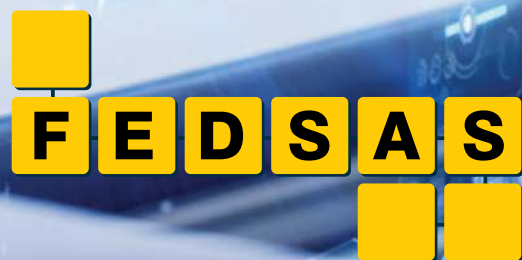




# Integrated Annual Report

THE FEDERATION OF GOVERNING BODIES  
OF SOUTH AFRICAN SCHOOLS

2020





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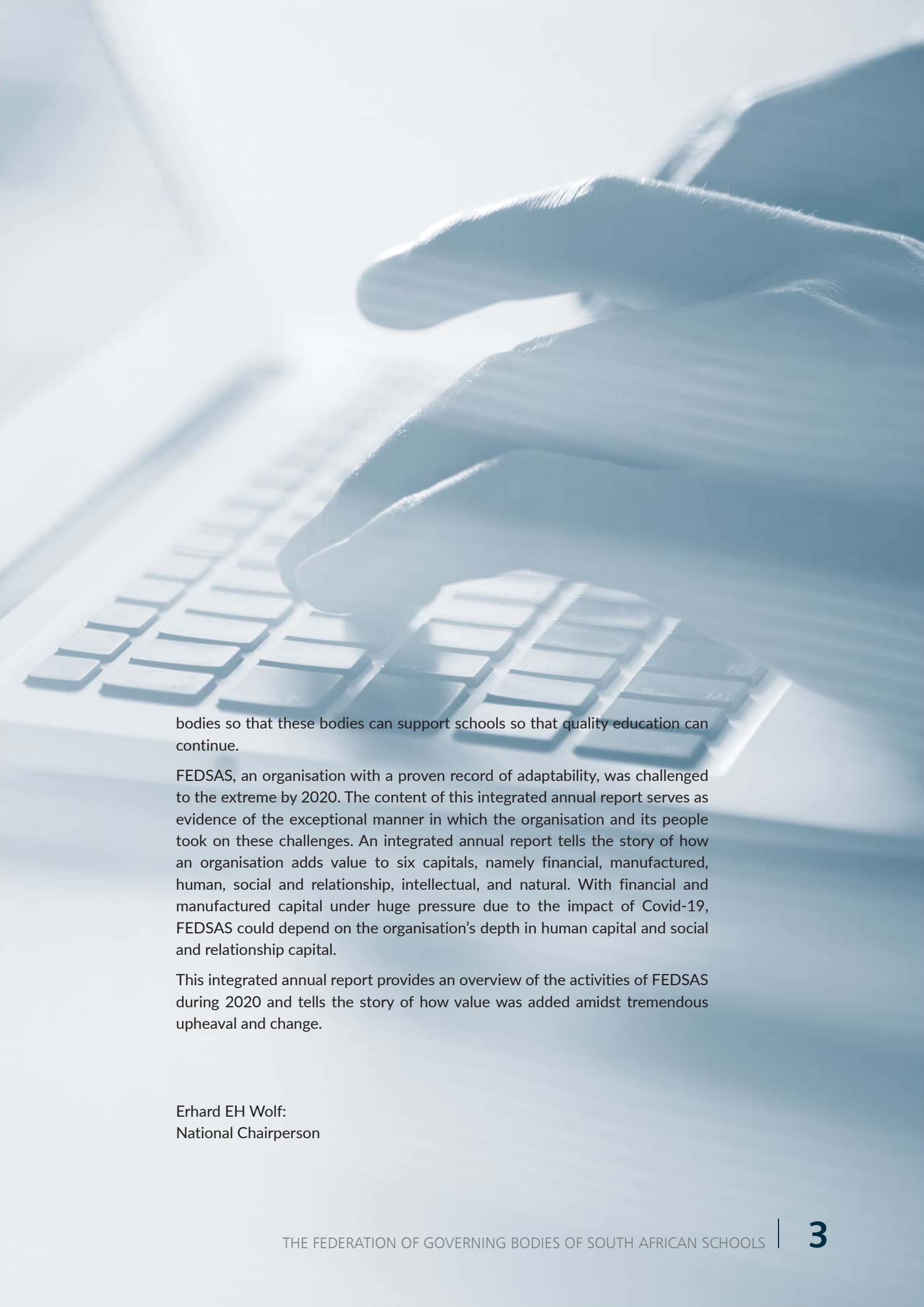
# FOREWORD: NATIONAL CHAIRPERSON

The astonishing scale on which change took place during 2020 will probably stand out as the most noticeable characteristic of this remarkable year. The Covid-19 pandemic left no sector untouched. The Fourth Industrial Revolution played out over the course of weeks and months instead of the estimated years of adapting to new technology. In many companies, strategies to convert to an online environment ended up on the cutting room floor. Planning had to step aside and make way for action.



There are few sectors of which the impact and value was highlighted so acutely as that of the education sector. With millions of children suddenly dependent on home-schooling, many parents and guardians experienced first-hand how challenging teaching really is. While adapting to new roles at home, a motivated work force of teachers, school governors and other role-players took the bull by the horns and simply did what had to be done. To rescue the 2020 school year, teachers became online experts in a matter of days in order to support learners, while school governors and other role-players had to plan for the return of learners under completely different circumstances.

The education sector shined bright this year as a result of the level of innovation and commitment as well as a stubborn will to succeed. With all other plans out the window, FEDSAS zoomed in on its core focus: Equipping school governing



bodies so that these bodies can support schools so that quality education can continue.

FEDSAS, an organisation with a proven record of adaptability, was challenged to the extreme by 2020. The content of this integrated annual report serves as evidence of the exceptional manner in which the organisation and its people took on these challenges. An integrated annual report tells the story of how an organisation adds value to six capitals, namely financial, manufactured, human, social and relationship, intellectual, and natural. With financial and manufactured capital under huge pressure due to the impact of Covid-19, FEDSAS could depend on the organisation's depth in human capital and social and relationship capital.

This integrated annual report provides an overview of the activities of FEDSAS during 2020 and tells the story of how value was added amidst tremendous upheaval and change.

Erhard EH Wolf:  
National Chairperson



# INTRODUCTION AND OVERVIEW

## FEDSAS' 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' strategic goals. In this manner stakeholders are able to 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' activities for 2020, as well as the financial year of 2019.

## 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

A background image showing a person's hand in a white sleeve pointing at a document with a pen. The document has some text and a circular logo. The image is overlaid with a yellow gradient.

**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

## 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.

National office: 051-522 6903

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

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

# 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 nearly 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 schools in the Republic of South Africa.

The **mission** of FEDSAS is to do everything within its power to represent its members and their stakeholders in securing and promoting the highest possible standard of education for all children in our country in general and to promote effective school governance to achieve the former in particular.

## Core values

### Excellence

To deliver uncompromising quality service and to continue to 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 actions what we commit to.

### Relationships

To be the best and most rewarding place to work – we are the FEDSAS family.



## What do we stand for?

- FEDSAS believes in maximum autonomy for governing bodies and therefore we strive to expand the rights and powers of governing bodies.
- FEDSAS supports and promotes the rights and powers of governing bodies as described in the South African Schools' Act, including language and admissions policies.
- FEDSAS supports the principle that governing bodies play an important role in creating opportunities for all learners to enable them to reach their full potential.
- FEDSAS supports the preservation and promotion of a culture of excellence in teaching, education and service delivery.
- FEDSAS is continuously striving to establish and build healthy relationships with all stakeholders in education in order to serve the best interests of learners.

## What can FEDSAS do for you?

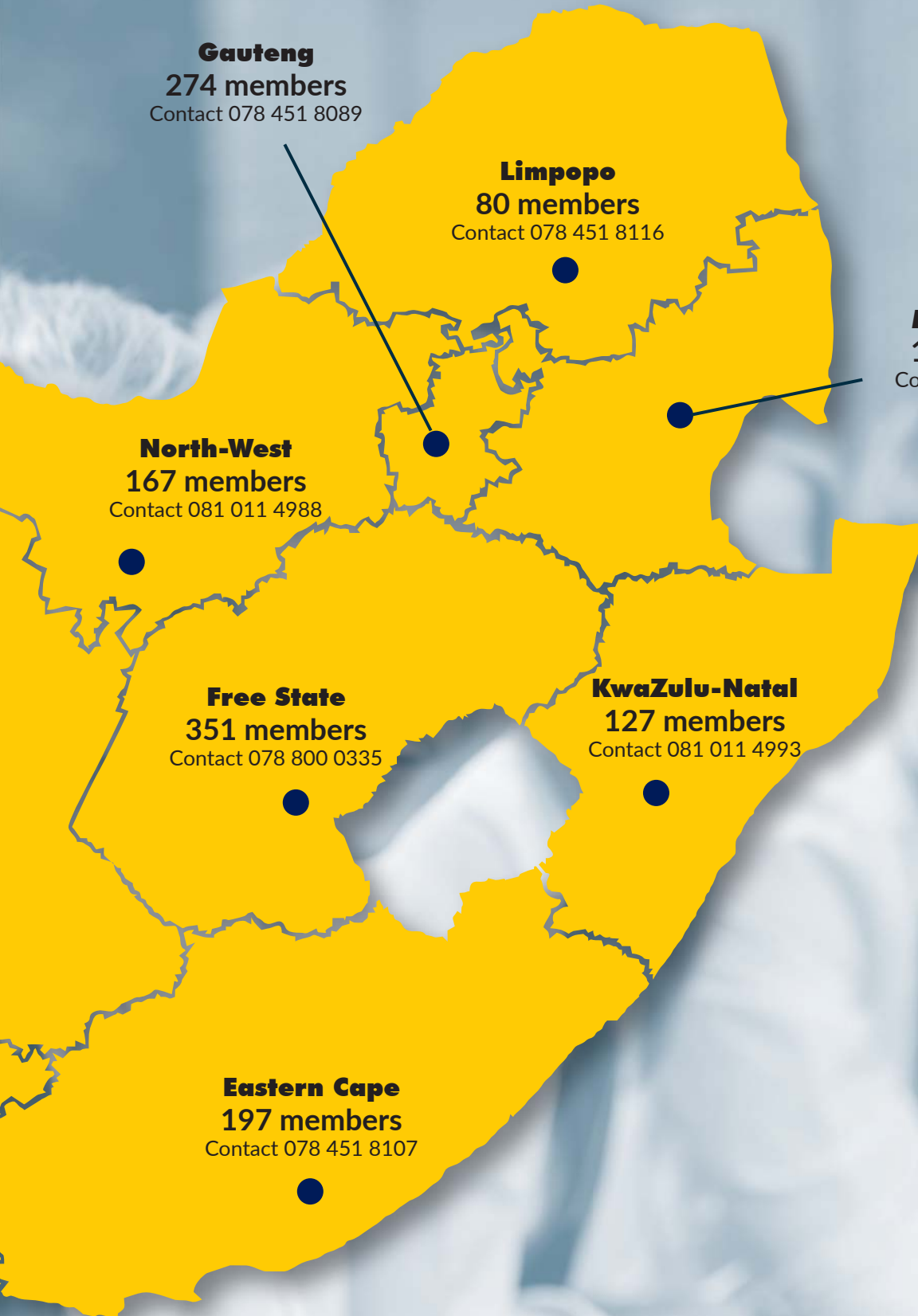
- FEDSAS is the most representative mouthpiece for school governing bodies in the country. We comment on draft legislation and education policy, which means that our members' interests are represented at the highest level.
- FEDSAS has been a recognised opinion leader and role-player in public education at national and provincial level for nearly 30 years.
- FEDSAS has established national and provincial structures to provide a service to all our members across the country.
- FEDSAS has won several leading court cases and we have full-time education law specialists to support members in exercising their rights, including cases of unlawful interference in governance of school matters.
- FEDSAS assists governing bodies across the entire spectrum of school governance, including staff appointments, labour relations, strategic planning and financial management.
- The FEDSAS website is the most comprehensive source for information pertaining to school governance, including policy documents, guides for governing bodies and examples of contracts. FEDSAS also has a range of products, including video material and books, covering a range of aspects that pertain to school governance.
- FEDSAS has sound experience of education issues. As an active, dynamic organisation, we stay informed about changes and restructuring in education and we can advise our members accordingly.
- FEDSAS is a democratic, non-political organisation and members elect their leaders annually.

