

Association for Academic Administrators NPC

(Registration Number 2019/247186/08)

Annual Financial Statements

for the year ended 28 February 2021

Association for Academic Administrators NPC

(Registration Number 2019/247186/08)

Annual Financial Statements for the year ended 28 February 2021

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General Information

| | |
|--|--|
| Country of Incorporation and Domicile | South Africa |
| Registration Number | 2019/247186/08 |
| Nature of Business and Principal Activities | The non profit company involved in Community Training and Educational Development |
| Directors | V G F Kungune A A Daniels R Ramdeyal T Dookhi S V Williams (Resigned 18 March 2020) P S Du Plessis (Resigned 18 March 2020) |
| Registered Office | 180 Walnut Street Moreleta Park Pretoria Gauteng 0181 |
| Business Address | 180 Walnut Street Moreleta Park Pretoria Gauteng 0181 |
| Postal Address | 180 Walnut Street Moreleta Park Pretoria Gauteng 0181 |
| Level of Assurance | These financial statements have been reviewed as a non-statutory voluntary review as determined by the the Companies Act. |
| Auditors | Nova Sententia Incorporated 877 Burgess Ave Moreleta Park Pretoria 0044 |
| Preparer | S Nigthingale Chartered Accountant (SA) |

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Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the non profit company, and explain the transactions and financial position of the business of the non profit company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the non profit company and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the non profit company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the non profit company and all office bearers are required to maintain the highest ethical standards in ensuring the non profit company's business is conducted in a manner that in all reasonable circumstances is above reproach.

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

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the non profit company will not be a going concern in the foreseeable future. The financial statements support the viability of the non profit company.

The independent reviewers are responsible for independently reviewing and reporting on the non profit company's annual financial statements. The independent reviewers report is presented on page 6.

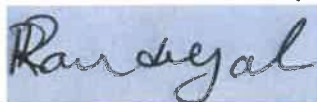
The annual financial statements set out on pages 7 to 14, and the supplementary information set out on page 15 which have been prepared on the going concern basis, were approved by the board of directors and were signed on 28 February 2022 on their behalf by:



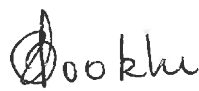
V G F Kungune



A A Daniels



R Ramdeyal



T Dookhi

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Directors' Report

The directors present their report for the year ended 28 February 2021.

1. Review of activities

Main business and operations

The non profit company involved in Community Training and Educational Development. There were no major changes herein during the year.

The company was incorporated on 29 May 2019. It was envisaged that the company would commence operations with the hosting of the annual conference during 2020 calendar year but due to the COVID-19 pandemic it was not possible to have the annual conference during the financial year.

The operating results and statement of financial position of the non profit company are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

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

The directors are not aware of any new material changes that may adversely impact the non profit company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the non profit company.

The non profit company incurred a net loss for the year ended 28 February 2021 of R3,637 (2020 profit: R0). The non profit company continues to incur losses.

The annual financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis presumes that that the non profit company will continue to receive the support of its holding non profit company and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the non profit company.

Impact of COVID-19

Management has considered the potential impacts on the non profit company by taking a number of factors into consideration, including the macro-economic impact as well as the future revenue of the non profit company. Consideration was given to the cost structure of the non profit company and restructuring activities have commenced in order to decrease the cost base. The non profit company forecasts were stress tested. Further detail around the three scenarios management investigated can be found in note 0.

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Directors' Report

Government intervention appears to be slowing the spread of COVID-19 at different speeds in different countries. The severity will be influenced by the lockdown period and the easing thereof. It is anticipated that the COVID-19 pandemic may have a substantial impact on revenue countered by material reduction in expenses and therefore the residual impact on profitability for the year ending 28 February 2022 is not expected to be significant. It is, however, not possible to make an accurate estimate of its full financial effect for the year ahead as the virus's infection rate and impact on macro-economic conditions is uncertain.

4. Directors' interest in contracts

To our knowledge none of the directors had any interest in contracts entered into during the year under review.

5. Authorised and issued share capital

During the year under review, the non profit company received a Capital injection of R83,284.

6. Directors

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

V G F Kungune

A A Daniels

R Ramdeyal

T Dookhi

S V Williams (Resigned 18 March 2020)

P S Du Plessis (Resigned 18 March 2020)

7. Solvency and liquidity test

The directors have performed the required solvency and liquidity tests required by the Companies Act of South Africa.

8. Independent Reviewers

Nova Sententia Incorporated were the independent reviewers for the year under review.

Report of the Independent Reviewer

To the Members of Association for Academic Administrators NPC

We have reviewed the financial statements of Association for Academic Administrators NPC set out on pages 7 to 14, which comprise the statement of financial position as at 28 February 2021, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Directors' Responsibility for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewer's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Association for Academic Administrators NPC as at 28 February 2021, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

Other Reports Required by the Companies Act

The annual financial statements include the Directors' Report as required by the Companies Act of South Africa, and the supplementary information set out on page 15. The directors are responsible for this other information. Our conclusion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Nova Sententia Incorporated

28 February 2022



Per: F. Verhoeven
Director
Registered Auditor

**877 Burgess Ave
Moreleta Park
Pretoria
0044**

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Financial Statements for the year ended 28 February 2021

Statement of Financial Position

Figures in R

Notes

2021

Assets

Current assets

| | | |
|-----------------------------|---|----------------|
| Inventories | 4 | 28,156 |
| Cash and cash equivalents | 5 | 79,888 |
| Total current assets | | 108,044 |

