ANNUAL FINANCIAL STATEMENTS

SAICA **Annual Financial Statements 2024**

NPO Registration number – 020-050

SAICA
DIFFERENCE MAKERS™

CONTENTS

AUDITED FINANCIAL STATEMENTS

Prepared under the supervision of: Deon Watson AGA(SA) - Acting Chief Financial Officer

By: Teddy Mkansi CA(SA) - Project Director Finance Operations

Auditors: Forvis Mazars

GENERAL INFORMATION

Country of Registration	South Africa
Registration Number	020-050-NPO
Nature of Business and Principal Activities	The principal activity of the Group and Institute is to serve the interests of the chartered accountancy profession and society by upholding professional standards, integrity and the pre-eminence of South African chartered accountants worldwide.
Board of Directors	Motholo, VM(Chairman) Bekwa, B (Lead Independent) Singh, D Lamola, FL (Resigned 27 May 2024) Forbes, Y le Roux, AM (Resigned 18 March 2025) Mofokeng, TM Nomvalo, SF (Term ended 31 January 2024) Singh, A (Council President 18 March 2024) Madiba, SC Stock, P (Appointed 1 February 2024) Swanepoel, J (Council President until 18 March 2024) Thankge, CT Tsvetu, B
Registered Office	17 Fricker Road Illovo Johannesburg South Africa 2196
Postal Address	Private Bag X32 Northlands 2116
Bankers	Nedbank Limited First National Bank, a division of FirstRand Limited Standard Bank Limited
Tax Number	140000111
Level of Assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act No 71 of 2008.
Auditors	Forvis Mazars 54 Glenhove Rd Melrose Estate Johannesburg 2196
Institute Secretary	J Snyman and Acting Institute Secretary Amanda De Beer-Nel (Appointed 1 May 2025).
Published Date	26 May 2025

BOARD RESPONSIBILITIES AND APPROVAL

The board is required by the Companies Act No 71 of 2008 to maintain adequate accounting records and is responsible for the content and integrity of the Group and Institute Annual Financial Statements and other information included in this report. It is its responsibility to ensure that the Group and Institute's Annual Financial Statements satisfy the financial reporting standards (refer to note 2 for the basis of preparation) with regards to form and content and fairly present the Group and Institute's statements of financial position, results of operations and business of the Group and Institute, and explain the transactions and financial position of the business of the Group and Institute at the end of the financial year. The Group and Institute Annual Financial Statements are based upon appropriate accounting policies consistently applied throughout the Group and Institute and supported by reasonable and prudent judgements and estimates.

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

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

The board is 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 Group and Institute 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 Annual Financial Statements. Based on forecasts and available cash resources, the board have no reason to believe that the Group and Institute will not be a going concern in the foreseeable future. The Group and Institute Annual Financial Statements support the viability of the Group.

The Group and Institute Consolidated And Separate Annual Financial Statements have been audited by the independent auditing firm, Forvis Mazars, who has been given unrestricted access to all financial records and related data, including minutes of all meetings of members, the board and committees of the board of directors. The board of directors believes that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 7 to 13.

The Group and Institute Consolidated And Separate Annual Financial Statements set out on pages 14 to 81 which have been prepared on the going concern basis, were approved by the board of directors and were signed on 26 May 2025 on its behalf by:

VM Mothlala

Board Chairman
26 May 2025

CERTIFICATE OF INSTITUTE SECRETARY

I, the undersigned, hereby confirm, in my capacity as Board Secretary of The South African Institute of Chartered Accountants NPO (SAICA) Group, that for the financial year ended 31 December 2024, the companies within the SAICA Group have filed all required returns and notices in terms of the Companies Act No 71 of 2008, with the Companies and Intellectual Property Commission (CIPC) and that all such returns and notices are to the best of my knowledge and belief true, correct and up to date.

J Snyman

Institute Secretary
26 May 2025

Back Contents

DIRECTORS' REPORT

THE BOARD PRESENTS ITS REPORT FOR THE YEAR ENDED 31 DECEMBER 2024.

1. REVIEW OF ACTIVITIES

Main business and operations

The principal activity of the Group is to serve the interests of the chartered accountancy profession and society, by upholding professional standards, integrity and the pre-eminence of South African chartered accountants worldwide.

The operating results and statements of financial position of the Group are fully set out in the attached Annual Financial Statements and do not in our opinion require any further comment.

2. GOING CONCERN

The Group and Institute Annual Financial Statements have been prepared on the going concern basis. 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 application of this basis is supported by a detailed budget process which has a certain level of judgements and estimates as well as ongoing compliance with budgeting controls.

3. EVENTS AFTER THE REPORTING DATE

The board is 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 Group and Institute.

4. BOARD INTEREST IN CONTRACTS

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

5. BOARD

The board of directors of the Institute during the year and up to the date of this report is as follows:

Motholo, VM(Chairman)
Bekwa, B (Lead Independent)
Singh, D
Lamola, FL (Resigned 27 May 2024)
Forbes, Y
le Roux, AM (Resigned 18 March 2025)
Mofokeng, TM
Nomvalo, SF (Term ended 31 January 2024)
Singh, A (Council President 18 March 2024)
Madiba, SC
Stock, P (Appointed 1 February 2024)*
Swanepoel, J (Council President until 18 March 2024)
Thankge, CT
Tsvetu, B

*** These board members are employed at the Institute and have standard employment contracts.**

6. SECRETARY

The Group's designated Board Secretary is J Snyman and Acting Board Secretary is A De Beer-Nel.

7. INTEREST IN SUBSIDIARIES

All interests in controlled entities are disclosed in note 7.

8. INDEPENDENT AUDITOR

Forvis Mazars were the appointed independent auditors for the year.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE SOUTH AFRICAN INSTITUTE OF CHARTERED ACCOUNTANTS (NPO) GROUP

Report on the Audit of the Consolidated and Separate Financial Statements

OPINION

We have audited the consolidated and separate financial statements of The South African Institute of Chartered Accountants (NPO) Group (the Group and the Institute) as set out on pages 14 to 81, which comprise the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of The South African Institute of Chartered Accountants (NPO) Group as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

BASIS FOR OPINION

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

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

FINAL MATERIALITY

Misstatements are considered material if individually or in aggregate they could reasonably be expected to influence the user's decision taken on the financial statements.