# National footprint

FEDSAS' national footprint:

Distribution of members / contact details





**Gauteng**  
274 members  
Contact 078 451 8089

**Limpopo**  
80 members  
Contact 078 451 8116

**Mpumalanga**  
155 members  
Contact 078 451 8019

**North-West**  
167 members  
Contact 081 011 4988

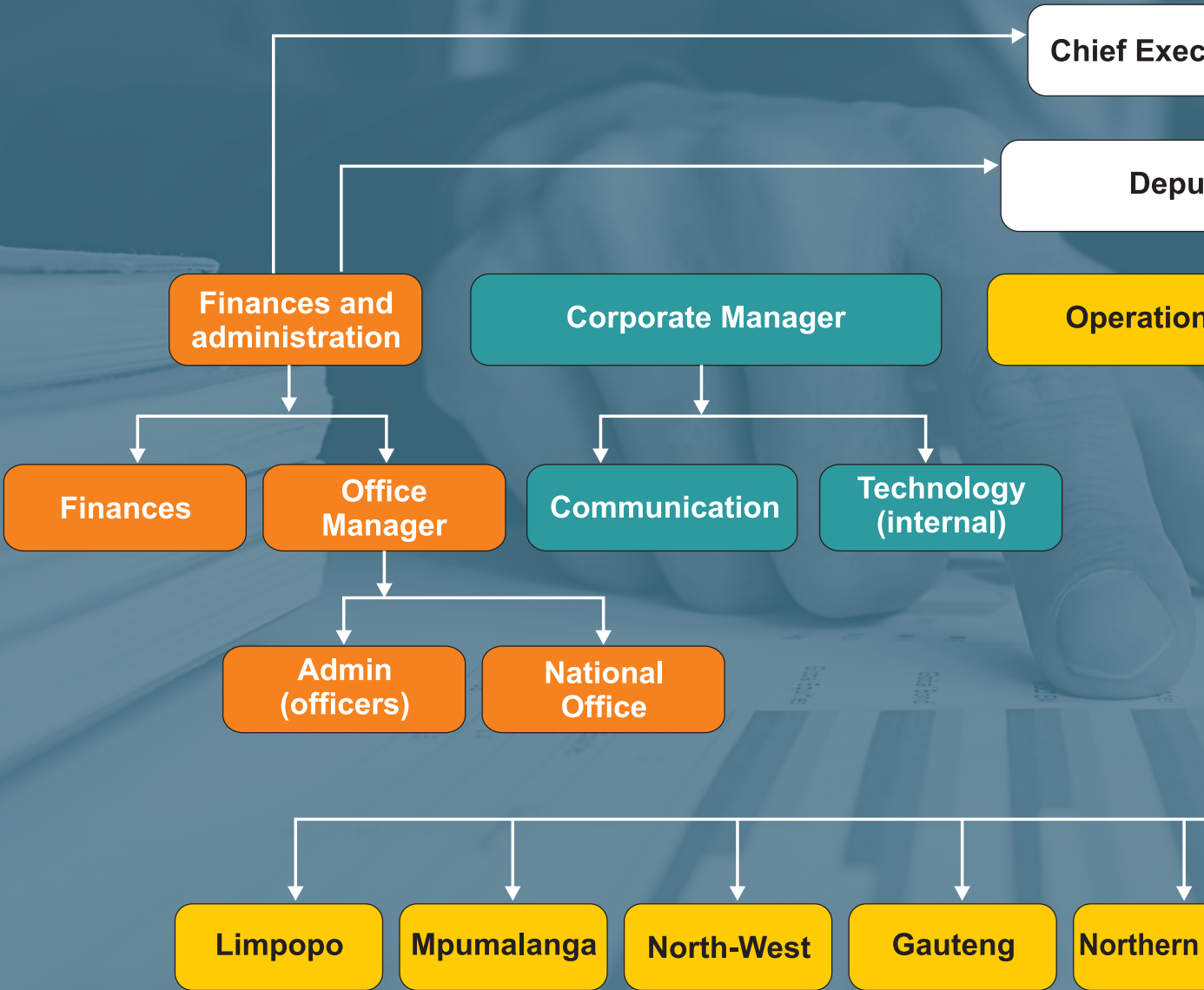
**Free State**  
351 members  
Contact 078 800 0335

**KwaZulu-Natal**  
127 members  
Contact 081 011 4993

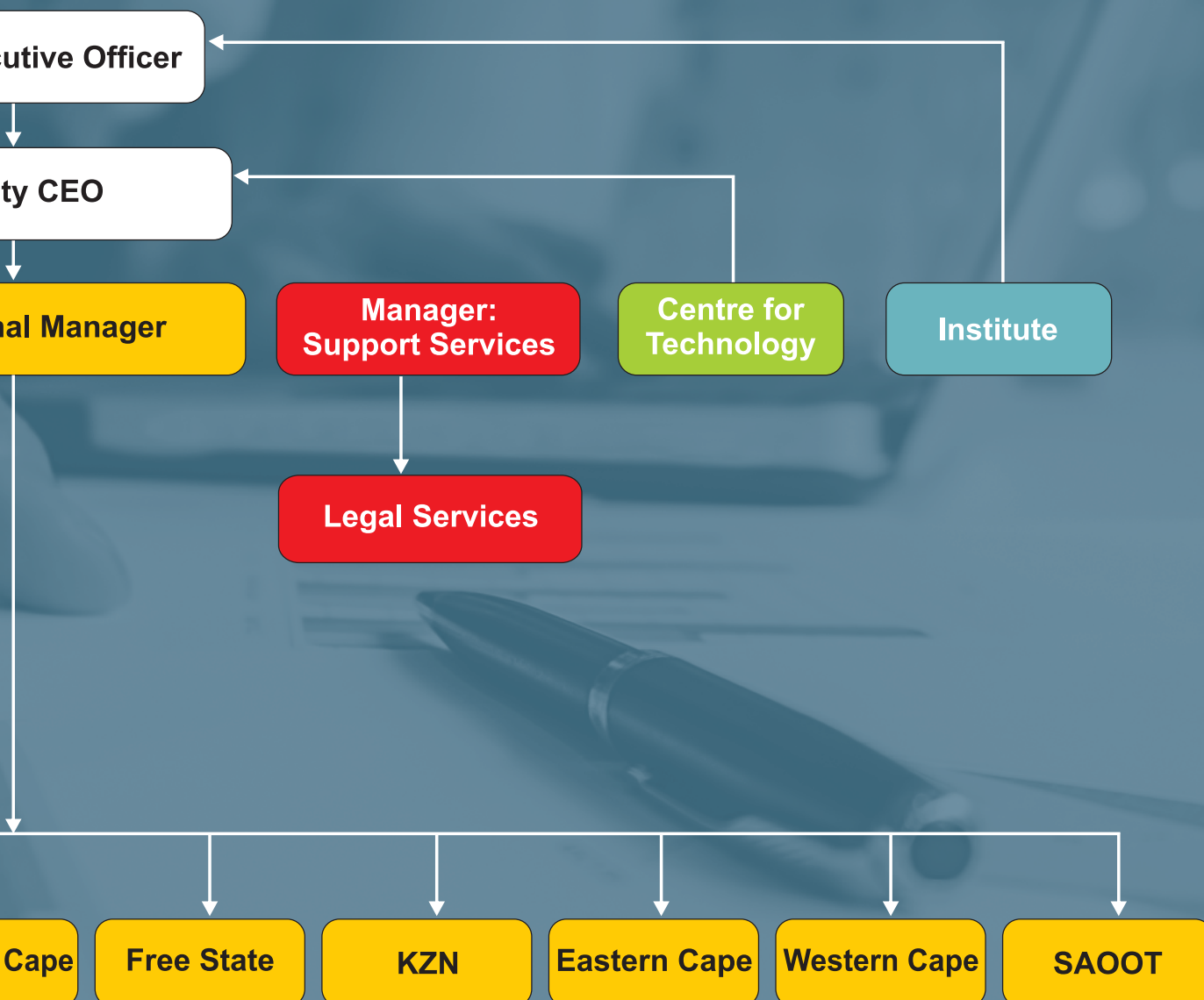
**Eastern Cape**  
197 members  
Contact 078 451 8107

# Structures

## FEDSAS National



# ational Council



## 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 in order 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' 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' 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 deputy CEO and advises the National Council on strategic matters.

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' impact on the six capitals), this section provides an overview of some matters that require highlighting during 2020, and specifically in reference to the Covid-19 pandemic.

## Covid-19 pandemic

The Covid-19 pandemic and the accompanying restrictions on activities had, as in most sectors, a material impact on school education. This holds consequences for FEDSAS over the short, medium and even long-term. The most important implications include:

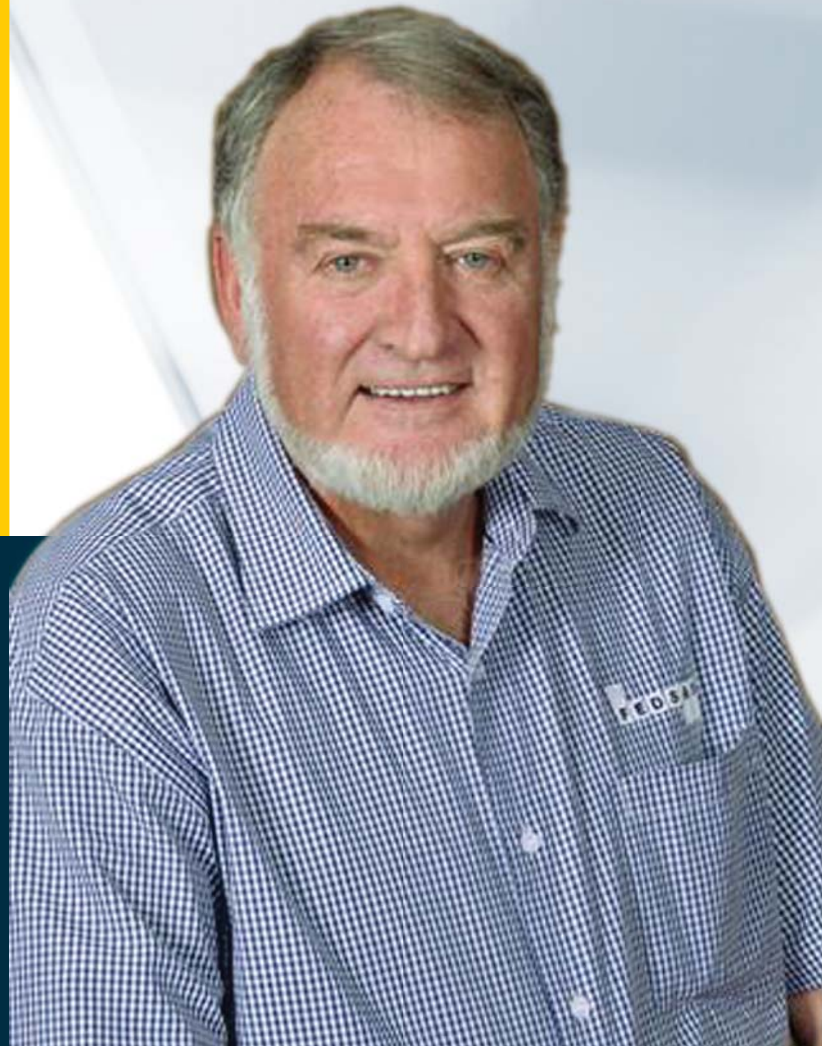
- Health and safety of employees and volunteers. As a service organisation where direct contact with members is important, new ideas and plans are required to continue to deliver these services effectively while strictly adhering to health and safety protocols.
- Economic adversity. Decreased employment, job losses, redistribution of state finances and a decline in business trust have placed pressure on schools' ability to pay membership fees to FEDSAS but at the same time schools require more support and service-delivery.
- Service-delivery model. The pandemic and accompanying lockdown had a material impact on FEDSAS' service-delivery model. However, it also created opportunities to make and implement changes that are more cost-effective and which will enable the organisation to reach more governing body members.

