE FINANSIËLE STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. Eiendom, aanleg en toerusting / Property, plant and equipment**

	2023		2022			
	Koste/ Cost	Opgehoopte waarde- vermindering / Accumulated depreciation	Drawaarde / Carrying value	Koste / Cost	Opgehoopte waarde- vermindering / Accumulated depreciation	Drawaarde / Carrying value
Kantoortoerusting/Office equipment	338 641	(64 892)	273 749	67 184	(31 711)	35 473
Rekenaartoerusting/IT equipment	995 447	(749 562)	245 885	910 907	(562 899)	348 008
<b>Totaal / Total</b>	<b>1 334 088</b>	<b>(814 454)</b>	<b>519 634</b>	<b>978 091</b>	<b>(594 610)</b>	<b>383 481</b>

**Rekonsiliasie van eiendom, aanleg en toerusting / Reconciliation of property, plant and equipment - 2023**

	Openings-balanse/ Opening balances	Toevoegings / Additions	Verkope/ Disposals	Waardevermin- dering / Depreciation	Totaal/Total
Kantoortoerusting / Office equipment	35 473	271 457	-	(33 181)	273 749
Rekenaartoerusting / IT equipment	348 008	91 524	(6 984)	(186 663)	245 885
<b>Totaal / Total</b>	<b>383 481</b>	<b>362 981</b>	<b>(6 984)</b>	<b>(219 844)</b>	<b>519 634</b>

**Rekonsiliasie van eiendom, aanleg en toerusting / Reconciliation of property, plant and equipment - 2022**

	Openings-balanse/ Opening balances	Toevoegings / Additions	Verkope/ Disposals	Waardevermin- dering / Depreciation	Totaal/Total
Kantoortoerusting / Office equipment	34 672	18 302	-	(17 501)	35 473
Rekenaartoerusting / IT equipment	342 521	188 944	(9 247)	(174 210)	348 008
<b>Totaal / Total</b>	<b>377 193</b>	<b>207 246</b>	<b>(9 247)</b>	<b>(191 711)</b>	<b>383 481</b>

AANTEKENINGE TOT DIE STAAT VAN FINANSIËLE STATE

	2023 R	2022 R
<b>3. Ander finansiële bates</b>		
<b>Teen geamortiseerde koste</b>		
SA Onderwys Ontwikkelingstrust	83 672	83 672
Bogenoemde lening is onverseker, dra rente soos van tyd tot tyd ooreengekom en is terugbetaalbaar binne 12 maande na kennisgewing van terugbetaling.		
<b>Nie-bedryfsbates</b>		
Teen geamortiseerde koste	<u>83 672</u>	<u>83 672</u>
<b>4. Voorraad</b>		
Boeke en USB opleidings materiaal	<u>-</u>	<u>194 453</u>
Voorraad is gedurende die jaar as verbruiksgoedere afgeskryf weens hul aard.		
<b>5. Handels- en ander debiteure</b>		
Handelsdebiteure	123 856	55 858
Vooruitbetalings	63 303	-
Opgelope rente	285 938	-
	<u>473 097</u>	<u>55 858</u>
Ingesluit in debiteure is 'n voorsiening vir krediet verliese van R0 (2022:R0),		
<b>6. Kontant- en kontantekwivalente</b>		
Kontant en kontantekwivalente bestaan uit:		
Kontant op hande	-	-
Banksaldo's	14 173 575	12 537 977
Kontant deposito: Vrystaat Regsfonds	51 800	10 052
Ander kontant en kontant ekwivalente	236 000	231 000
	<u>14 461 375</u>	<u>12 779 029</u>
<b>7. Handels- en ander krediteure</b>		
Opgelope uitgawes	-	-
Bedrae vooruitontvang	1 621 673	1 488 380
Handelskrediteure	41 926	34 206
VAT	186 104	134 886
	<u>1 849 703</u>	<u>1 657 472</u>
<b>8. Inkomste</b>		
Lidmaatskapfooie	20 928 660	20 328 151
Aansluitingsfooie	72 174	37 500
	<u>21 000 834</u>	<u>20 365 651</u>