Judgements about materiality are based on the consideration of the common financial information needs of users as a group and not on specific individual users.

The assessment of what is material is a matter of professional judgement and is affected by our perception of the financial information needs of the users of the annual financial statements.

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS CONTINUED

Qualitative factors are also taken into consideration when assessing what is material.

Consolidated financial statements	
Materiality	We have determined the group final materiality to be R11,306,790.00.
Basis for determining materiality	We have used 1.5% of revenue and other income (R753,786,000.00) as the basis for the final group materiality. We believe the base to be most appropriate as the group is a non-profit organisation and relies on income received to conduct its business.
Rational for the benchmark applied	We have determined that revenue and other income is an appropriate indicator of materiality as revenue best reflects the financial performance of The South African Institute of Chartered Accountants (NPO) Group. We have selected 1.5% based on our professional judgement which considers the requirements of the users of the financial statements including quantitative factors.

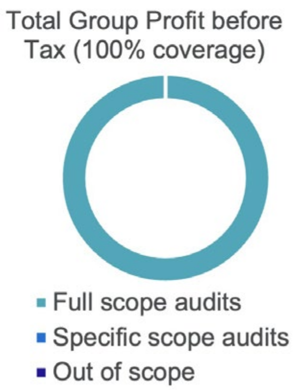
Separate financial statements	
Materiality	We have determined the company materiality to be R8,074,425.00.
Basis for determining materiality	We have used 1.5% of revenue (R538,295,000.00) as the basis for final materiality. We believe the base to be most appropriate as SAICA is a non-profit organisation and relies on income received to conduct its business.
Rational for the benchmark applied	We have determined that revenue is an appropriate quantitative indicator of materiality as revenue best reflects the financial performance of The South African Institute of Chartered Accountants (NPO). We have selected 1.5% based on our professional judgement which considers the requirements of the users of the financial statements including quantitative factors.

GROUP AUDIT SCOPE

The group audit scope was determined on indicators such as the contribution from each component to revenue and all the financial statement assertions. Full scope audits were performed on all entities within the Group.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls and the industry in which the group operates.

We have subjected three of the group's components to full scope audits which were selected based on their size or risk characteristic.



KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in respect of the separate financial statements.

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS CONTINUED

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

Matter #01	**<Revenue recognition and note 19.1>**
Description of the key audit matter	The Group and Institute's revenue from subscriptions and professional development fees represents 83% (2023:84%) of total revenue for the year. Furthermore, the Group and Institute focus on revenue as a going concern measure which may create an incentive for revenue to be recognised before the revenue recognition requirements of IFRS 15 Revenue from Contracts with Customers has been met. Subscription and professional development fees are automatically invoiced in advance. Members make payments on these subscription and professional development fees from the date of receipt of the invoice until the payment cut-off date. This could result in revenue and contract liabilities being incorrectly accounted for at year-end. Due to the significance of the revenue amount and the significant risk associated with revenue recognition in relation to subscription and professional development fees, the occurrence and cut-off assertions required significant audit attention.
How we addressed the key audit matter	Our procedures to address the key audit matter included the following audit procedures: We documented and assessed the design, implementation and operating effectiveness of relevant key controls over revenue recognition as related to the revenue from subscriptions and professional development fees; We have agreed a sample of the sales invoices recorded as revenue in the consolidated and separate financial statements to the supporting invoices, agreed these to the membership schedules and bank statements to verify that the revenue occurred and was recorded in the correct period; We performed substantive tests of detail on a sample of cash receipts from the contract liabilities schedule at year-end and agreed this to the invoice listings, supporting invoices and bank statements to confirm that revenue and contract liabilities are correctly calculated and accounted for as revenue or a fee liability at year end; We performed predictive analytical procedures on the subscriptions and professional development fees and compared our expectations to the actual revenue recorded and investigated any exceptions. We obtained the revenue schedule per revenue stream as at 31 December 2024. We selected a sample per the Forvis Mazars sampling methodology and inspected the description and dates as per the sample selected, we then agreed these to the corresponding invoices and proof of payment and assessed if the revenue was recorded in the correct period for cut off purposes. We assessed the disclosure against the requirements of IFRS 15 and no material disclosure deficiencies were noted.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "SAICA Group and Institute Annual Financial Statements for the year ended 31 December 2024", which includes the Directors' Report and the Company Secretary's Certificate as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and/or company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS CONTINUED

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

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Audit Tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Forvis Mazars has been the auditor for 7 years.

Forvis Mazars

Forvis Mazars
Partner: Nqabisa Nobongoza Ravele
Registered Auditor
Date: 26/05/2025
Johannesburg

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		GROUP		INSTITUTE	
		2024	2023	2024	2023
	Notes	R `000	R `000	R `000	R `000
ASSETS					
Non-current assets					
Property and equipment	5	30,197	35,560	27,694	34,884
Intangible assets	6	95,120	74,780	95,120	74,780
Deferred tax assets	9	574	783	-	-
Total non-current assets		**125,891**	**111,123**	**122,814**	**109,664**
Current assets					
Trade and other receivables	10	127,547	130,748	60,498	71,779
Prepayments		1,472	2,208	1,472	2,190
Contract fulfilment asset	19.4	20,819	11,474	20,819	11,474
Cash and cash equivalents	11	444,709	468,341	305,682	344,820
Total current assets		**594,547**	**612,771**	**388,471**	**430,263**
Total assets		**720,438**	**723,894**	**511,285**	**539,927**
EQUITY AND LIABILITIES					
Equity					
Reserves		208,279	218,240	199,857	210,304
Other reserves		279,780	232,694	91,273	78,943
Total equity		**488,059**	**450,934**	**291,130**	**289,247**
LIABILITIES					
Non-current liabilities					
Contract liabilities	19.4	7,712	5,811	7,712	5,811
Lease Liabilities	13	11,075	24,644	9,482	24,644
Total non-current liabilities		**18,787**	**30,455**	**17,194**	**30,455**
Current liabilities					
Provisions	14	19,353	29,717	18,485	28,954
Trade and other payables	15	97,523	99,812	93,409	87,678
Contract liabilities	19.4	91,067	103,593	91,067	103,593
Current tax liabilities	16	485	31	-	-
Deferred income	17	5,164	9,352	-	-
Total current liabilities		**213,592**	**242,505**	**202,961**	**220,225**
Total liabilities		**232,379**	**272,960**	**220,155**	**250,680**
Total equity and liabilities		**720,438**	**723,894**	**511,285**	**539,927**