## Other material matters

Although Covid-19 dominated that national discourse during 2020, there are other material matters that present opportunities and risks:

- Legislation. The Ministry of Basic Education is still planning on making comprehensive changes to the country's education laws. These changes to legislation were initially planned for this year but the pandemic halted this plan.
- Funding. Sufficient funding to deliver the full spectrum of services available from FEDSAS remains a challenge. Even before the Covid-19 pandemic the country's economic outlook was bleak, which of course has an impact on the sustainability of non-profit organisations.
- Communication and branding. In an era of fast and information-driven communication and image-building, effective and credible communication remains a challenge.
- Relationship-building. The South African education landscape is a complex and in many aspects controversial landscape. It requires continuous and deliberate footwork to build relevant and credible relationships to the benefit of members of FEDSAS.

# REPORT OF THE CEO



## Outcomes of good governance and management

The activities of an organisation must be assessed according to the outcomes as envisaged in the King IV™ report. These are:

- ethical culture;
- good performance;
- effective control; and
- legitimacy.

The assumption is that governance and oversight over, and management of the six capital inputs will result in the above outcomes. Close attention to the optimal utilisation of each of the capital inputs is therefore essential.

All of this must take place and be evaluated on the basis of the triple context of responsible and sustainable institutional existence and development: financial results, social responsibility and environmental responsibility.

Against the backdrop of a highly disrupted and disruptive year, it is my privilege to report on FEDSAS' activities in an overview, as honestly and completely as possible, on the basis of the six capital inputs referred to in the King IV™ report. The information in this report must therefore be read in conjunction

with the information in the rest of the integrated annual report in order to form a complete picture of what has been done, what has been achieved and what realistic prospects for sustainability exist.

## Financial capital

FEDSAS ended 2019 on a slight loss. However, this had no impact on our financial sustainability as the reserve fund makes provision for exactly such an occurrence. The ideal that forms part of FEDSAS' sustainability strategy is to end each year with a surplus in order to build the reserve fund that can ensure sustainability during times of crisis.

Such a crisis became a reality in 2020. The closure of schools during March this year had an immediate impact on our income because school administrations were not functioning and there were no one to pay the accounts. This resulted in FEDSAS' management and the National Council



taking the unusual step of drawing up and approving a revised budget halfway through the year. The restrictions on travel, accommodation in hotels and guest houses, and on meetings resulted in significant savings but the budget had to be trimmed down on a much broader front. Although payment of membership fees resumed as schools reopened, some schools were affected to such an extent by the economic downturn that they were able to pay only part of their membership fees, and in some instances membership fees could not be paid at all.

Realistic projections for 2020 show that the financial results for 2020 could be surprisingly positive and that the restrictions provided for in the revised budget could deliver more than the expected results. A reasonable surplus is expected at this stage, which could even strengthen the reserve fund. Uncertainty surrounding the effect of the Covid-19 pandemic in 2021 and the following years requires a strong reserve fund. As mentioned, the reserve fund is set to receive a reasonable injection at the end of the year despite initial expectations that 2020 would erode the fund.

As a result of the wise decision to build the reserve fund, there exists no risk to the financial sustainability of FEDSAS.

## Manufactured capital

Optimal use of available technology means that FEDSAS can achieve a lot with relatively little material resources. Office space is limited through the use of virtual offices. This means lower costs and higher productivity. Technology makes it possible for FEDSAS staff to be at the service of our members and stakeholders at relatively low cost. The technological development through the establishment of the FEDSAS Centre for Technology, the use of webinars for training of governing body members and school management teams, and the use of technology to hold virtual meetings are contributing to better service delivery, cost-saving and ensuring that we keep up with the demands of the Fourth Industrial Revolution. Being ahead of the curve in terms of focusing on and utilising technology has given FEDSAS an advantage in seamlessly adapting to a new reality when level 5 restrictions were announced on 23 March 2020.

## Intellectual capital

Elsewhere in this report information is provided about documents, legal opinions and commentary developed on behalf of and made available to members during this year. Covid-19 also had a significant impact on this terrain with a remarkable number of documents, legal opinions and policy documents that were revised and/or developed and published to address the drastically different reality facing schools. The value of this intellectual capital is significant. It means that the FEDSAS website, [www.fedsas.org.za](http://www.fedsas.org.za), where all these documents are housed is without a doubt the most comprehensive resource for school governance in the world, specifically with reference to Covid-19-related information and guidance.

Ethical values remain the foundation on which all the FEDSAS systems, procedures and protocols are built. In addition, the National Council decided shortly after the introduction of the King IV™ report that the suggested principles and practices will be applied in the manner in which FEDSAS is governed. The Guide to the King IV™ report that was written by FEDSAS in cooperation with the Institute of Directors was finalised and translated into Afrikaans. This was a comprehensive project undertaken by the FEDSAS Institute for School Governance, Management and Leadership. Every year, the first meeting of the National Council following the annual reconstitution in November is used to discuss and evaluate compliance with the King IV™ principles.

## Human capital

Human capital is without a doubt FEDSAS' biggest and most important resource. This is underlined by the wide range of training opportunities and interaction with members as discussed elsewhere in this report. For this reason, ample provision is made for continuous training and equipping of staff. Lockdown also had a serious impact on our regular staff conferences. A new virtual format was accepted for training and equipping staff and this is applied with great success. This initiative was undertaken with vigour and was very successful.

Staff costs also represent the single biggest item in FEDSAS' expenditure budget, as is the case with service organisations of this nature.

The wealth of experience in, knowledge of and skills pertaining to school governance represented by our staff is not available elsewhere in the South African education context.

Several staff members have reached retirement age and have already left the employment of FEDSAS or will be leaving at the end of this year. This required a reorganisation of duties and responsibilities in FEDSAS while the process to replace those knowledgeable and experienced staff members is already underway. In this way succession planning is prioritised, we can ensure that expertise is not lost and that, where required, new ideas and talents are developed.

## Social and relationship capital

One of the most important aims of FEDSAS is to have a positive influence on the education landscape. As a result, building relationships with our own members as well as education role-players and stakeholders on all levels remain a high priority. Building relationships requires determination and persistence, especially in a country with a history of division in which we are often still caught up. The involvement of all our staff on many levels of education in all nine provinces and on national level is however remarkable. The presence of the FEDSAS brand in school education is instantly recognisable.

FEDSAS' liaison and interaction with the Department of Basic Education remains exceptional and takes place on a regular basis. This year, meetings with the national and provincial education departments were mostly virtual and also took place more regularly than in the past. This has been far more productive as empty travel time and expensive travel and accommodation costs are not part of the equation.

## Natural capital

The nature of FEDSAS' work and operations is such that very little relies on natural resources. However, the proper utilisation of renewable resources and protection of natural resources form part of all facets of future planning.

## Membership

The report on our membership numbers elsewhere in this integrated annual report shows FEDSAS' footprint across South Africa. Membership fees are FEDSAS' economic engine that we need for sustained service delivery but also for sustainability. The poor economic situation as well as the devastating effect of Covid-19 have a negative effect on our members and so we are accommodating those members who are worst affected by the economic downturn. We are proud of our commitment to our members and also thank them for their loyalty to us.

## National activities and activities in provinces

I trust that this report will provide the reader with an image of the outcomes referred to in the introduction, namely ethical culture, good performance, effective control, and legitimacy. However, that image is only a very small reflection of the actual state of affairs. Through monthly reporting by all staff on all activities of each month, FEDSAS management receives regular feedback on what is being done at ground level. Each month, it creates an astonishing picture of commitment and hard work at every conceivable level that a governing body organisation is involved in and can become involved in nationwide. It also creates an environment in which responsible and accountable control is exercised over all FEDSAS' activities nationwide. Integrity, credibility and dependability as elements of a culture strongly cemented in the ethical code of FEDSAS is the golden thread that runs through the corporate governance framework of FEDSAS.

## Sustainability and the way forward

The road ahead for FEDSAS is promising, but challenging. One of the challenges the organisation is already working hard on is the diversification of members and staff to play a broader role in improving school governance and management throughout South Africa. Several recent appointments have put FEDSAS on track to make a significant impact in future. The need in underperforming schools is overwhelming and if FEDSAS really wants to make a significant impact in education in South Africa, the organisation will have to reach out and make a difference. The promising part of the future lies in the fact that FEDSAS is now a well-established organisation with a strong support base that has a strong network of partners and interest groups.

We remain determined to be the bearer of hope and fulfilled expectations for school education in South Africa.

Paul Colditz:  
CEO

# FEDSAS' COMPETITIVE LANDSCAPE

The organisational and operational activities of FEDSAS are executed in six focus areas, namely training, awareness, research, fundraising and relationship management, as well as 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

FEDSAS' primary focus is on equipping school governing bodies. This includes internal training of 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.

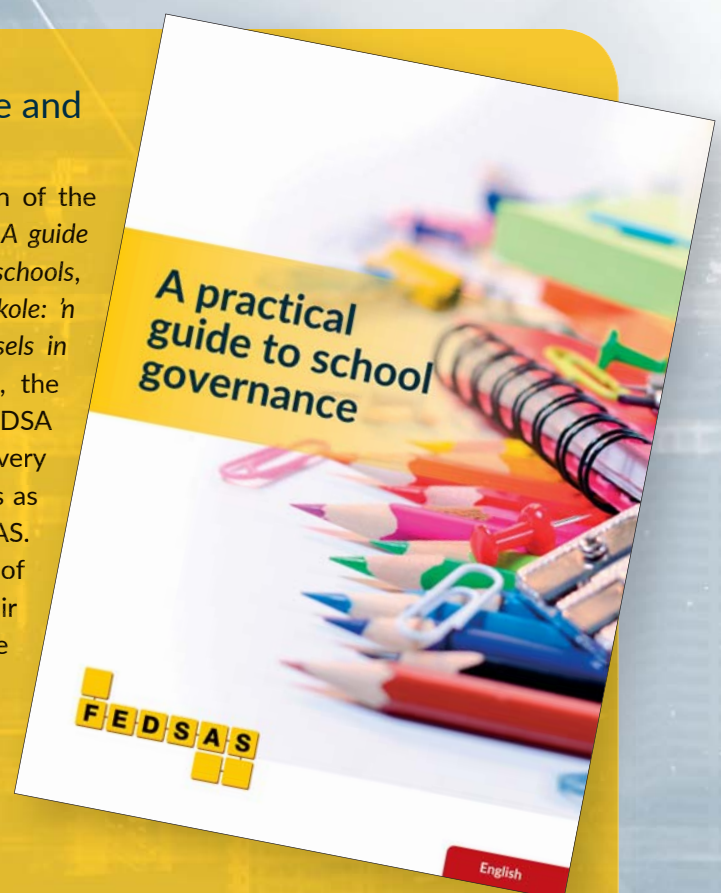
### Specific strategic goals and activities for 2020 pertaining to training FEDSAS Institute for School Governance, Management and Leadership

#### Actions undertaken:

- Revision and implementation of instruments to support school governing bodies
- Publication of the second edition of the popular publication *Governance in public schools: A guide to the application of the King Principles in public schools* in Afrikaans

### FEDSAS publications available online and in multiple languages

This year, FEDSAS introduced the second edition of the popular publication *Governance in public schools: A guide to the application of the King principles in public schools*, now in Afrikaans as well (*Beheer in openbare skole: 'n Handleiding oor die toepassing van die King-beginsels in openbare skole*). This is an initiative of FEDSAS, the FEDSAS Institute for School Governance and IoDSA (Institute of Directors in South Africa). "We are very excited to launch the updated version in Afrikaans as well," says Dr Jaco Deacon, Deputy CEO of FEDSAS. "For FEDSAS it is important to equip members of governing bodies with knowledge to improve their expertise. It is scientifically proven that people are able to process and retain knowledge better in



their mother tongue. FEDSAS aims to make information available in as many languages as far as possible. For example, another FEDSAS publication, *A practical guide to school governance*, is already available in all 11 official languages.” Deacon says the second edition of the publication on the King principles focuses specifically on best practice and strengthening good governance in schools. “FEDSAS encourages members to move away from the idea that school governance should simply be compliance with the minimum legal requirements. Good governance goes further and the focus should be on creating space for the application of good principles.” As with most FEDSAS publications, this publication is also available as an e-book on the Snapplify platform. The FEDSAS Centre for Technology has already made 13 of FEDSAS’ publications available as e-books on the Snapplify platform. “It is important to us to keep up with technological advancement and people’s changing needs. Online publications make access to information easier, especially for governing bodies in rural areas that would otherwise struggle to get hold of the material.” Users can use “FEDSAS” in the search function to find the list of FEDSAS e-books.