NOTES TO THE FINANCIAL STATEMENTS

<b>3. Other financial assets</b>
<b>At amortised cost</b>
SA Onderwys Ontwikkelingstrust
The above-mentioned loan is unsecured, bears interest as agreed upon from time to time and is repayable within 12 months after notice of repayment.
<b>Non-current asset</b>
At amortised cost
<b>4. Inventories</b>
Books and USB training material
Inventory was written off during the year as consumables due to their nature.
<b>5. Trade and other receivables</b>
Trade receivables
Prepayments
Accrued interest
Included in trade receivables is a provision for credit losses of R0 (2022:R0).
<b>6. Cash and cash equivalents</b>
Cash and cash equivalents consist of:
Cash on hand
Bank balances
Cash deposit: Free State legal fund
Other cash and cash equivalents
<b>7. Trade and other payables</b>
Accrued expenses
Income received in advance
Trade payables
<b>8. Revenue</b>
Membership fees
Joining fees



	2023 R	2022 R
<b>9. Ander inkomste</b>		
FEDSAS Sentrum vir Tegnologie	358 289	495 337
FEDSAS Sentrum vir Finansies en Risiko	521 043	127 500
Regsoste ontvang	775 715	149 537
Donasie inkomste	2 221 194	1 996 363
Uitkerings ontvang	-	873 076
Wins met verkoop van bates	2 197	12 831
Moedertaal inisiatief	236 885	700 615
Verkope van goedere	76 767	376 706
Webadvertensies	-	11 500
Webinaar inkomste	172 370	29 190
	<u>4 364 460</u>	<u>4 772 655</u>

**10. Bedryfswins/(verlies)**

Bedryfswins / (verlies) vir die jaar word aangedui nadat die

**Bedryfshuursoste**

Huur ontvang op bedryfshuur		
Kontraktuele bedrae	24 467	22 800
Waardevermindering op eiendom, aanleg en toerusting	219 844	191 711
Werknemersoste	16 539 352	15 747 395

**11. Rente inkomste**

Bankbalanse	1 553 073	826 517
	<u>1 553 073</u>	<u>826 517</u>

**12. Rente toegeval aan fondse**

Publikasiefonds	72 237	2 324
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**13. Waardevermindering**

Ouditeursvergoeding	32 326	30 145
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**14. Koste van voorraad aangewend**

Aankope vir die jaar	30 093	134 263
Fedsas in 'n boks	46 534	141 147
Voorraad eindsaldo	-	(194 453)
	<u>271 080</u>	<u>198 368</u>

**15. Belasting**

Daar is geen voorsiening gemaak vir belasting vir 2023 nie,

**9. Other income**

FEDSAS Centre for Technology
FEDSAS Centre for Finance and Risk
Legal fees received
Donation income
Distribution received
Profit on disposal of assets
Native language initiative
Sale of goods
Web advertising
Webinar income

**10. Operating profit/(loss)**

Operating profit/(loss) for the year is stated after accounting for

**Operating lease charges**

Lease rentals on operating lease
Contractual amounts
Depreciation on property, plant and equipment
Employee costs