STATEMENTS OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

		GROUP		INSTITUTE	
		2024	2023	2024	2023
	Notes	R `000	R `000	R `000	R `000
Revenue	19.2	538,295	518,325	538,295	518,325
Other income	20	215,491	275,783	4,700	11,181
Administrative expenses	22	(47,994)	(52,452)	(46,808)	(51,304)
Other expenses	23	(712,335)	(764,361)	(533,036)	(514,238)
Expected credit losses	10.4	(1,172)	(1,385)	2,198	1,614
Other losses	24	(252)	(349)	(254)	(349)
Deficit from operating activities		**(7,967)**	**(24,439)**	**(34,905)**	**(34,771)**
Finance income	25.1	51,507	48,554	41,849	40,818
Finance costs	26.2	(5,104)	(4,220)	(5,061)	(4,139)
Surplus before tax		**38,436**	**19,895**	**1,883**	**1,908**
Income tax expense	27.2	(1,311)	(730)	-	-
Surplus for the year		**37,125**	**19,165**	**1,883**	**1,908**

STATEMENT OF CHANGES IN RESERVES – GROUP

FOR THE YEAR ENDED 31 DECEMBER 2024

BALANCE AT 1 JANUARY 2023
Changes in reserves
Surplus for the year
Allocation of SAICA Education Fund
Allocation of SAJAR
Allocation of Thuthuka Education Upliftment Fund
Allocation of The Hope Factory
Allocation of Tax Practitioners Levy
BALANCE AT 31 DECEMBER 2023
BALANCE AT 1 JANUARY 2024
Changes in reserves
Surplus for the year
Allocation of SAICA Education Fund
Allocation of SAJAR
Allocation of Thuthuka Education Upliftment Fund
Allocation of The Hope Factory
Allocation of Tax Practitioners Levy
BALANCE AT 31 DECEMBER 2024
Notes

South African Journal of Accounting Research [SAJAR]	SAICA Education Fund [SEFCO]	Thuthuka Education Upliftment Fund [TEUF]	The Hope Factory [THF]	Tax Practitioners Levy	Accumulated surplus	Total
R `000	R `000	R `000	R `000	R `000	R `000	R `000
472	32,142	137,514	(296)	26,933	235,004	431,769
-	-	-	-	-	19,165	19,165
-	10,924	-	-	-	(10,924)	-
48	-	-	-	-	(48)	-
-	-	13,034	-	-	(13,034)	-
-	-	-	3,483	-	(3,483)	-
-	-	-	-	8,440	(8,440)	-
520	**43,066**	**150,548**	**3,187**	**35,373**	**218,240**	**450,934**
520	43,066	150,548	3,187	35,373	218,240	450,934
-	-	-	-	-	37,125	37,125
-	2,916	-	-	-	(2,916)	-
50	-	-	-	-	(50)	-
-		31,166	-	-	(31,166)	-
-	-		3,590	-	(3,590)	-
-	-	-	-	9,364	(9,364)	-
570	**45,982**	**181,714**	**6,777**	**44,737**	**208,279**	**488,059**
12	**12**	**12**	**12**	**12**		

STATEMENT OF CHANGES IN RESERVES – INSTITUTE

FOR THE YEAR ENDED 31 DECEMBER 2024

	South African Journal of Accounting Research [SAJAR]	SAICA Education Fund [SEFCO]	Tax Practitioners Levy	Accumulated surplus	Total
	R `000	R `000	R `000	R `000	R `000
BALANCE AT 1 JANUARY 2023	472	32,126	26,933	227,808	287,339
Changes in reserves					
Surplus for the year	-	-	-	1,908	1,908
Total comprehensive income	-	-	-	1,908	1,908
Allocation of SAICA Education Fund	-	10,924	-	(10,924)	-
Allocation of SAJAR	48	-	-	(48)	-
Allocation of Tax Practitioners Levy	-	-	8,440	(8,440)	-
Balance at 31 December 2023	**520**	**43,050**	**35,373**	**210,304**	**289,247**
BALANCE AT 1 JANUARY 2024	520	43,050	35,373	210,304	289,247
Changes in reserves					
Surplus for the year	-	-	-	1,883	1,883
Allocation of SAICA Education Fund	-	2,916	-	(2,916)	-
Allocation of SAJAR	50	-	-	(50)	-
Allocation of Tax Practitioners Levy	-	-	9,364	(9,364)	-
BALANCE AT 31 DECEMBER 2024	**570**	**45,966**	**44,737**	**199,857**	**291,130**
Notes	**12**	**12**	**12**		

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

		GROUP		INSTITUTE	
		2024	2023	2024	2023
	Notes	R `000	R `000	R `000	R `000
Net cash flows used in operations	34	**(12,203)**	**(39,698)**	**(20,096)**	**(42,932)**
Interest received	25	51,507	48,554	41,849	40,818
Income taxes paid		(1,097)	(1,626)	-	-
Net cash flows from / (used in) operating activities		**38,207**	**7,230**	**21,753**	**(2,114)**
Cash flows used in investing activities					
Proceeds from disposal of property and equipment		164	-	164	-
Acquisition of property and equipment	5 & 13	(5,791)	(2,500)	(5,449)	(2,296)
Acquisition of intangible assets	6	(31,245)	(25,726)	(31,245)	(25,726)
Cash flows used in investing activities		**(36,872)**	**(28,226)**	**(36,530)**	**(28,022)**
Cash flows used in financing activities					
Lease payments	13.2	(19,863)	(17,214)	(19,300)	(16,736)
Interest paid on lease liabilities	34	(5,104)	(6,224)	(5,061)	(6,143)
Cash flows used in financing activities		**(24,967)**	**(23,438)**	**(24,361)**	**(22,879)**
Net decrease in cash and cash equivalents		**(23,632)**	**(44,434)**	**(39,138)**	**(53,015)**
Cash and cash equivalents at beginning of the year		468,341	512,775	344,820	397,835
Cash and cash equivalents at end of the year	11	**444,709**	**468,341**	**305,682**	**344,820**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

The South African Institute of Chartered Accountants NPO ('SAICA or the Institute'), is a voluntary association not for gain and is registered in terms of the Non-Profit Organisations Act, 1997 (Act 72 of 1997). The principal activity of the Group is to serve the interests of the chartered accountancy profession and society, by upholding professional standards, integrity and the pre-eminence of the South African chartered accountants worldwide.