## FEDSAS Centre for Technology

### 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
- Development and marketing of national webinars
- Development and presentation of provincial webinars according to needs
- Presentation of technology workshops in each province

## FEDSAS Centre for Technology tactically and practically geared for disruption

FEDSAS managed to react very quickly to the Covid-19 pandemic’s impact on education. One of our first slogans were “Schools are open but buildings are closed”. We were quickly out of the starting blocks with resources for schools for the deployment of a model of continued learning that included the use of technology. The Centre for Technology’s existence and activities separated FEDSAS from others at the start of the pandemic as we have been geared, both tactically and practically, for disruption.

### Areas of concern included:

- Internet access for teachers and learners
- Data costs
- Teachers’ skills and adaptability
- The availability of parents and guardians to provide support at home
- Devices in households

The Centre for Technology addressed these issues with a section with Covid-19 resources on the FEDSAS website as well as through several webinars. Our advice to schools was focused on:

- potential models for teaching and learning;
- the availability of products and services;
- free resources (and also in multiple languages);
- zero-rated resources for schools and learners;
- the initiative to arrange for zero-rated access to schools' own websites;
- the use of technology for governing body matters such as by-elections and annual general meetings (where FEDSAS took the lead together with the Department of Basic Education); and
- the latest trends in the education technology industry.

The Centre for Technology was approached by local and international media to comment on the use of technology and the readiness of schools for these changes. The Centre for Technology also launched an initiative through a free weekly technology webinar under the title "Tech Talk @ Two". The sessions were well-attended by members. These sessions did not only focus on the reaction to the pandemic but also on long-term systemic change and positive lessons learned from the Covid-19 disruption. All these sessions were broadcast on Facebook and are available on YouTube.

Never before has technology been so prominent as during 2020. Not only were there many new solutions, but these were also accepted a lot faster. A speaker during one of the sessions mentioned that change "is very slow until it is very sudden". This is an excellent summary of the events. For the past six years FEDSAS and the Centre for Technology have been advocating for digital citizenship and the sensible use of technology for better learning outcomes and school governance. It is always better to build the ark before the rain starts.

FEDSAS' internal processes and practices also quickly moved into the virtual space. Our Way of Work quickly adapted and remains a model for continued work.

The Centre for Technology did a survey and from a sample of some 600 of our member schools 86% reported that they continued with remote / continued / e-learning during this time. Of these schools, 27% reported that some of the learners did not have access or could not keep up but we did not test which percentage of the learners this group represents. Some schools indicated that they continued with almost the entire planned curriculum with most of their learners.

The Centre also introduced an e-magazine with useful articles to guide schools during the budget season of 2020. The e-magazine is available at <https://bit.ly/33QVmgc>

## Staff training

### Actions undertaken:

- A staff conference for all FEDSAS staff during January
- Virtual staff conferences for staff to replace the usual face-to-face conferences

## Specific training for school governing bodies

### Actions undertaken:

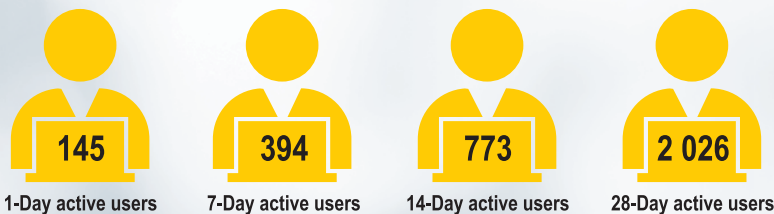
- Presentation of e-learning course for newly-elected governing body members elected to fill vacancies
- Burning issue meetings through webinars with a focus on exemption and payment of school fees, financial management and reporting and other burning issues: 40 meetings, 1252 participants from 269 schools
- Induction of new governing body members: 739 participants from 310 schools
- Continued and advanced training: 113 sessions, 1335 participants from 250 schools
- Value-driven Schools programme: 32 schools
- School visits: 532 schools
- Webinars: 149 sessions, 11 732 participants
- Training of learner members of governing bodies: 25 sessions, 1729 participants from 224 schools



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

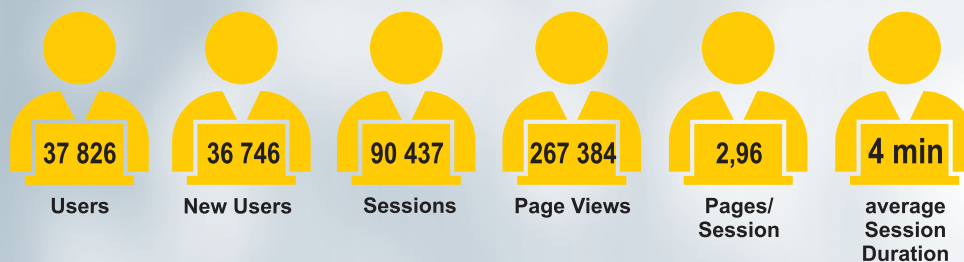
### Active users

of the FEDSAS Website Feb 2020 - Nov 2020



### Audience Overview

of the FEDSAS Website Feb 2020 - Nov 2020





## Regional Page views and Sessions

of the FEDSAS Website Feb 2020 - Nov 2020



### Risks and opportunities

Training opportunities are determined by members' changing needs and expectations. Courses and training material as well as how courses are presented should therefore keep up with the changing environment. Although it brought with it numerous operational challenges, the Covid-19 pandemic also created opportunities to make online training across platforms more accessible. The urgency that accompanied the pandemic has forced members to make the jump to online training. If we take into account that a move towards online training as part of the Fourth Industrial Revolution would have taken place in any case, and would probably have required extensive training, the forced, fast adaptation due to the pandemic probably meant a significant saving in terms of money and human resources. The 2021 school governing body elections, the third largest general election in South Africa after the general and local government elections, provide ample opportunity for adapting and expanding FEDSAS' education offerings as well as the method of presentation.



## FEDSAS ready for training after SGB elections

In 2021, the tri-annual school governing body elections are taking place again. This is the third largest election in South Africa after the general and local government elections with more than 300 000 school governing body members who are elected. Given the realities of the Covid-19 pandemic the elections will also look different. However, FEDSAS is excited to launch a brand new programme for 2021.

The new reality within Covid-19 circumstances, the development and availability of technology, financial pressure and the pressure on everyone's programmes are all factors that contributed to the development of a combination of online and school-based opportunities to broaden newly-elected governing body members' knowledge and develop their skills.

The elections take place from 1-31 March 2021 and each province will be publishing its own election regulations. At this stage it seems that the option of electronic elections looks like the most realistic. Each school will determine its own election date and schools are requested to determine this date now already so as to plan their marketing campaign and SGB training. FEDSAS is presenting a webinar in this regard on 3 February 2021.

FEDSAS' awareness campaign kicks off on 1 February 2021 and material will be made available to schools to do their own marketing. Keep an eye on social media and the website for more information.

FEDSAS' training will also take on a new format. We are moving from one big induction session at a central point to each individual school, and eventually to each member's own home. Each school will receive ten webinar coupons as soon as their FEDSAS membership fee for 2021 is paid. These coupons can be used to register for the electronic training.

The programme consists of three sections and everything will be presented in Afrikaans and English. The programme starts with a general and then school-specific induction. Further training focuses on five key concepts, namely the general functions of a school governing body, the effective use of committees, traps to avoid, financial management and human resource management. The third section includes continuous training on a variety of topics, from financial reporting to the revision of policy.



## FOCUS AREA: AWARENESS

Awareness focuses on, amongst 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 pertaining to 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 and activities for 2020 pertaining to awareness

#### Awareness: Covid-19 pandemic

##### Actions undertaken:

- Making available a special section on the website with all relevant and available information, directives, procedures, guidelines and policy documents. This special section consists of some 200 documents.
- Regular webinars to keep members up to date on health and safety measures and standard operating procedures to prevent and combat infections
- Webinar with Prof. Shaheen Mehtar, world-renowned epidemiologist
- Webinars and regular newsletters on ministerial directives in accordance with the Disaster Management Act

#### Awareness around World Teachers' Day

##### Actions undertaken:

- A link on the website with all the information pertaining to World Teachers' Day
- Media release
- Electronic advertisements
- Use of social media

#### Growth of FEDSAS' social media footprint

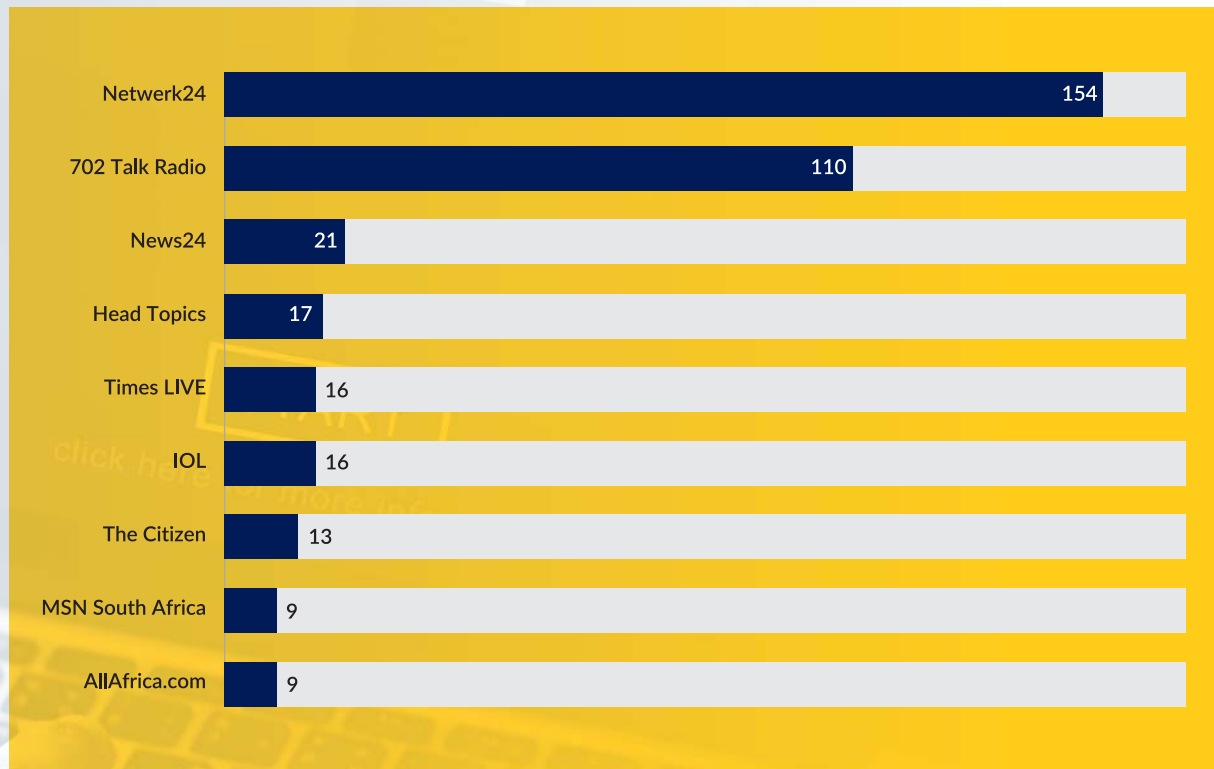
##### Actions undertaken:

- Use social media links on all communication (internally and externally) to drive users to social media and thereby increasing user frequency
- Use Facebook, Twitter and Instagram to distribute information as well as to gain feedback
- Create WhatsApp groups to improve internal communication and information distribution
- Total reach across various digital media platforms for period 1 January 2020 – 31 October 2020: 2 527 059
- Facebook growth: 57% (6932 to 10853)
- Twitter growth: 51% (1209 to 1826)
- Instagram growth: 219% (377 to 1202)

## 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
- 7 media releases for the period 1 January 2020 to 31 October 2020
- Ratio of media releases-news hits: 1:4 (an average of four articles for every media release)
- Editorial inclusion (number of mentions in articles): 625



## General awareness: website

### Actions undertaken:

- Increase traffic to website ([www.fedsas.org.za](http://www.fedsas.org.za)) for period 1 January 2020 to 31 October 2020
- 90 437 visits to website (January - October 2020)
- 37 761 unique visitors
- average visit of 4 minutes

### 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 about 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 general public. 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 has to 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. The 2021 school governing body elections provide ample opportunity to create awareness about the organisation's operations as well as school governance in general. Continued technological advancement also means that the organisation has to remain at the cutting edge of developments in terms of online communication. The FEDSAS website is being redesigned for launch early in 2021. This will enable FEDSAS to tell the story of how the organisation adds value and at the same time increase access to the organisation's intellectual capital.