**9. Cash generated from/(used in) operations**

**11. Interest revenue**

Bank balances

**12. Interest distributed to reserve funds**

Publication fund

**13. Depreciation**

Auditing fees

**14. Cost of inventory utilised**

No provision has been made for 2018 tax as the organisation is exempt

Purchases for the year
Fedsas in a box
Inventory closing balance

**15. Taxation**

No provision has been made for 2023 tax as the organisation is

	2023 R	2022 R	
<b>16. Kontant gegeneer uit bedrywighede</b>			<b>16. Cash generated from operations</b>
(Verlies) / Wins voor belasting	39 806	2 166 891	(Loss) / Profit before taxation
<b>Aanpassing vir:</b>			<b>Adjustment for:</b>
Waardevermindering	219 844	191 711	Depreciation
Wins met verkoop van bates	(2 197)	(12 831)	Profit on sale of assets
Rente ontvang	(1 480 838)	(824 194)	Interest received
Fondse oorgedra na reserwes	2 287 463	502 325	Funds transferred to reserves
<b>Veranderinge in bedryfskapitaal</b>			<b>Changes in working capital:</b>
Voorraad	194 453	(77 042)	Inventories
Handels- en ander debiteure	(417 239)	240 789	Trade and other receivables
Handels- en ander krediteure	192 233	416 002	Trade and other payables
	<u>1 033 525</u>	<u>2 603 651</u>	
<b>17. Verwante partye</b>			<b>17. Related parties</b>
<b>Verhoudings</b>			<b>Relationships</b>
Verwante trust	SA Onderwysontwikkelingstrust		Related trust
<b>Saldo's en transaksies met ander verwante partye</b>			<b>Related party balances and transactions with other related parties</b>
<b>Verwante partye saldo's</b>			<b>Related party balances</b>
<b>Leningsrekeninge - verskuldig deur verwante partye</b>			<b>Loan accounts - owing by related parties</b>
SA Onderwysontwikkelingstrust	<u>83 672</u>	<u>83 672</u>	SA Onderwysontwikkelingstrust
<b>Verwante partye transaksies</b>			<b>Related party transactions</b>
<b>Uitkering ontvang van verwante partye</b>			<b>Distribution paid to/(received from) related parties</b>
SA Onderwys Ontwikkelings Trust	<u>-</u>	<u>(873 076)</u>	SA Onderwys Ontwikkelings Trust

**18. Gebeurlikhede / Contingencies**

FEDSAS het die SAID in 2019 genader en geraadpleeg oor die kwessie van nie-nakoming van artikel 23(1)(a) van die Wet op Belasting op Toegevoegde Waarde 89 van 1991. Na vrywillige konsultasie met die SAID om hierdie saak aan te spreek, het FEDSAS nie daaropvolgende korrespondensie of instruksies van die SAID met betrekking tot die proses vorentoe, dus van die bestaan van 'n moontlike aanspreeklikheid of die kwantum van sodanige aanspreeklikheid nie op hierdie tydstip bepaal word nie. FEDSAS is in besit van 'n bygewerkte Belastingklaringsertifikaat en die organisasie is van mening dat dit nie nodig is om voorsiening te maak vir 'n aanspreeklikheid op die finansiële jaareinde nie.

FEDSAS approached SARS in 2019 and consulted on the issue of non-compliance with section 23(1)(a) of the Value Added Tax Act 89 of 1991. Following voluntary consultation with SARS to address this matter, FEDSAS has not received subsequent correspondence or instructions from SARS with respect to the process going forward, as such the existence of a possible liability or the quantum of such liability cannot be determined at this time. FEDSAS is in possession of an updated Tax clearance certificate and the organisation is of the opinion that there is no need to provide for a liability at the financial year-end.

**19. Lopende saak/Going concern**

Die finansiële jaarstate is opgestel op grond van rekeningkundige beleid van toepassing op 'n lopende saak. Hierdie basis veronderstel dat fondse beskikbaar sal wees om toekomstige bedrywighede te finansier en dat die realisering van bates en vereffening van laste, voorwaardelike verpligtinge en verpligtinge in die gewone loop van besigheid sal plaasvind.

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.

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG**  
**31 DESEMBER 2023**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**GEDETAILEERDE INKOMSTETAAT**

**DETAILED INCOME STATEMENT**

	<b>Aant.</b>	<b>2023</b> <b>R</b>	<b>2022</b> <b>R</b>	<b>Notes</b>	
<b>Inkomste</b>					<b>Revenue</b>
Aansluitingsfooie		72 174	37 500		Joining fees
Lidmaatskapfooie		20 928 660	20 328 151		Membership fees
		<b>21 000 834</b>	<b>20 365 651</b>		
Uitkerings ontvang		-	873 076		Distribution received
Donasie inkomste		2 221 194	1 996 363		Donation income
FEDSAS Sentrum vir Finansies en Risiko		521 043	127 500		FEDSAS Centre for Finance and Risk
FEDSAS Sentrum vir Tegnologie		358 289	495 337		FEDSAS Centre for Technology
Regskoste ontvang		775 715	149 537		Legal fees received
Moedertaal inisiatief		236 885	700 615		Native language initiative
Wins met verkoop van bates		2 197	12 831		Profit on disposal of assets
Verkope van goedere		76 767	376 706		Sale of goods
Opleiding inkomste		-	-		Training income
Webadvertensies		-	11 500		Web advertising
Webinaar inkomste		172 370	29 190		Webinar income
		<b>4 364 460</b>	<b>4 772 655</b>		
<b>Uitgawes (sien bladsy 28)</b>		<b>(24 518 861)</b>	<b>(23 293 283)</b>		<b>Expenses (refer to page 28)</b>
<b>Operasionele surplus</b>		<b>846 433</b>	<b>1 845 023</b>		Operating surplus
Rente ontvang	11	1 553 073	1 553 073	11	Interest received
Rente betrekking tot reserwe fondse	12	(72 237)	(2 324)	12	Interest relating to reserve funds
Fondse oorgedra aan reserwes		(2 287 463)	(502 325)		Funds transferred to reserves
<b>Surplus vir die jaar</b>		<b>39 806</b>	<b>2 166 891</b>		<b>Surplus for the year</b>