The South African Institute of Chartered Accountants NPO Group consists of SAICA, The Hope Factory NPC (THF), SAICA Enterprise Development (Pty) Ltd (SAICA ED) and the Thuthuka Education Upliftment Fund NPC (TEUF), having its principal place of business at 17 Fricker Road, Illovo, Johannesburg, South Africa.

2. BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES INFORMATION

The material accounting policies applied in the preparation of these Group and Institute Annual Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Group and Institute Annual Financial Statements have been prepared in accordance with IFRS® Accounting Standards, the Financial Reporting Pronouncements (FRPs) as issued by the Financial Reporting Standards Council (FRSC) and the Companies Act No 71 of 2008. The Group and Institute Annual Financial Statements have been prepared under the historical cost basis unless otherwise stated. The functional and presentation currency for each of the entities in the Group is South African Rands (ZAR). All amounts have been rounded to the nearest thousand, unless otherwise indicated.

The Institute's financial statements are presented separately in order to provide useful information to all the interested stakeholders.

The Annual Financial Statements were approved by the Board on 26 May 2025.

3. CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

In preparing its Group and Institute Annual Financial Statements, the Group has made significant judgements, estimates and assumptions that impact the carrying amount of certain assets and liabilities, income and expenses as well as other information reported in the notes to the Annual Financial Statements. The Group periodically monitors such estimates and assumptions and incorporates all relevant information available at the date when the Annual Financial Statements are prepared. However, this does not prevent actual figures from differing from estimates. The judgements made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the Annual Financial Statements and the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed in the relevant accounting policies.

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.

3.1 CRITICAL JUDGEMENTS IN APPLYING THE ENTITY'S ACCOUNTING POLICIES

3.1.1 Consolidation and control over subsidiaries (or 'Controlled entities')

The Group has applied judgements in relation to whether the Group controls the entities. These judgements have been stipulated in detail in note 7.

3.1.2 Significant influence over associates

The Group has applied judgement in relation to whether it has control over Ikusasa Student Financial Aid Programme

Foundation (ISFAP). It was identified that there is 1 out of 10 Board members on the ISFAP Board who is a representative of the Group; however, this constitutes less than 20% of the voting power of ISFAP. The Group also does not have participation in policy-making processes nor the interchange of management personnel. It has therefore been concluded that the Group does not have significant influence over ISFAP. However, ISFAP is a related party and has been disclosed as such in the notes.

3.1.3 Revenue from contracts with customers

Determining performance obligations over a period of time
The Group has concluded that subscriptions, professional development - prequalification (training contracts), tax practitioner fees and SAICA Education Fund levies are to be recognised over time as the members and trainees simultaneously receive and consume the benefits that the Group provides.

Determining performance obligations at a point in time
The Group has concluded that disciplinary levy, member entrance fees, Accountancy SA magazine earnings, product sales, professional development -prequalification (examinations), seminars and events and sponsorships are to be recognised at a point in time as the member, student, individual and sponsor are able to direct the use of and obtain all of the benefits of the product or service at one particular point in time and not over time. Refer to note 19.

3.1.4 Leases

Non-cancellable lease term
In determining the non-cancellable lease term of lease agreements entered into, management considered all facts and circumstances (such as accessibility of premises to members, venue space requirements, etc.) that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Refer to note 13.

Discount rate
The Group has considered all relevant inputs to the determination of the incremental borrowing rate that are relevant to the underlying assets or similar group of underlying assets being leased. This includes consideration of the current economic environment, the term of the lease of underlying asset or group of assets and the credit position of the Group. The rate has also been adjusted to reflect the nature and quality of the underlying asset.

3.2 ACCOUNTING ESTIMATES AND ASSUMPTIONS

3.2.1 Provisions
A provision for short term incentive has been raised based on performance for the year that created a constructive obligation in line with the remuneration policy of the Group. For further details on the measurement of this provision refer to note 14.

3.2.2 Useful lives of intangible assets
The Group amortises its finite useful life intangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on the validity of licences. Refer to note 6.

3.2.3 Useful lives of property and equipment
The Group depreciates its property and equipment over the estimated useful lives. The estimation of the useful lives of the right of use asset is based on the lease term of the underlying lease while the useful lives of the remaining assets are based on historic performance as well as expectations about future use and therefore requires a significant degree of judgement to be applied by management. The useful lives of these assets can vary depending on a variety of factors, including technological innovation, maintenance programmes and relevant market information. Refer to note 5.

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS CONTINUED ...

The residual value and useful life of each asset is reviewed at the end of each reporting period. If the expectations differ from previous estimates the change is accounted for as changes in accounting estimate.

3.2.4 Impairment testing

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determines the recoverable amount by performing value in use and fair value less costs to sell calculations, and comparing these to existing carrying amounts. Intangible assets with indefinite useful lives and assets under development are tested for impairment on an annual basis. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount of the cash generating unit to which the asset belongs.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

Standard	Standard effective date	Adopted in the current year (Y/N)	Future adopted (Y/N)
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	01 January 2024	Y	
Classification of Liabilities as Current or Non-current — Deferral of Effective Date (Amendment to IAS 1)	01 January 2024	Y	

4.1 STANDARDS AND INTERPRETATIONS EFFECTIVE AND ADOPTED IN THE CURRENT YEAR

In the current year, the Group and Institute have adopted all revised IFRS Accounting Standards that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2024.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Classification of Liabilities as Current or Non-current — Deferral of Effective Date (Amendment to IAS 1)

The amendment defers the effective date of the January 2024 amendments by one year, so that entities would be required to apply the amendment for annual periods beginning on or after 1 January 2024.