## FOCUS AREA: RESEARCH

FEDSAS' committed team of education law specialists continuously conduct research on policy development, draft legislation and other aspects of legislation that influence 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.

### Specific strategic goals and activities for 2020 pertaining to research

#### Actions undertaken:

- Continuous research for specific legal actions and court cases in which FEDSAS is involved on behalf of its members
- Development of 263 new policy documents and legal opinions
- Development of Covid-19 documentation, including legal opinions, legislation and example documents
- Development of 22 POPIA documents, including a POPI Act resource pack

## NEW AND REVISED POLICY DOCUMENTS: 2020

Not only did the FEDSAS legal team revise existing documents, but the team also developed a record number of 263 new documents, from legal opinions to example documents, during 2020. The complete list is available at [www.fedsas.org.za](http://www.fedsas.org.za)

### New legal opinions, legislation and example documents regarding Covid-19 include amongst others:

- Employment relationship during lockdown – rights and responsibilities of the school governing body
- Covid-19 health and safety check list
- Protocol for handling Covid-19 infections at schools
- Home-schooling – schools' rights and responsibilities
- Covid-19 Guide for Parents
- Electronic meetings, electronic decisions and electronic signatures

### Documentation regarding POPIA include amongst others:

- Manual in accordance with Section 14 of the Promotion of Access to Information for Public Schools Act
- Policy on the protection of personal information

- The role of the information official
- Service provider agreement
- Practical guide for the Protection of Personal Information Act (POPIA)
- Indemnity form with regards to learner photos-video material.

### **General new legal opinions and example documents include amongst others:**

- Parktown Boys' High Incident 2020 – lessons learned
- Safety check list for self-inspections of school activities
- The process to co-opt members in the governing body of an ordinary public school
- Copyright in music in the school environment

### **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 as 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 in an effort 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. The dramatic changes to the school environment brought about by the Covid-19 pandemic also have an influence on the interpretation and application of legislation and policies, which increases the potential for risk around issues such as accountability in terms of the health and safety of learners and teachers. 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 the "new normal".

### **FOCUS AREA: MEMBERSHIP GROWTH**

On 31 October 2020 a total of 2040 school governing bodies of public schools were members of FEDSAS. However, there are nearly 24 000 public schools in South Africa and growing FEDSAS' 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 and activities for 2020 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
- A special lower Covid-19 tariff for new members
- Collecting membership fees

## Risks and opportunities

The number of members has a direct impact on the organisation's financial position. The Covid-19 pandemic resulted in serious financial and economic issues, which in turn resulted in existing members in some instances not being able to afford membership fees, while at the same time the available pool of potential new members shrunk significantly. Other governing body organisations compete in the same market and therefore also pose a risk. However, FEDSAS' stellar reputation as leader in school governance provides the organisation with an opportunity to grow its membership. During the 2021 school governing body elections some 300 000 new governing body members are elected. FEDSAS' training and expertise can be used to grow membership when new governing bodies start to function.

## 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.

## Specific strategic goals and activities for 2020 pertaining to fundraising, relationship management and mouthpiece for governing bodies

### Actions undertaken:

- Strategic partnerships
- Continuous meetings and formal and informal events with education stakeholders, including political leadership, in order 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
- Mediation of serious conflict situations between governing bodies and school principals/teachers and/or education departments

## Risks and opportunities

As non-profit organisation FEDSAS is dependent on strategic partnerships, especially in terms of financial support. Serious economic disruption such as that brought about by the Covid-19 pandemic results in significantly less funding from donations and sponsorships. This holds a serious threat for financial sustainability and is a risk that has to be managed actively through amongst 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 that have to be protected and expanded at all cost include FEDSAS' relationship with the national Department of Basic Education as well as the provincial education departments. On initiative of FEDSAS, the National Consultative Forum for governing bodies was established in 1999 with the goal of providing a forum for discussion and negotiation on behalf of governing bodies with the Minister of

Basic Education and the department. This forum has met quarterly for the past 21 years. FEDSAS was also instrumental in establishing a provincial consultative forum in each of the nine provinces. 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 neutrality, holds great risk, especially to the organisation's reputation. The 2021 school governing body elections provides an opportunity to strengthen relationships with role-players in the sector, from the government to other governing body organisations, as well as with new and existing members.

## **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 and social and relationship capital.

### **Specific strategic goals and activities for 2020 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

#### **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' personal experience enables the organisation to equip members effectively when they have to face similar challenges or circumstances.

# FINANCIAL STATEMENTS: AN OVERVIEW

## GENERAL INFORMATION

### Period

This section contains a brief overview of the financial position of FEDSAS for the financial year ending 31 December 2019.

### 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' management has scrutinised the organisation's cash flow prediction for the year ending 31 December 2019 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 foreseeable future.

### Auditors

Core Audit Incorporated Auditor

Chartered Accountants

Registered Auditor



# FEDSAS

## FINANCIAL STATEMENTS

31 DECEMBER 2019



FEDSAS  
(Registrasienuommer: NPO 128-598)

FEDSAS  
(Registration number: NPO 128-598)

FINANSIËLE STATE VIR DIE JAAR GEËINDIG 31  
DESEMBER 2019

FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2019

**ALGEMENE INLIGTING**

**GENERAL INFORMATION**

<b>Land van inkorporasie en domisilie</b>	Suid-Afrika / South Africa	<b>Country of incorporation and domicile</b>
<b>Aard van besigheid en hoofaktiwiteite</b>	Federasie van Skoolbeheerliggame / Federation of School Governing Bodies	<b>Nature of business and principal activities</b>
<b>Raadslede</b>	Mnr / Mr EEH Wolf (Voorsitter)/(Chairperson) Mnr / Mr PHT Colditz (HUB)/(CEO)	<b>Board members</b>
<b>Geregistreerde kantoor</b>	7 Tennant Singel/Crescent Fichardtpark Bloemfontein 9301	<b>Registered office</b>
<b>Besigheidsadres</b>	7 Tennant Singel/Crescent Fichardtpark Bloemfontein 9301	<b>Business address</b>
<b>Posadres</b>	Posbus / PO Box 31963 Fichardtpark Bloemfontein 9317	<b>Postal address</b>
<b>Ouditeur</b>	Core Audit Incorporated Geoktrooieerde Rekenmeesters/Chartered Accountants Geregistreerde Ouditeur / Registered Auditor	<b>Auditor</b>
<b>Belastingverwysingsnommer</b>	9754360163	<b>Tax reference number</b>
<b>Organisasie registrasienuommer</b>	NPO 128-598	<b>Organisation registration number</b>
<b>Bankier</b>	ABSA Bank Beperk/Limited	<b>Bankers</b>
<b>Vlak van gerusstelling</b>	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.	<b>Level of assurance</b>
<b>Kompilleerder</b>	Hierdie finansiële state is onafhanklik opgestel deur Mr JN Kriel GR (S.A.) / The annual financial statements were independently compiled by Mr JN Kriel CA (S.A.)	<b>Preparer</b>

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG  
31 DESEMBER 2019**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2019**

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

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

**Inhoud**

**Bladsy/Page**

**Contents**

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Onafhanklike Ouditeursverslag  
Verslag van praktisyn  
Lede se Verslag  
Staat van Finansiële Posisie  
Staat van Omvattende Inkomste  
Staat van Verandering in Ekwiteit  
Staat van Kontantvloei  
Rekeningkundige Beleide  
Aantekeninge tot die Finansiële State

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

Die volgende maak nie deel uit van die  
Finansiële State nie en is nie geoudit nie:  
Aanvullende inligting

The following does not form part of the Annual  
Financial Statements and is unaudited:  
Supplementary information

**Vlak van gerusstelling**

**Level of assurance**

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

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

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG 31  
DESEMBER 2019**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
DECEMBER 2019**

**LEDE SE VERANTWOORDELIKHEDE EN GOEDKEURING**

**MEMBERS' RESPONSIBILITIES AND  
APPROVAL**

Die konstitusie 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 kontantvloeï vir die periode, ter voldoening aan die vereistes van die Internasionale Verslagdoeningstandaard vir Klein en Mediumgrootte Ondernemings. Die eksterne ouditeure is aangestel om 'n onafhanklike mening oor die finansiële state uit te spreek.

The members are required by the constitution 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 society 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 requirements of the International financial Reporting Standard for Small and Medium-sized entities. The external auditor is engaged to express an independent opinion on the annual financial statements.

Die jaarlikse finansiële state is in ooreenstemming met die vereistes van die Internasionale Verslagdoeningstandaard vir Klein en Mediumgrootte Ondernemings opgestel en is gegrond op toepaslike rekeningkundige beleide wat konsekwent toegepas is en deur redelike en verstandige oordeel en ramings ondersteun is.

The annual financial statements are prepared in accordance with the International Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the society 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 society and all employees are required to maintain the highest ethical standards in ensuring the society's business is conducted in a manner that in all reasonable circumstances is above reproach.

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG 31  
DESEMBER 2019**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
DECEMBER 2019**

**LEDE SE VERANTWOORDELIKHEDE EN GOEDKEURING**

**MEMBERS' RESPONSIBILITIES AND  
APPROVAL**

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 uitgeskakel 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.

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

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.

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.

Die lede het die organisasie se kontantvloei vooruitskatting vir die jaar geëindig 31 Desember 2019 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.

The members have reviewed the organisation's cash flow forecast for the year ended 31 December 2019 and, in the light of this review and the current financial position, they are satisfied that the society has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

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 ..... tot ..... aangebied.

The external auditor are responsible for independently reviewing 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 ..... to .....

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

The annual financial statements set out on pages ..... to ....., which have been prepared by the National Council on ..... and were signed on its behalf of:

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**Mnr/Mr EEH Wolf (Voorsitter)/(Chairperon)**

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**Mnr/Mr PHT Colditz (HUB)/(CEO)**

## ONAFHANKLIKE OUDITEURVERSLAG

Aan die lede van FEDSAS

### Ouditverslag van die Jaarlikse Finansiële State

#### Mening

Ek het die finansiële state van FEDSAS, soos uiteengesit op bladsy ... tot ... geudit, wat bestaan uit die staat van finansiële posisie soos op 31 Desember 2019, die staat van omvattende inkomste, staat van veranderings 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.

Na my mening, is die finansiële state redelik aangebied, in alle wesenlike opsigte, wat insluit die staat van finansiële posisie van FEDSAS soos op 31 Desember 2019, asook die finansiële prestasie en kontantvloei vir die jaar wat op daardie datum geëindig het in ooreenstemming met die Internasionale Finansiële Verslagsdoeningstandaard vir klein en medium-groote entiteite en die vereistes van die samestelling van die Nasionale Raad.

#### Grondslag vir mening

Ons het die oudit ooreenkomstig Internasionale Ouditstandaarde ('ISAs') uitgevoer. Ons verantwoordelikhede in terme van die standaard word verder beskryf in die Ouditeur se Verantwoordelikhede vir die Oudit van die Jaarlikse Finansiële State-afdeling van my verslag. Ons is onafhanklik van die onderneming in ooreenstemming met artikels 290 en 291 van die Onafhanklike Regulerende Raad vir Ouditeure (IRBA) se Kode vir Professionele Gedrag vir Geregistreerde Ouditeure (IRBA-kode Hersien Januarie 2018), deel 1 en 3 van die Onafhanklike Regulerende Raad se Kode vir Professionele Gedrag vir Geregistreerde Ouditeure (Hersien November 2018) (tesame met die IRBA-kodes) en ander onafhanklikheid vereistes toepaslik op die uitvoer van oudits van finansiële state in Suid-Afrika. Ons het die ander etiese verantwoordelikhede, soos van toepassing, in ooreenkomstig hierdie vereistes en die IRBA-kodes en in ooreenstemming met ander etiese vereistes van toepassing op die uitvoer van oudits in Suid-Afrika vervul. Die IRBA-kode is konsekwent met die 'International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants en die 'International Ethics Standards Board for Accountant's International Code of Ethics for Professional Accountants' (insluitende Internasionale Onafhanklikheid Standaarde) onderskeidelik. Ons glo dat die ouditbewyse wat ons verkry het, toereikend en toepaslik is om 'n grondslag vir my ouditmening te bied.