The supplementary information presented does not form part of the annual financial statements and is unaudited.  
Die aanvullende inligting wat aangebied word, vorm nie deel van die finansiële jaarstate nie en is ongeouditeer.

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG**  
**31 DESEMBER 2023**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**GEDETAILEERDE INKOMSTETAAT**

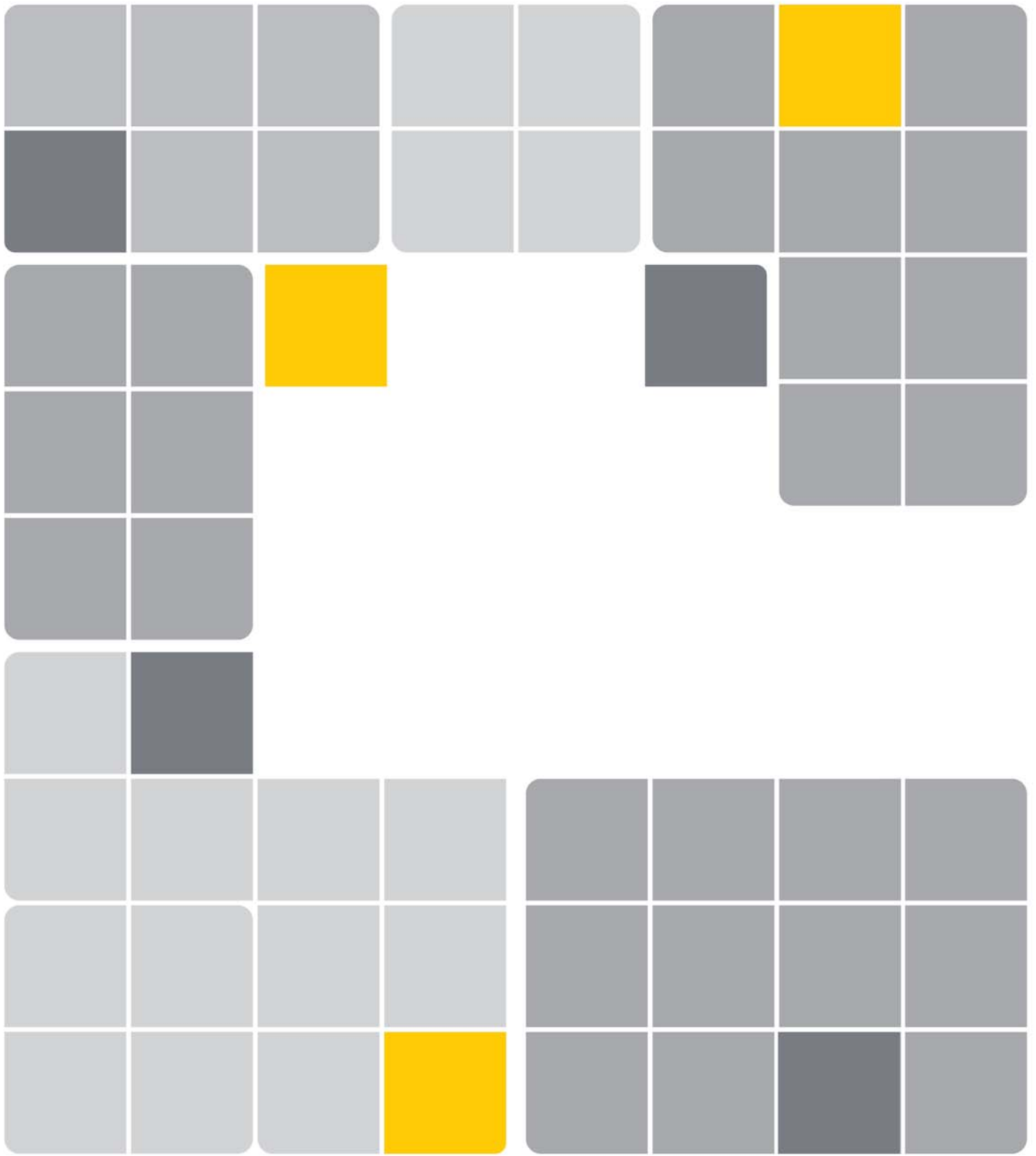
**DETAILED INCOME STATEMENT**

	Aant.	2023 R	2022 R	Notes	
<b>Bedryfsuitgawes</b>					<b>Operating expenses</b>
Rekenmeesters fooie		23 972	34 596		Accounting fees
Advertering		127 329	314 588		Advertising
Ouditeursfooie	13	32 326	30 145	13	Auditing fees
Slegte skuld		1 043 470	1 737 746		Bad debts
Bank kostes		66 375	64 190		Bank charges
Boeke		7 933	3 021		Books
Sertifikaat uitgawes		16 089	2 527		Certificates expense
Skoonmaak		-	400		Cleaning
Vergoedingsfonds		21 143	18 581		Compensation funds
Rekenaaruitgawes		127 644	102 423		Computer expenses
Konsultasie fooie		27 282	33 158		Consulting fees
Koste van voorraad gebruik		271 080	198 368		Cost of inventory utilised
Afleweringkoste		10 575	11 088		Delivery expenses
Depresiasie		219 844	191 711		Depreciation
Werknemers kostes		16 539 352	15 747 395		Employee costs
Webtuiste koste		289 924	259 176		Website costs
Vermaak		94 904	124 557		Entertainment
Omgewingsanalise koste		150 000	150 000		Environmental analysis expense
Geskenke		10 988	7 653		Gifts
Versekering		88 001	91 117		Insurance