4.2 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

The Group and Institute have not applied the following new amended pronouncements that have been issued by the International Accounting Standards Board (IASB) as they are not yet effective for the annual financial year beginning 1 January 2024 (the list does not include information about new requirements that affect interim financial reporting or first- time adopters of IFRS Accounting Standards since they are not relevant to the Group and Institute). The board of directors anticipates that the new or amended IFRS Accounting Standards will be adopted in the Group and Institute Annual Financial Statements when they become effective. The Group and Institute have assessed, where practicable, the potential impact of all these new standards, amendments and interpretations that will be effective in future periods.

Effective date of Amendments to IFRS 7 Financial Instruments Disclosure - For year ends beginning on or after 1 January 2026

- Amendment: Gain or loss on derecognition (Changes in wording and references to IFRS 13 included)

- Implementation guidance: Disclosure of deferred difference between fair value and transaction price (Improved consistency with IFRS 7).
- Implementation Guidance: Introduction and Credit risk disclosure (Clarifying that the implementation guidance does no illustrate all requirements of the related paragraphs in IFRS 7 and simplifying some explanations).

Effective date of Amendments to IFRS 9 Financial Instruments Disclosure - For year ends beginning on or after 1 January 2026

- Amendment: Derecognition of financial liabilities

Effective date of Amendments to IFRS 18 Presentation and Disclosure in Financial Statements - For year ends beginning on or after 1 January 2026

The new standard presentation and disclosure of information in general purpose financial statements. The requirements include

- New mandatory totals or subtotals within the statement of financial performance
- Disclosure regarding management defined performance measures
- Aggregation and disaggregation of financial information based on the identified roles of the primary financial statements and the notes.

5. PROPERTY AND EQUIPMENT

5.1 ACCOUNTING POLICY

Property and equipment owned by the Group comprises of leasehold improvements, motor vehicles, furniture and fittings, office equipment and computer equipment. Buildings leased by the Group are disclosed as right-of-use assets in this note.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability. After initial recognition, right of use assets are measured at cost less accumulated depreciation and impairment. All other property and equipment of the Group are measured initially at cost. After initial recognition, property and equipment is measured at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is determined based on a straight-line method over the useful life after deducting residual values. Depreciation for the Group's right-of-use assets is determined based on the lease term as the leased items are only used over that period. The depreciation is recognised in the statement of surplus and deficit of the Group and Institute. Refer to note 13 for further information on the right-of-use asset.

The useful lives for all property and equipment for current and prior periods are as follows:

Asset class	Useful life
Right of use asset - buildings	10% to 33.3% pa
Leasehold improvements	10% to 20% pa
Motor vehicles	25% pa
Furniture and fittings	10% to 33.3% pa
Office equipment	7.5% to 20% pa
Computer equipment	33.3% pa

The Group reviewed the useful lives, residual values and depreciation methods of its property and equipment at the end of this reporting period and no adjustments have been made.

The Group also assessed the property and equipment at the reporting period to determine whether there was indication that an item of property and equipment was impaired. No impairment was deemed necessary.

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

PROPERTY AND EQUIPMENT CONTINUED ...

5.1 ACCOUNTING POLICY

Reconciliation for the year ended 31 December 2024 - Group

Balance at 1 January 2024
At cost
Accumulated depreciation
Carrying amount
Movements for the year ended 31 December 2024
Additions
Depreciation
Adjustment to useful life
Disposals
Cost
Accumulated depreciation
Property and equipment at end of the year
Balance at 31 December 2024
At cost
Accumulated depreciation
Carrying amount

	Right of use - Buildings	Leasehold improvements	Motor vehicles	Fixtures and fittings	Office equipment	Computer equipment	Total
	R `000	R `000	R `000	R `000	R `000	R `000	R `000
	101,737	21,621	644	10,940	6,474	23,998	**165,414**
	(77,585)	(17,799)	(468)	(8,328)	(6,336)	(19,338)	**(129,854)**
	24,152	**3,822**	**176**	**2,612**	**138**	**4,660**	**35,560**
	4,270	1,328	684	466	840	3,800	**11,388**
	(14,163)	(2,469)	(81)	(1,128)	(152)	(2,296)	**(20,289)**
	-	-	-	-	-	3,540	**3,540**
	-	-	-	-	-	**(2)**	**(2)**
	(12,163)	-	-	-	-	(1,720)	**(13,883)**
	12,163	-	-	-	-	1,718	**13,881**
	14,259	**2,681**	**779**	**1,950**	**826**	**9,702**	**30,197**
	98,111	22,949	1,328	11,401	7,314	29,618	**170,721**
	(83,852)	(20,268)	(549)	(9,451)	(6,488)	(19,916)	**(140,524)**
	14,259	**2,681**	**779**	**1,950**	**826**	**9,702**	**30,197**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

PROPERTY AND EQUIPMENT CONTINUED ...

Reconciliation for the year ended 31 December 2023 - Group

Balance at 1 January 2023
At cost
Accumulated depreciation
Carrying amount
Movements for the year ended 31 December 2023
Additions
Depreciation
Disposals
Property and equipment at end of the year
Balance at 31 December 2023
At cost
Accumulated depreciation
Carrying amount

Right of use - Buildings	Leasehold improvements	Motor vehicles	Fixtures and fittings	Office equipment	Computer equipment	Total
R `000	R `000	R `000	R `000	R `000	R `000	R `000
101,737	21,621	644	10,664	6,451	22,351	**163,468**
(64,012)	(15,178)	(421)	(6,887)	(6,219)	(18,330)	**(111,047)**
37,725	**6,443**	**223**	**3,777**	**232**	**4,021**	**52,421**
-	-	-	276	23	2,201	**2,500**
(13,573)	(2,621)	(47)	(1,441)	(117)	(1,560)	**(19,359)**
-	-	-	**-**	**-**	**(2)**	**(2)**
24,152	**3,822**	**176**	**2,612**	**138**	**4,660**	**35,560**
101,737	21,621	644	10,940	6,474	23,998	**165,414**
(77,585)	(17,799)	(468)	(8,328)	(6,336)	(19,338)	**(129,854)**
24,152	**3,822**	**176**	**2,612**	**138**	**4,660**	**35,560**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

PROPERTY AND EQUIPMENT CONTINUED ...