## 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 set out on pages ... to ..., which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the annual financial statements, including a summary of significant accounting policies

In my opinion, the annual financial statements present fairly, in all material respects, the financial position of FEDSAS as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Constitution of the National Council.

#### Basis for opinion

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

### **Slutel ouditaangeleenthede - wesenlike onsekerheid rakende lopende saak**

Ek vestig die aandag op Aantekening 18 en 19 van die jaarlikse finansiële state rakende die voorwaardelike verpligting as gevolg van die nie-nakoming van die BTW wet in die vorige jare, wat daarop dui dat dit weens die voorwaardelike verpligtinge en die onsekerheid ten opsigte van die onderhandelinge se uitkoms met die Suid-Afrikaanse Inkomstediens, die gebeurtenis of toestand daarop dui dat 'n wesenlike onsekerheid bestaan wat twyfel kan veroorsaak oor die vermoë van die organisasie om voort te gaan as 'n lopende saak. My mening is nie gemodifiseerd in terme van hierdie aangeleenthede nie.

### **Ander inligting**

Die raadslede is verantwoordelik vir die ander inligting. Die ander inligting bestaan uit die Raadsledeverslag en die aanvullende inligting soos uiteengesit in bladsye ... tot ..., wat ons verkry het voor die datum van hierdie verslag. Ander inligting sluit nie die jaarlikse finansiële state en ons ouditeursverslag daarop in nie.

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

In verband met my audit van die jaarlikse finansiële state is dit my 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 my vereis om daardie feit te rapporteer. Ek 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 Internasionale Finansiële Standaarde vir klein en medium-groote-entiteite en die vereistes van die Konstitusie van die Nasionale Raad, asook vir die interne kontrole wat deur die lede bepaal is soos nodig om die voorbereiding van die jaarlikse finansiële state moontlik te maak wat vry van 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 groep en die maatskappy se vermoë om as 'n lopende saak voort te bestaan te beoordeel, en soos 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 groep en / of die organisasie te likwideer of om bedrywighede te staak, of geen realistiese alternatief het as om so te maak nie.

### **Emphasis of Matter – material uncertainty relating to going concern**

I draw attention to Note 18 and 19 of the annual financial statements regarding the contingent liability as a result of the non-compliance to the VAT Act in the previous years, which indicates that due to the contingent liability and the uncertainty with regards to the negotiation outcome with SARS, this event or condition indicates that a material uncertainty exists that may cause significant doubt on the organisation's ability to continue as a going concern. My opinion is not modified in respect of this matter.

### **Other information**

The members are responsible for the other information. The other information comprises of the Members' Report and the supplementary information as set out on pages ... to ... 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.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Constitution of the National Council, and for such internal control as the members 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 organisation'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 organisation or to cease operations, or have no realistic alternative but to do so.

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

My doelwitte is om redelike gerusstelling te verkry oor of die jaarlikse finansiële state as 'n geheel vry is van wesenlike wanvoorstelling, 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 onseiling 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.

- Kom tot 'n gevolgtrekking oor die toepaslikheid van die raadslede se gebruik van die lopende saak-grondslag van verslagdoening, en gebaseer op auditbewyse 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 auditbewyse 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 audit en beduidende auditbevindinge, insluitende enige beduidende tekortkominge in interne beheer wat ek tydens my audit 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 2 jaar.

**Ms D Mc Lean**  
**Director**  
**Registered Auditor**

## **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 my 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.

- 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 my 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 organisation 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 2 years.



## PRAKTISYN KOMPILASIE VERSLAG

### Aan die lede van FEDSAS

Ek het die jaarlikse finansiële state van FEDSAS, soos uiteengesit op bladsy ... tot ..., opgestel volgens die inligting wat aan my verskaf is. Hierdie jaarlikse finansiële state bestaan uit die staat van finansiële posisie soos op 31 Desember 2019, 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 in ooreenstemming met die Internasionale Finansiële Verslagsdoening Standaard vir klein en medium-grootte entiteite. 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 voltooï is in lyn met die Internasionale Finansiële Verslagdoening Standaard vir klein en medium-grootte entiteite.

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**Mr JN Kriel**  
**Director**  
**Chartered Accountant (SA)**

## PRACTITIONER'S COMPILATION REPORT

### To the members of FEDSAS

I have compiled the annual financial statements of FEDSAS, as set out on page, based on the information you have provided. These annual financial statements comprise the statement of financial position of FEDSAS as at 31 December 2019, 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 in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. 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 International Financial Reporting Standard for Small and Medium-sized Entities

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG  
31 DESEMBER 2019**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2019**

**LEDE SE VERSLAG**

**MEMBERS' REPORT**

Die lede het die voorreg om hulle verslag rakende die jaarlikse finansiële state van FEDSAS vir die jaar geëindig 31 Desember 2019 voor te lê.

The members have pleasure in submitting their report on the annual financial statements of FEDSAS for the year ended 31 December 2019.

**1. Aard van besigheid**

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

**1. Nature of business**

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

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

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

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

Die Jaarlikse Finansiële State is opgestel in ooreenstemming met die Internasionale Verslagdoeningstandaard vir Klein- en Medium-groote entiteite en die vereistes van die Grondwet van die Nasionale Raad. Hierdie rekeningkundige beleid is in ooreenstemming met die vorige periode.

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

The Annual Financial Statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Constitution of the National Council. The accounting policies have been applied consistently compared to the prior year.

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

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

**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.

**3. Insurance and risk management**

The organisation 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 programme, which is carried out in conjunction with the organisation'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. Lede**

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

**Lede**

Mnr EEH Wolf (Voorsitter)  
Mnr PHT Colditz (Hoof Uitvoerende Beapmte)

**4. Members**

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

**Members**

Mr EEH Wolf (Chairperson)  
Mnr PHT Colditz (CEO)

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG  
31 DESEMBER 2019**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2019**

**LEDE SE VERSLAG**

**MEMBERS' REPORT**

**5. Eiendom, aanleg en toerusting**

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

Op 31 Desember 2019 het die onderneming se belegging in eiendom, aanleg en toerusting R164 524 (2018: R110 497) beloop, waarvan R199 833 (2018: R105 784) in die huidige jaar toegevoeg is.

**6. Lopende saak**

Die 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.

Soos in aantekeninge 18 en 19 genoem, is die lede bewus van die BTW-implikasie wat moontlik druk op die toekomstige kontantvloei sowel as die lopende saak-aanname kan plaas.

**7. Ouditeur**

Core Audit Incorporated is in 2019 as ouditeur van die onderneming voortgesit.

Tydens die AJV 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 2020 finansiële jaar sal wees.

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

Die Jaarlikse Finansiële State is deur die raadslede op ..... gemagtig vir uitreiking. Geen magtiging is aan enigiemand gegee om die Finansiële State te wysig na die datum van uitreiking nie.

**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.

At 31 December 2019 the organisation's investment in property, plant and equipment amounted to R164 524 (2018: R110 497), of which R199 833 (2018: R105 784) was added in the current year through additions.

**6. 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.

As stated in note 18 and 19, the members are aware of the VAT implications that may put pressure on future cash flows as well as the going concern assumption.

**7. Auditors**

Core Audit Incorporated continued in office as auditor for the organisation for 2019.

At the AGM, 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 2020 financial year.

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

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

FEDSAS  
(Registrasiensnommer: NPO 128-598)

FEDSAS  
(Registration number: NPO 128-598)

FINANSIËLE STATE VIR DIE JAAR GEËINDIG  
31 DESEMBER 2019

FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2019

STAAT VAN FINANSIËLE POSISIE SOOS OP  
31 DESEMBER 2019

STATEMENT OF FINANCIAL POSITION AS AT  
31 DECEMBER 2019

	Aant.	2019 R	2018 R	Notes	
<b>BATES</b>					<b>ASSETS</b>
<b>Nie-bedryfsbates</b>					<b>Non-current assets</b>
Eiendom, aanleg en toerusting	2	164 524	110 497	2	Property, plant and equipment
Ander finansiële bates	3	1 618 873	1 531 573	3	Other financial assets
		<u>1 783 397</u>	<u>1 642 070</u>		
<b>Bedryfsbates</b>					<b>Current assets</b>
Voorraad	4	371 426	597 461	4	Inventories
Handels- en ander debiteure	5	392 420	163 267	5	Trade and other receivables
Kontant- en kontantekwivalente	6	4 056 963	4 612 268	6	Cash and cash equivalents
		<u>4 820 809</u>	<u>5 372 996</u>		
<b>Totale Bates</b>		<u>6 604 206</u>	<u>7 015 066</u>		<b>Total Assets</b>
<b>EKWITEIT EN LASTE</b>					<b>EQUITY AND LIABILITIES</b>
<b>Ekwiteit</b>					<b>Equity</b>
Behoue verdienste		5 813 984	6 338 217		Retained income
<b>Bedryfslaste</b>					<b>Current liabilities</b>
Handels- en ander krediteure	7	790 222	676 849	7	Trade and other payables
<b>Totale Ekwiteit en Laste</b>		<u>6 604 206</u>	<u>7 015 066</u>		<b>Total Equity and Liabilities</b>

FEDSAS  
(Registrasienommer: NPO 128-598)

FEDSAS  
(Registration number: NPO 128-598)

FINANSIËLE STATE VIR DIE JAAR GEËINDIG  
31 DESEMBER 2019

FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2019

STAAT VAN OMVATTENDE INKOMSTE

STATEMENT OF COMPREHENSIVE INCOME

	Aant.	2019 R	2018 R	Notes	
Inkomste	8	16 071 225	15 045 933	8	Revenue
Koste van verkope	9	<u>(232 984)</u>	<u>(223 320)</u>	9	Cost of sales
<b>Bruto wins</b>		<b>15 838 241</b>	<b>14 822 613</b>		<b>Gross profit</b>
Ander inkomste	10	4 303 446	5 937 483	10	Other income
Bedryfsuitgawes		<u>(21 375 221)</u>	<u>(20 715 390)</u>		Operating expenses
<b>Bedryfswins/(uitgawes)</b>	11	<b>(1 233 534)</b>	<b>44 706</b>	11	<b>Operating profit/(loss)</b>
Beleggingsinkomste	12	<u>709 301</u>	<u>634 628</u>	12	Investment revenue
<b>Wins/(verlies) vir die jaar</b>		<b>(524 233)</b>	<b>679 334</b>		<b>Profit/(loss) for the year</b>
Ander omvattende inkomste		-	-		Other comprehensive income
<b>Totale omvattende inkomste vir die jaar</b>		<b>(524 233)</b>	<b>679 334</b>		<b>Total comprehensive income for the year</b>

FEDSAS  
(Registrasienommer: NPO 128-598)

FEDSAS  
(Registration number: NPO 128-598)

FINANSIËLE STATE VIR DIE JAAR GEËINDIG  
31 DESEMBER 2019

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
DECEMBER 2019

STAAT VAN VERANDERING IN EKWITEIT

STATEMENT OF CHANGES IN EQUITY

	Behoue verdienste / retained income R	Totale ekwiteit / total equity R
<b>Balans op 1 Januarie 2018</b>	<b>5 658 883</b>	<b>5 658 883</b>
Wins vir die jaar	679 334	679 334
Ander omvattende inkomste	-	-
<b>Totale omvattende inkomste vir die jaar</b>	<b>679 334</b>	<b>679 334</b>
Openingsbalans soos voorheen rapporteer	6 201 928	6 201 928
Vorige periode fout	136 289	136 289
<b>Balans op 1 Januarie 2019</b>	<b>6 338 217</b>	<b>6 338 217</b>
Wins vir die jaar	(524 233)	(524 233)
Ander omvattende inkomste	-	-
<b>Totale omvattende inkomste vir die jaar</b>	<b>(524 233)</b>	<b>(524 233)</b>
<b>Balans op 31 Desember 2019</b>	<b>5 813 984</b>	<b>5 813 984</b>