Huur teen bedryfskoste		24 467	22 800		Lease rentals on operating costs
Regskoste		255 379	200 756		Legal expenses
Mediese uitgawes		229 292	207 793		Medical expenses
Vergaderings		804 563	794 391		Meetings
Moedertaal inisiatief uitgawes		3 913	7 869		Native language initiative expenses
Posgeld		133	2 057		Postage
Drukwerk en skryfbehoeftes		132 941	63 104		Printing and stationery
Tantieme		10 864	36 385		Royalties
Beskermende klere		47 878	22 869		Protective clothing
Ander streeksuitgawes		9 788	1 631		Other regional expenses
Herstel en onderhoud		39 912	26 042		Repairs and maintenance
Sekuriteit		-	470		Security
Seminaar uitgawes		67 984	50 718		Seminar expenses
Personeelwelsyn		-	26 378		Staff welfare
Subskripsies		135 174	121 502		Subscriptions
TAO Projek uitgawes		748 746	426 955		TAO project expenses
Telefoonkoste		558 289	586 056		Telephone and fax
Opleiding		10 534	14 005		Training
Plaaslik reis		1 903 469	1 520 199		Travel - local
Gebruiksgoedere		-	619		Utilities
Webinar uitgawes		45 493	38 244		Webinar expenses
Projek befondsing		269 518	-		Project funding
Boetes		400	-		Fines and penalties
Basiese Onderwys Wet					Basic Education Law Amendment
Wysigingswetsontwerp		51 893	-		Bill fieldwork expenses
Veldwerk uitgawes					
		<b>24 518 861</b>	<b>23 293 283</b>		

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Die aanvullende inligting wat aangebied word, vorm nie deel van die finansiële jaarstate nie en is ongeouditeer.







FEDSAS