Reconciliation for the year ended 31 December 2024 - Institute

Balance at 1 January 2024
At cost
Accumulated depreciation
Carrying amount
Movements for the year ended 31 December 2024
Additions
Depreciation
Adjustment to useful life
Disposals
Cost
Accumulated Depreciation
Property and equipment at end of the year
Balance at 31 December 2024
At cost
Accumulated depreciation
Carrying amount

Right of use - Buildings	Leasehold improvements	Motor vehicles	Fixtures and fittings	Office equipment	Computer equipment	Total
R `000	R `000	R `000	R `000	R `000	R `000	R `000
99,800	21,621	252	10,669	6,451	23,276	**162,069**
(76,003)	(17,799)	(76)	(8,057)	(6,314)	(18,936)	**(127,185)**
23,797	**3,822**	**176**	**2,612**	**137**	**4,340**	**34,884**
1,940	1,328	684	466	840	3,459	**8,717**
(13,782)	(2,469)	(81)	(1,128)	(151)	(1,834)	**(19,445)**
-	-	-	-	-	3,540	**3,540**
-	**-**	**-**	**-**	**-**	**(2)**	**(2)**
(7,896)	-	-	-	-	(1,464)	**(9,360)**
7,896	-	-	-	-	1,462	**9,358**
11,955	**2,681**	**779**	**1,950**	**826**	**9,503**	**27,694**
93,844	22,949	936	11,135	7,291	28,845	**165,000**
(81,889)	(20,268)	(157)	(9,185)	(6,465)	(19,342)	**(137,306)**
11,955	**2,681**	**779**	**1,950**	**826**	**9,503**	**27,694**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

PROPERTY AND EQUIPMENT CONTINUED ...

Reconciliation for the year ended 31 December 2023 - Institute

Balance at 1 January 2023
At cost
Accumulated depreciation
Carrying amount
Movements for the year ended 31 December 2023
Additions
Depreciation
Disposals
Property and equipment at end of the year
Balance at 31 December 2023
At cost
Accumulated depreciation
Carrying amount

Right of use - Buildings	Leasehold improvements	Motor vehicles	Fixtures and fittings	Office equipment	Computer equipment	Total
R `000	R `000	R `000	R `000	R `000	R `000	R `000
99,800	21,621	252	10,393	6,428	21,833	**160,327**
(62,818)	(15,178)	(29)	(6,616)	(6,196)	(18,035)	**(108,872)**
36,982	**6,443**	**223**	**3,777**	**232**	**3,798**	**51,455**
-	-	-	276	23	1,997	**2,296**
(13,185)	(2,621)	(47)	(1,441)	(118)	(1,453)	**(18,865)**
-	-	-	**-**	-	**(2)**	**(2)**
23,797	**3,822**	**176**	**2,612**	**137**	**4,340**	**34,884**
99,800	21,621	252	10,669	6,451	23,276	**162,069**
(76,003)	(17,799)	(76)	(8,057)	(6,314)	(18,936)	**(127,185)**
23,797	**3,822**	**176**	**2,612**	**137**	**4,340**	**34,884**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

6. INTANGIBLE ASSETS

6.1 ACCOUNTING POLICY

Intangible assets owned by the Group comprises computer software and licences, development costs on learning methodology and work in progress.

Intangible assets of the Group are measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with an indefinite useful life are not amortised but are tested for impairment annually and whenever there is an indication that the intangible asset may be impaired. There is an annual review conducted to determine whether events and circumstances continue to support the indefinite useful life assessment.

Development costs on learning methodology
Development costs on learning methodology have been incurred in developing the curriculum required for acceptance of Accounting Technicians South Africa AT(SA) as associates of the Institute. It also includes the material that training providers will use for the facilitation of lessons.

The methodology presented in the note below is currently in use, is separable and generates revenue through exam fees charged and selling of manuals. The learning methodology is used to design examinations required for the qualification of an AT(SA) associate. Costs of the methodology are easily identifiable, such as labour costs, and can therefore be reliably measured. Furthermore, the asset has been assessed as having an indefinite useful life as the curriculum has been designed to be used for an unlimited period of time and the nature of the curriculum is not changing.

Work in progress (WIP)
Work in progress in respect of computer software and learning material comprises design costs, materials, direct labour, other direct costs and related overheads. Work in progress is transferred to the relevant intangible asset on completion. Until such time, it is measured at cost and is tested for impairment annually as it is not yet available for use. The recoverable amount was determined using the fair value less cost to dispose.

Computer software and licences
Separately acquired licences and developed software are measured at cost. Licences and computer software have a finite useful life and are measured at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method to allocate the cost of developed software and licences over their estimated useful lives.

Amortisation for the Group's intangible assets is determined based on a straight-line method over the useful life after deducting residual values. Residual values of the intangible assets are assumed to be zero. The amortisation charge for this reporting period has been recognised in the Group's statement of surplus or deficit and other comprehensive income for the year.

The estimated useful lives for the intangible assets for current and prior periods are as follows:

Asset class	Useful life
Computer software and licences	2 - 10 years
Development costs on learning methodology	Indefinite
Work in progress	Not available for use

The Group reviewed the useful lives of its intangible assets at the reporting date and concluded that no adjustment was considered necessary.

Internally developed software that was no longer being used was scrapped and a line item from development cost on learning methodology was transferred to a more appropriate category. These reflect below as disposed off during this reporting period. The items disposed off were derecognised and any gain or loss from the disposals is recognised in the Group and Institute's statement of surplus or deficit.

Irrespective of whether there is no indication of impairment, the Group also tests all of its intangible assets with indefinite useful lives and intangible assets not yet available for use (development costs on learning methodology and work in progress) for impairment annually by comparing their respective carrying amounts with their corresponding recoverable amounts (value-in-use).

The Group also assessed all of the intangible assets with finite useful lives at the end of this reporting period to determine whether there was indication that an item of intangible assets was impaired. No impairment was deemed necessary.

In assessing value-in-use, there was no reliable estimate of future cash flows that could be discounted to their present value for the intangible (including Ushintsho project) work in progress. The Group and Institute performed a qualitative impairment assessment.The assessment took into account the intention, financial and technical ability to complete the development including the feasibility of future use and benefits that will be derived from its use.