<b>Balance on 1 January 2018</b>
Profit for the year
Other comprehensive income
<b>Total comprehensive income for the year</b>
Opening balance as previously reported
Prior period error
<b>Balance at 1 January 2019 as restated</b>
Profit for the year
Other comprehensive income
<b>Total comprehensive income for the year</b>
<b>Balance at 31 December 2019</b>

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STAAT VAN KONTANTVLOEI

STATEMENT OF CASH FLOW

	Aant.	2019 R	2018 R	Notes		
<b>Kontantvloei uit bedryfsaktiwiteite</b>					<b>Cash flows from operating activities</b>	
Kontantontvangstes van kliënte		16 520 911	17 955 986			Cash receipts from customers
Kontant betaal aan verskaffers en werknemers		(17 498 384)	(17 827 045)			Cash paid to suppliers and employees
Kontant gegeneer deur/(aangewend in) bedrywighede	17	(977 473)	128 941	17		Cash generated from/(used in) operations
Rente inkomste		709 301	634 628			Interest income
<b>Netto kontant uit bedryfsaktiwiteite</b>		<b>(268 172)</b>	<b>763 569</b>			
<b>Kontantvloei uit beleggingsaktiwiteite</b>					<b>Cash flows from investing activities</b>	
Aankoop van eiendom, aanleg en toerusting	2	(199 833)	(105 784)	2		Purchase of property, plant and equipment
Netto bewegings in groep maatskappy lenings		(87 300)	(131 802)			Net movement in group company loans
<b>Netto kontant uit beleggingsaktiwiteite</b>		<b>(287 133)</b>	<b>(237 586)</b>			<b>Net cash from investing activities</b>
<b>Totale kontantbeweging vir die jaar</b>			<b>(555 305)</b>	<b>525 983</b>	<b>Total cash movement for the year</b>	
Saldo aan die begin van die jaar		4 612 268	4 086 285			Cash at the beginning of the year
<b>Saldo aan die einde van die jaar</b>	<b>6</b>	<b>4 056 963</b>	<b>4 612 268</b>	<b>6</b>		<b>Total cash at year end</b>

### 1. Aanbieding van jaarlikse finansiële state

Die jaarlikse finansiële state is in ooreenstemming met die Internasionale Verslagdoeningstandaard vir Klein en Medium-grootte Ondernemings, en die vereistes van die Grondwet van die Nasionale Raad. Die finansiële state is op die historiesekostegronslag opgestel, buiten vir die waardasie van die beleggingseiendom en sekere finansiële instrumente gemeet teen billike waarde en inkorporeer die beginsel van die rekeningkundige beleide uiteengesit hieronder. Die finansiële state word in Suid-Afrikaanse Rand aangebied.

Hierdie rekeningkundige beleide is konsekwent vanaf die vorige periode.

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

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

Bestuur het geen kritiese verordeninge gemaak met die toepassing van die rekeningkundige beleide nie, buiten dié wat betrekking het tot ramings wat die finansiële state beduidend sal beïnvloed.

##### Sleutelbronne van aanname-onsekerheid

Die 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 sleutelaanname 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.

### 1. Presentation of annual financial statements

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Constitution of the National Council. The annual financial statements have been prepared on the historical cost basis, except for the measurement of investment properties and certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

#### 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 is 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.



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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.

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.

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.

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.

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

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.

Waardevermindering van 'n bate begin wanneer die bate beskikbaar is vir gebruik soos beplan is deur bestuur. Waardevermindering is gehêf 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.

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.

Die gebruiksduur van eiendom, aanleg en toerusting is volgens aantekening 2 beoordeel.

The useful lives of items of property, plant and equipment have been assessed as per note 2.

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.

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.

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 waardedalingverlies onmiddellik in die wins of verlies erken om die drabedrag in ooreenstemming met die verhaalbare bedrag te bring.

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.

### 1.3 Finansiële instrumente

#### Aanvanklike meting

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.

#### Finansiële instrumente teen geamortiseerde koste

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.

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.

#### Finansiële instrumente teen koste

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

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.

### 1.3 Financial instruments

#### Initial measurement

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.

#### Financial instruments at amortised cost

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.

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.

#### Financial instruments at cost

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

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.

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Finansiële instrumente teen billike waarde

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

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.

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 inflasiestigte.

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.

ACCOUNTING POLICIES

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured

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 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.

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**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.

**1.7 Aandele kapitaal en 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 korttermyn-werknemersvoordele word erken in die periode waarin die diens gelewer word en word nie verdiskonteer nie.

**ACCOUNTING POLICIES**

**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.

**1.7 Share capital and 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, 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.

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**ACCOUNTING POLICIES**

**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.

**1.10 Finansieringskoste**

Finansieringskoste word as 'n uitgawe erken in die tydperk waarin dit aangegaan word.

**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.

**1.10 Finance cost**

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

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

	2019			2018		
	Koste of herwaardasie / Cost or revaluation	Opgehoopte waardevermindering / Accumulated depreciation	Drawaarde / Carrying value	Koste of herwaardasie / Cost or revaluation	Opgehoopte waardevermindering / Accumulated depreciation	Drawaarde / Carrying value
Meubels en toebehore / Furniture and fixtures	127 562	(127 561)	1	127 562	(108 173)	19 389
Motorvoertuie/Motor vehicles	311 636	(311 635)	1	311 636	(311 635)	1
Kantoortoerusting/Office equipment	107 743	(92 637)	15 106	107 743	(88 404)	19 339
Rekenaartoerusting/IT equipment	1 265 698	(1 116 282)	149 416	1 065 865	(994 097)	71 768
<b>Totaal / Total</b>	<b>1 812 639</b>	<b>(1 648 115)</b>	<b>164 524</b>	<b>1 612 806</b>	<b>(1 502 309)</b>	<b>110 497</b>

Rekonsiliasie van eiendom, aanleg en toerusting / Reconciliation of property, plant and equipment - 2019

	Openingsbalanse / Opening balances	Toevoegings / Additions	Waardevermindering / Depreciation	Totaal / Total
Meubels en toebehore / Furniture and fixtures	19 389	-	(19 388)	1
Motorvoertuie / Motor vehicles	1	-	-	1
Kantoortoerusting / Office equipment	19 339	-	(4 233)	15 106
Rekenaartoerusting / IT equipment	71 768	199 833	(122 185)	149 416
<b>Totaal / Total</b>	<b>110 497</b>	<b>199 833</b>	<b>(145 806)</b>	<b>164 524</b>

Rekonsiliasie van eiendom, aanleg en toerusting / Reconciliation of property, plant and equipment - 2018

	Openingsbalanse / Opening balances	Toevoegings / Additions	Waardevermindering / Depreciation	Totaal / Total
Meubels en toebehore / Furniture and fixtures	41 086	3 693	(25 390)	19 389
Motorvoertuie / Motor vehicles	1	-	-	1
Kantoortoerusting / Office equipment	2	22 511	(3 174)	19 339
Rekenaartoerusting / IT equipment	98 236	79 580	(106 048)	71 768
<b>Totaal / Total</b>	<b>139 325</b>	<b>105 784</b>	<b>(134 612)</b>	<b>110 497</b>

Waardeverminderingkoerse/depreciation rates

	2019 R	2018 R	
Meubels en toebehore / Furniture and fixtures	Reguitlyn grondslag- jare / Straight line basis -	5	5
Motorvoertuie / Motor vehicles	Reguitlyn grondslag- jare / Straight line basis -	5	5
Kantoortoerusting / Office equipment	Reguitlyn grondslag- jare / Straight line basis -	5	5
Rekenaartoerusting / IT equipment	Reguitlyn grondslag- jare / Straight line basis -	3	3

AAANTEKENINGE TOT DIE STAAT VAN FINANSIËLE STATE

	2019 R	2018 R
<b>3. Ander finansiële bates</b>		
<b>Teen gearmortiseerde koste</b>		
SA Onderwys Ontwikkelingstrust	1 618 873	1 531 573
Bogenoemde lening is onverseker, dra rente soos ooreengekom 2019:5.7% (2018:6.2%) en is terugbetaalbaar binne twaalf maande nadat kennis gegee is van die terugbetaling.		
<b>Nie-bedryfsbates</b>		
Teen gearmortiseerde koste	<u>1 618 873</u>	<u>1 531 573</u>
<b>4. Voorraad</b>		
Voorraad	<u>371 426</u>	<u>597 461</u>
<b>5. Handels- en ander debiteure</b>		
Handelsdebiteure	343 903	163 267
BTW	48 517	-
	<u>163 267</u>	<u>375 571</u>
<b>6. Kontant- en kontantekwivalente</b>		
Kontant en kontantekwivalente bestaan uit:		
Kontant op hande	20	36
Banksaldo's	3 829 443	4 371 232
Ander kontant en kontant ekwivalente	227 500	241 000
	<u>4 056 963</u>	<u>4 612 268</u>
<b>7. Handels- en ander krediteure</b>		
Werknemer verwante krediteure	10 199	8 183
Bedrae vooruitontvang	721 065	363 758
Ander opgelope uitgawes	-	104 306
Handelskrediteure	58 958	58 795
BTW betaalbaar	-	141 807
	<u>540 551</u>	<u>676 849</u>

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**3. Other financial assets**

**At amortised cost**  
SA Onderwys Ontwikkelingstrust  
The above-mentioned loan is unsecured, bears interest as agreed upon from time to time 2019:5.7% (2018:6.2%) and is repayable within twelve months after notice of repayment.

**Non-current asset**  
At amortised cost

Voorraad

**5. Trade and other receivables**

Trade receivables  
VAT

**6. Cash and cash equivalents**

Cash and cash equivalents consist of:  
Cash on hand  
Bank balances  
Other cash and cash equivalents

**7. Trade and other payables**

Employee related payables  
Amounts received in advance  
Other accrued expenses  
Trade payables  
VAT payable

FEDSAS  
(Registrasienuommer: NPO 128-598)

FEDSAS  
(Registration number: NPO 128-598)

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AANTEKENINGE TOT DIE STAAT VAN FINANSIËLE STATE

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	2019 R	2018 R
<b>FEDSAS</b> (Registrasienuommer: NPO 128-598)		

FEDSAS  
(Registration number: NPO 128-598)

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	2019 R	2018 R
<b>8. Inkomste</b>		
Lidmaatskapfoeie	16 071 225	15 045 933
	<u>16 071 225</u>	<u>15 045 933</u>

**8. Revenue**

Membership fees

<b>9. Koste van verkope</b>		
Koste van goedere verkoop	597 461	222 003
	6 949	598 777
	<u>(371 426)</u>	<u>(597 460)</u>

**9. Cost of sales**

Cost of goods sold

<b>10. Ander inkomste</b>		
FEDSAS Sentrum vir Tegnologie	726 300	78 500
Regskoste ontvang	297 669	175 330
Donasie inkomste	2 313 494	5 171 919
Moedertaal inisiatief	750 000	-
Verkope van goedere	63 674	405 885
Opleiding inkomste	25 000	15 500
Webadvertensies	1 304	16 248
Webinaar inkomste	126 005	74 101
	<u>4 303 446</u>	<u>5 937 483</u>

**10. Other income**

FEDSAS Centre of Technology

Legal fees received

Donation income

Native language initiative

Sale of goods

Training income

Web advertising

Webinar income

<b>11. Bedryfswins/(verlies)</b>		
Bedryfswins / -verlies vir die jaar word aangedui nadat die volgende verantwoord is:		

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

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

<b>Bedryfshuurkoste</b>		
Huur ontvang op bedryfshuur		
Kontraktuele bedrae	483 290	422 195
Waardevermindering op eiendom, aanleg en toerusting	145 806	134 612
Werknemerskoste	13 915 069	13 061 599

**Operating lease charges**

Lease rentals on operating lease

Contractual amounts

Depreciation on property, plant and equipment

Employee costs

<b>12. Beleggingsinkomste</b>		
<b>Rente inkomste</b>		
SA Onderwys Intwikkelings Trust	87 300	86 786
Bank balanse	622 001	547 842
	<u>709 301</u>	<u>634 628</u>

**12. Investment revenue**

**Interest revenue**

SA Onderwys Intwikkelings Trust

Bank balances

<b>13. Werknemerskoste</b>		
Basis	12 640 676	12 084 326
Pensioen fonds	1 274 393	977 273
	<u>13 915 069</u>	<u>13 061 599</u>

**13. Employee costs**

Basic

Pension fund



	2019 R	2018 R
<b>14. Waardevermindering</b>		
Die volgende items word by waardevermindering en amortisasie ingesluit.		
Eiendom, aanleg en toerusting	145 806	134 612
<b>15. Belasting</b>		
Daar is geen voorsiening gemaak vir belasting vir 2018 nie, aangesien die organisasie geregistreer is as 'n organisasie sonder winsoogmerk met NPO-nommer: 128-598. Die entiteit is dus vrygestel van inkomstebelasting ingevolge a 10(1)(cN) van die Wet op Inkomstebelasting van 1962.		
<b>16. Ouditeursvergoeding</b>	33 000	-
Ouditeursvergoeding		
<b>17. Kontant gegeneer uit bedrywighede</b>		
Wins voor belasting	(524 233)	679 334
<b>Aanpassing vir:</b>		
Waardevermindering	145 806	134 612
Rente ontvang	(709 301)	(634 628)
<b>Veranderinge in bedryfskapitaal</b>		
Voorraad	226 035	(375 458)
Handels- en ander debiteure	(229 153)	212 304
Handels- en ander krediteure	113 373	112 777
	<u>(977 473)</u>	<u>128 941</u>

**18. Gebeurlikhede / Contingencies**

Ingevolge artikel 23(1)(a) van die Wet op Belasting op Toegevoegde Waarde 89 van 1991, word 'n entiteit aanspreeklik om te registreer vir BTW wanneer die totale waarde van die belasbare bedrag wat deur daardie persoon gemaak is die tydperk van 12 maande wat aan die einde van daardie maand geëindig het, in die loop van die uitvoering van alle ondernemings, het R1 miljoen oorskry.