Total assets

108,044

Equity and liabilities

Equity

| | | |
|---------------------|---|---------------|
| Capital | 6 | 83,284 |
| Accumulated loss | | (3,637) |
| Total equity | | 79,647 |

Liabilities

Current liabilities

| | | |
|--------------------------|---|--------|
| Trade and other payables | 7 | 28,397 |
|--------------------------|---|--------|

Total equity and liabilities

108,044

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Financial Statements for the year ended 28 February 2021

Statement of Comprehensive Income

Figures in R

| | Notes | 2021 |
|---------------------------------------|-------|----------------|
| Administrative expenses | 8 | (1,840) |
| Other expenses | 9 | (1,797) |
| Loss from operating activities | | (3,637) |
| Loss for the year | | (3,637) |

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Financial Statements for the year ended 28 February 2021

Statement of Changes in Equity

| Figures in R | Capital | Accumulated loss | Total |
|---|---------------|---------------------|---------------|
| Changes in equity | | | |
| Loss for the year | - | (3,637) | (3,637) |
| Total comprehensive income for the year | - | (3,637) | (3,637) |
| Stated capital | 83,284 | - | 83,284 |
| Balance at 28 February 2021 | 83,284 | (3,637) | 79,647 |
| Notes | 6 | | |

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Financial Statements for the year ended 28 February 2021

Statement of Cash Flows

Figures in R

| | Note | 2021 |
|---|------|----------------|
| Cash flows used in operations | | |
| Loss for the year | | (3,637) |
| Adjustments to reconcile loss | | |
| Adjustments for increase in inventories | | (28,156) |
| Adjustments for increase in trade accounts payable | | 28,397 |
| Total adjustments to reconcile loss | | 241 |
| Net cash flows used in operations | | (3,396) |
| Cash flows from financing activities | | |
| Capital received | | 83,284 |
| Cash flows from financing activities | | 83,284 |
| Net increase in cash and cash equivalents | | 79,888 |
| Cash and cash equivalents at end of the year | 5 | 79,888 |

Association for Academic Administrators NPC

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Financial Statements for the year ended 28 February 2021

Accounting Policies

1. General information

Association for Academic Administrators NPC ('the non profit company') involved in Community Training and Educational Development.

The non profit company is incorporated as a Non Profit Company and domiciled in South Africa. The address of its registered office is 180 Walnut Street, Moreleta Park, Pretoria, Gauteng, 0181.

2. Basis of preparation and summary of significant accounting policies

The financial statements of Association for Academic Administrators NPC have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Companies Act of South Africa. The financial statements have been prepared under the historical cost convention. They are presented in South African Rand.

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the non profit company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

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

2.1 Financial instruments

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2.2 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

2.3 Tax

No provision is made for taxation as the company is a non-profit organisation and has applied for exemption from normal income tax. The application is still in progress with SARS.

2.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

Revenue comprise mainly of conference fees for the annual conference.

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Accounting Policies

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

Interest income is recognised using the effective interest method.

2.5 Related parties

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

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

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

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No significant estimates and adjustments have been applied in the preparation of these financial statements.

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Financial Statements for the year ended 28 February 2021

Notes to the Financial Statements

Figures in R

2021

4. Inventories

Inventories comprise:

| | |
|-------------|---------------|
| Consumables | <u>28,156</u> |
|-------------|---------------|

5. Cash and cash equivalents

Cash

| | |
|---------------------|---------------|
| Balances with banks | <u>79,888</u> |
|---------------------|---------------|

6. Capital

| | |
|----------------|---------------|
| Stated capital | <u>83,284</u> |
|----------------|---------------|

7. Trade and other payables

Trade and other payables comprise:

| | |
|-----------------|---------------|
| Trade creditors | <u>28,397</u> |
|-----------------|---------------|

8. Administrative expenses

Administrative expenses comprise:

| | |
|--------------------------------------|---------------------|
| Annual duty | 100 |
| Bank charges | 705 |
| Secretarial fees | 1,035 |
| Total administrative expenses | <u>1,840</u> |

9. Other expenses

Other expenses comprise:

| | |
|-------------|--------------|
| Advertising | <u>1,797</u> |
|-------------|--------------|

10. Related parties

Compensation paid to directors and prescribed officers

No payments were made to directors or prescribed officer during the period under review

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Notes to the Financial Statements

Figures in R

2021

11. Going concern

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

The directors are not aware of any new material changes that may adversely impact the non profit company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the non profit company.

The non profit company incurred a net loss for the year ended 28 February 2021 of R3,637 (2020 profit: R0). The non profit company continues to incur losses.

The annual financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the non profit company has adequate resources in place to continue in operation for the foreseeable future.

The non profit company's ability to continue as a going concern is dependent on a number of factors. The most significant of these is the resumption of profitable operations and the continuation of the existent levels of finance from members until the non profit company is able to meet its obligations in the ordinary course of business. The members loans have been subordinated, to the extent that liabilities exceed the assets, in favour of other creditors of the non profit company.

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Annual Financial Statements for the year ended 28 February 2021

Detailed Income Statement

| Figures in R | Notes | 2021 |
|---------------------------------------|-------|----------------|
| Administrative expenses | 8 | |
| Annual duty | | (100) |
| Bank charges | | (705) |
| Secretarial fees | | (1,035) |
| | | <u>(1,840)</u> |
| Other expenses | 9 | |
| Advertising | | (1,797) |
| | | <u>(1,797)</u> |
| Loss from operating activities | | <u>(3,637)</u> |
| Loss for the year | | <u>(3,637)</u> |