Management considered the impact of the Ushintsho project delays and concluded that the software delivered meets the set objectives and no unwarranted costs were incurred. The impact of project delays as outlined above on the Group's ability to use the product and generate revenue, has been considered and it was found that there had been no impact in this regard. Continuous assessment of impairment will be performed on all the work in progress (WIP) at each stage of project sign-off to ensure that the carrying amount capitalised reflects the anticipated economic benefits associated with the respective delivery.

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

INTANGIBLE ASSETS CONTINUED ...

6.2 RECONCILIATION OF CHANGES IN INTANGIBLE ASSETS

Reconciliation for the year ended 31 December 2024 - Group and Institute

Balance at 1 January 2024

At cost

Accumulated amortisation and impairment losses

Carrying amount

Movements for the year ended 31 December 2024

Additions - internally developed

Amortisation

Intangible assets at end of year

Balance at 31 December 2024

At cost

Accumulated amortisation and impairment losses

Carrying amount

Work in progress relates to intangible assets in the development phase and has been assessed for impairment, with no adjustment required.

* The below work in progress items are related to stage 3 which is still in progress and expected to be completed in 2025.

Description	R `000 2024	R `000 2023
Electronic assessment tool	2,474	6,453
SAICA website	1,156	1,156
Learning and development platform	-	1,162
Enterprise risk management and compliance system	-	1,239
Contract management system	-	353
Trainee contract management system	-	3,862
Human capital management system	869	1,019
Ushintsho project	19,515	-
Various applications	1,558	520
	25,573	15,764

Computer software and licences R `000	Development cost on learning methodology R `000	Work in progress* R `000	Total R `000
90,522	2,585	15,764	**108,871**
(34,091)	-	-	**(34,091)**
56,431	**2,585**	**15,764**	**74,780**
21,436	-	9,809	**31,245**
(10,905)	-	-	**(10,905)**
66,962	**2,585**	**25,573**	**95,120**
111,959	2,585	25,573	**140,117**
(44,997)	-	-	**(44,997)**
66,962	**2,585**	**25,573**	**95,120**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

INTANGIBLE ASSETS CONTINUED ...

Reconciliation for the year ended 31 December 2023 - Group and Institute

Balance at 1 January 2023
At cost
Accumulated amortisation and impairment losses
Carrying amount

Movements for the year ended 31 December 2023
Acquisitions and additions
Amortisation
Cost
Accumulated amortisation and impairment
Transfers from work in progress
Intangible assets at end of year

Balance at 31 December 2023
At cost
Accumulated amortisation and impairment losses
Carrying amount

6.3 COMMITMENTS

Capital commitments for the 2025 financial year amount to R48,332 (2023 - R23,203) relating to the Ushintsho strategic project that will be classified as computer software and licences. The Ushintsho Programme is a digital transformation project that aims to transform the member and stakeholder journey by driving business process improvements through the implementation of a modern Customer Relationship Management (CRM) system.

7. INVESTMENTS IN SUBSIDIARIES

7.1 ACCOUNTING POLICY

Controlled entities
Controlled entities are consolidated from the date on which the Group obtains control up until the date that control is lost. Controlled entities of the Group include the Thuthuka Education Upliftment Fund NPC (TEUF) and The Hope Factory NPC (THF). There was no initial investment in these controlled entities by the Institute.

Intra-group transactions, balances and unrealised gains/losses on transactions between Group entities are eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Computer software and licences	Development cost on learning methodology	WIP *	Total
R `000	R `000	R `000	R `000
50,661	2,585	36,839	**90,085**
(31,811)	-	-	**(31,811)**
18,850	**2,585**	**36,839**	**58,274**
-	-	25,726	**25,726**
(9,220)	-	-	**(9,220)**
6,940	-	-	**6,940**
(6,940)	-	-	**(6,940)**
46,801	-	(46,801)	**-**
56,431	**2,585**	**15,764**	**74,780**
90,522	2,585	15,764	**108,871**
(34,091)	-	-	**(34,091)**
56,431	**2,585**	**15,764**	**74,780**

Control over Thuthuka Education Upliftment Fund NPC (TEUF)

The TEUF is a Non-Profit Company in terms of the Companies Act No 71 of 2008 of South Africa. The principal activities of the company are to establish and maintain structures for carrying out and promoting skills-development activities, that will contribute to changing the membership demographics of the chartered accountancy profession, with the ultimate aim that the membership of the profession will reflect South Africa's population demographics.

The TEUF is a controlled entity even though it is a Non-Profit Company in terms of the Companies Act No 71 of 2008, regulated by its own board. The Board of the Group assessed whether or not the Group has control over the TEUF.

No factors from previous years have changed, therefore the prior assessment was reviewed in the current year and found to be relevant. The Group is satisfied that it has the practical ability to direct the relevant activities of the TEUF unilaterally and has exposure to the variable returns and the ability to use power to affect the amount of the returns. The Group therefore has control over the TEUF in terms of IFRS 10 and is required to consolidate the TEUF into its Group financial statements. There are no significant restrictions on the Group's ability to access or use the assets and settle the liabilities.

Control over The Hope Factory NPC Group (THF Group)

The Hope Factory, a Non-Profit Company in terms of the Companies Act No 71 of 2008 of South Africa, was started with the sole purpose of assisting potential entrepreneurs to create and establish businesses and to equip and support existing

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

INVESTMENTS IN SUBSIDIARIES CONTINUED ...

entrepreneurs to grow their businesses. The company is controlled by SAICA and three seats on the Board are occupied by SAICA employees. The management committee and Board of SAICA are key management to the company but do not receive compensation from this company. The funds of The Hope Factory are managed by SAICA.

The Hope Factory is accounted for as a controlled entity even though it is a Non-Profit Company in terms of the Companies Act No 71 of 2008 of South Africa, regulated by its own board. The Board of the Group assessed whether or not the Group has control over THF.