In terms of section 23(1)(a) of the Value Added Tax Act 89 of 1991, an entity becomes liable to be registered for VAT when, at the end of any month where the total value of taxable supplies made by that person in the period of 12 months ending at the end of that month in the course of carrying on all enterprises has exceeded R1 million.

FEDSAS was onder die indruk dat hulle nie vir BTW hoef te registreer nie, aangesien hul 'dienste' gelewer word aan entiteite wat vrygestel is van BTW, d.w.s. skole en skoolbeheerliggame.

FEDSAS was under the impression that they did not need to register for VAT, as their "services" are rendered to entities that are exempt from VAT i.e. schools and school governing bodies.

Die entiteit is in kennis gestel van die verpligting van FEDSAS om ingevolge artikel 23 van die BTW-wet vir BTW te registreer, aangesien FEDSAS 'goedere' óf 'dienste' lewer soos omskryf in die BTW-wet, en die spesifieke dienste wat deur FEDSAS gelewer word, is nie "vrygestelde lewerings" vir BTW soos omskryf in artikel 12 van die BTW-wet nie.

The entity was advised of the obligation of FEDSAS to register for VAT in terms of section 23 of the VAT Act, as FEDSAS is supplying either "goods" or "services" as defined in the VAT Act, and the specific services supplied by FEDSAS is not "exempt supplies" for VAT as defined in section 12 of the VAT Act.

Die organisasie het wel vir BTW geregistreer, op die oomblik toe hulle verneem dat hulle ingevolge die Wet op Belasting op Toegevoegde Waarde geregistreer moes word, maar hulle het nie terugwerkend registreer vanaf die datum waarop die BTW-registrasiedrempel oorskry is, soos vereis nie.

The organisation did register for VAT, the moment they learned that they needed to be registered in terms of the Value Added Tax Act 89 of 1991, however, they did not register retrospectively from the date that the VAT registration threshold was exceeded as required.

Benewens bogenoemde aangeleentheid, is die insetbelasting wat in die huidige jaar geëis is, nie bereken en proporsioneel geëis soos vereis nie, omdat FEDSAS belasbare en nie-belasbare dienste lewer.

Weens die omvattende aard van die berekening van die terugwerkende regstelling van die BTW, sowel as die regstelling van die huidige jaar se proporsionele regstelling van die BTW wat geëis is, kon die aanspreeklike bedrag nog nie bereken word nie.

Due to the comprehensive nature of the calculation of the retrospective correction of the VAT, the amount liable could not be calculated as yet.

**14. Depreciation**  
The following items are included within depreciation, amortisation and impairments.

Property, plant and equipment

**15. Taxation**  
No provision has been made for 2018 tax as the organisation is registered as a non-profit organisation with NPO number: 128-598. The entity is therefore exempt from income tax in terms of s 10(1)(cN) of the Income Tax Act of 1962.

**16. Audit's remuneration**

Auditing fees

**17. Cash generated from operations**

(Loss) / Profit before taxation

**Adjustment for:**

Depreciation

Interest received

**Changes in working capital:**

Inventories

Trade and other receivables

Trade and other payables

FINANSIËLE STATE VIR DIE JAAR GEËINDIG  
31 DESEMBER 2019

FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2019

AANTEKENINGE TOT DIE STAAT VAN FINANSIËLE STATE

NOTES TO THE FINANCIAL STATEMENTS

2019  
R

2018  
R

FEDSAS is tans besig met onderhandelinge met die SAID om te verseker dat daar aan alle wetlike vereistes en aanspreeklikhede voldoen word.

FEDSAS is currently in the process of arranging negotiations with SARS to ensure that all legal requirements and liabilities are met.

19. Lopende saak / Going concern

Die finansiële jaarstate is opgestel op grond van die rekeningkundige beleid van toepassing op 'n lopende saak. Hierdie basis veronderstel dat daar fondse beskikbaar sal wees om toekomstige bedrywighede te finansier en dat die realisering van bates en vereffening van laste, voorwaardes en verpligtinge in die gewone gang van sake 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 and commitments will occur in the ordinary course of business.

As gevolg van die bogenoemde gebeurlikheid, is die vermoë van FEDSAS om voort te gaan as 'n lopende saak afhanklik van die uitslag van die onderhandeling met die SAID.

Due to the contingency disclosed above, FEDSAS' ability to continue as a going concern is dependent on the outcome of the negotiation with SARS.

20. Verwante partye

<b>Verhoudings</b>	SA Onderwysontwikkelingstrust	
Mede-filiale		
<b>Saldo's en transaksies met ander verwante partye</b>		
<b>Verwante party saldo's</b>		
<b>Leningsrekeninge - verskuldig deur verwante partye</b>		
SA Onderwysontwikkelingstrust	<u>1 618 873</u>	<u>1 531 573</u>
<b>Verwante party transaksies</b>		
<b>Rente ontvang van verwante partye</b>		
SA Onderwysontwikkelingstrust	<u>(87 300)</u>	<u>(86 786)</u>

21. Vergelykende syfers

Sekere vergelykende syfers is herklassifiseer

Die uitwerking van die herklassifikasie is soos volg:

<b>Staat van finansiële posisie:</b>		
Kontant- en kontant ekwivalente	136 297	(136 297)
Handel- en ander krediteure	<u>(136 297)</u>	<u>-</u>
	<u>-</u>	<u>(136 297)</u>
Nie-verdeelbare reserwes	-	136 297
	<u>-</u>	<u>136 297</u>

19. Related parties

<b>Relationships</b>
Fellow subsidiaries
<b>Related party balances and transactions with other related parties</b>
<b>Related party balances</b>
<b>Loan accounts - owing by related parties</b>
SA Onderwysontwikkelingstrust
<b>Related party transactions</b>
<b>Interest received from related parties</b>
SA Onderwysontwikkelingstrust

20. Comparative figures

During the 2018 financial year, input VAT was not calculated

The effect of the reclassification are as follows:

<b>Statement of financial position:</b>
Trade and other payables
Retained income
<b>Profit or Loss</b>
Operating expenses

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG  
31 DESEMBER 2019**
**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2019**
**GEDETAILEERDE INKOMSTETAAT**
**DETAILED INCOME STATEMENT**

	Aant.	2019 R	2018 R	Notes	
<b>Inkomste</b>					<b>Revenue</b>
Lidmaatskapfooie		15 045 933	15 045 933		Membership fees
<b>Koste van verkope</b>	9	<u>(232 984)</u>	<u>(223 320)</u>	9	<b>Cost of sales</b>
<b>Bruto wins</b>		<b>15 838 241</b>	<b>14 822 613</b>		<b>Gross profit</b>
Donasie inkomste		2 313 494	3 983 337		Donation income
FEDSAS Sentrum vir Tegnologie		726 300	-		FEDSAS Centre for Technology
Moedertaal Inisiatief		750 000	-		Native language initiative
Rente ontvang	12	709 301	634 628	12	Interest received
Regsfooie inkomste		297 669	175 330		Legal fee income
Verkope van goedere		63 674	405 885		Sale of goods
Opleiding inkomste		25 000	15 500		Training income
Webadvertering inkomste		1 304	16 248		Web advertising income
Webinar inkomste		126 005	74 101		Webinar income
		<u>5 012 747</u>	<u>6 572 111</u>		
<b>Uitgawes</b>		<u>(21 375 221)</u>	<u>(20 715 390)</u>		<b>Expenses</b>
Surplus/(tekort) vir die jaar		<u>(524 233)</u>	<u>679 334</u>		Surplus for the year

**FINANSIËLE STATE VIR DIE JAAR GEËINDIG  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2019**
**GEDETAILEERDE INKOMSTETAAT**
**DETAILED INCOME STATEMENT**

	Aant.	2019 R	2018 R	Notes
<b>Bedryfsuitgawes</b>				<b>Operating expenses</b>
Rekenmeesters fooie		65 025	47 335	Accounting fees
Administrasie- en bestuursfooie		140 893	209 148	Administration and management fees
Advertering		32 243	42 686	Advertising
Ouditeurs vergoeding	15	33 000	-	Auditors remuneration
Slegte skuld		-	300 000	Bad debts
Bank kostes		52 262	43 689	Bank charges
Boeke		5 368	6 031	Books
Skoonmaak		25 722	1 120	Cleaning
Vergoedingsfonds		22 485	11 550	Compensation funds
Rekenaaruitgawes		94 654	78 057	Computer expenses
Konsultasie fooie		2 075	-	Consulting fees
Afleweringkoste		34 551	17 337	Delivery expenses
Depresiasie		145 806	134 612	Depreciation
Digitale burgerskap uitgawes		-	26 329	Digitale burgerskap expenses
Werknemers kostes		13 915 069	13 061 599	Employee costs
Vermaak		157 351	119 998	Entertainment
FEDSAS 25ste herdenking uitgawes		-	149 279	FEDSAS 25th anniversary expenses
Boetes en rentes		5 295	-	Fines and penalties
Geskenke		23 208	9 226	Gifts
Versekering		80 403	72 982	Insurance
Huur teen bedryfskoste		483 290	422 195	Lease rentals on operating costs
Regskoste		675 401	87 681	Legal expenses
Vergaderings		1 163 592	1 252 191	Meetings
Motorvoertuig uitgawes		8 583	20 665	Motor vehicles expenses
Munisipale uitgawes		32 957	36 614	Municipal expenses
Moedertaal inisiatief uitgawes		139 795	-	Native language initiative expenses
Ander streeksuitgawes		5 684	3 152	Other regional expenses
Posgeld		7 647	18 946	Postage
Drukwerk en skryfbehoeftes		170 719	185 773	Printing and stationery
Beskermende klere		10 995	6 940	Protective clothing
Herstel en onderhoud		29 525	65 974	Repairs and maintenance
Vervanging van klein bates		3 423	-	Replacement of small assets
Navorsing uitgawes		32 000	-	Research expenses
Sekuriteit		10 151	552	Security
Seminaar uitgawes		63 365	50 824	Seminar expenses
Personeelwelsyn		18 094	5 740	Staff welfare
Subskripsies		91 937	70 301	Subscriptions
Subsidie uitgawes - Departement van Onderwys		254 325	40 580	Subsidy expenses - Department of Education
TAO Projek uitgawes		68 206	246 290	TAO project expenses
Telefoonkoste		401 855	412 381	Telephone and fax
Opleiding		118 288	1 023 870	Training
Plaaslik reis		2 638 563	2 374 728	Travel - local
Webinar uitgawes		111 416	59 015	Webinar expenses
		<u>21 375 221</u>	<u>20 715 390</u>	