No factors from previous years have changed therefore prior assessment was reviewed in the current year and found to be relevant. The Group is satisfied that it has the practical ability to direct the relevant activities of THF unilaterally, has exposure to the variable returns and the ability to use power to affect the amount of the returns. The Group therefore has control over THF in terms of IFRS 10 and is required to consolidate THF into its Group financial statements. There are no significant restrictions on the Group's ability to access or use the assets and settle the liabilities.

8. FINANCIAL ASSETS

8.1 ACCOUNTING POLICY

Financial assets held by the Group comprises of trade and other receivables and cash and cash equivalents (except VAT and prepaid expenses). Trade receivables are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets of the Group are subsequently measured at amortised cost. The Group holds its financial assets to solely collect the principal amounts plus interest on these balances. Accordingly, trade receivables are initially measured at transaction price and subsequently measured at amortised cost using the effective interest method. The gross carrying amount is reduced by expected credit losses to reflect the amortised cost of the financial assets. Finance income, foreign exchange gains and losses and expected credit losses are recognised in the Group statement of surplus or deficit. Any gain or loss on derecognition is recognised in the Group statement of surplus or deficit. Cash and cash equivalents are initially measured at fair value plus transaction costs and subsequently measured at amortised cost.

There is no material difference between the fair value of receivables and cash and cash equivalents and their carrying amount due to the short-term nature of these instruments.

Impairment of financial assets

The Group recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. The simplified approach has been applied in determining the expected credit losses using a lifetime expected loss allowance measured using a provision matrix. Related party receivables are considered to be trade receivables and as a result these balances are also assessed using the simplified approach.

A forward-looking allowance for expected credit losses is recognised for all financial assets at amortised cost. Refer to note 10. Expected credit losses are based on the difference between contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

Write off

Generally, the Group writes off partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of income sources that could generate sufficient cash flows to repay the amounts subjected to the write-off. The Group currently does not have any enforcement rights over these write-offs. The Group considers a financial asset to be in default when the debtor is unlikely to pay its obligations based on the credit risk assessment or the financial asset is more than 90 days past due. Write offs are recognised as other expenses in the Group's statement of surplus or deficit.

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL ASSETS CONTINUED ...

8.2 CARRYING AMOUNT OF FINANCIAL ASSETS BY CATEGORY

Trade and other receivables (Note 10)
Cash and cash equivalents (Note 11)
Total financial assets

9. DEFERRED TAX

9.1 ACCOUNTING POLICIES

Tax expense is the aggregate amount included in the determination of surplus or deficit for the year in respect of current tax and deferred tax.

Deferred tax assets
A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable surplus will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination; and
- at the time of the transaction, affects neither accounting surplus nor taxable surplus or deficit.

The measurement of deferred tax assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover the carrying amount of its assets and liabilities.

9.2 THE ANALYSIS OF DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES IS AS FOLLOWS:

Deferred tax assets:
Revenue received in advance
Expected credit losses
Bonuses
Leave Pay
Net deferred tax assets

	GROUP		INSTITUTE	
	2024 At amortised cost R `000	2023 At amortised cost R `000	2024 At amortised cost R `000	2023 At amortised cost R `000
	120,482	128,771	53,370	69,666
	444,709	468,341	305,682	344,820
	565,191	**597,112**	**359,052**	**414,486**

	GROUP		INSTITUTE	
	2024 R `000	2023 R `000	2024 R `000	2023 R `000
	219	404	-	-
	54	129	-	-
	194	166	-	-
	107	84	-	-
	574	783	-	-
	574	**783**	-	**-**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

DEFERRED TAX CONTINUED ...

9.3 RECONCILIATION OF DEFERRED TAX MOVEMENTS

Group

Opening balance
Expected credit losses (Charged)/ credited to surplus or deficit
Bonuses (Charged) / credited to surplus or deficit
Leave (Charged) / credited to surplus or deficit
Revenue received in advance (Charged) / credited to surplus or deficit
Closing balance

10. TRADE AND OTHER RECEIVABLES

10.1 ACCOUNTING POLICY

All trade and other receivables are due within 12 months and therefore the Group considered the practical expedient. The Group assesses all debt sales contracts to determine if they contain a significant financing component. This method allows the Group to adjust the transaction price in instances where there is a significant time difference between the customer payment and the transfer of goods or services expected to be one year or less.

10.2 TRADE AND OTHER RECEIVABLES COMPRISE:

Trade receivables
Expected credit loss allowance (Refer note 10.4)
Trade receivables - net
Sundry receivables
Expected credit loss allowance (refer note 10.4)
Prepaid expenses
Deposits
Related party receivables
Value added tax
Total trade and other receivables

Please refer to 10.5 for details of all significant trade and other receivables. Trade receivables relate to debtors that have arisen during the ordinary course of business, while sundry receivables comprise funds owing in relation to projects the Group is undertaking.

2024 R `000	2023 R `000
783	**115**
(75)	**129**
28	**166**
22	**84**
(184)	**289**
574	**783**

GROUP		INSTITUTE	
2024 R `000	2023 R `000	2024 R `000	2023 R `000
137,388	143,139	63,809	79,558
(20,821)	(22,603)	(15,419)	(18,227)
116,567	**120,536**	**48,390**	**61,331**
5,903	9,521	5,903	9,045
(2,553)	(1,943)	(2,553)	(1,943)
63	-	-	-
657	657	621	621
-	-	1,101	612
6,910	1,977	7,036	2,113
127,547	**130,748**	**60,498**	**71,779**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

TRADE AND OTHER RECEIVABLES CONTINUED ...

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and Institute. The Group has adopted a policy of only dealing with credit-worthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group does not hold collateral in respect of trade and other receivables.

Trade and other receivables consist of a large number of students, trainees, training offices and sponsors spread across diverse industries and geographical areas, these being 'Trade receivables' of the Institute. Ongoing credit evaluation is performed on the financial condition of trade and other receivables. Training contracts for the trainees, certain exams for students, the training offices and sponsors are all corporate companies and the Group has therefore assessed that they all share similar credit risk characteristics. All trade receivables have therefore been assessed in the same manner.

Revenue line items in relation to subscriptions, entrance fees, disciplinary levies and SEFCO levies are not assessed for expected credit losses as these revenue items have a deadline for payment, after which they are immediately reversed if not paid. This therefore means that no receivables exist for these items of revenue. Remaining items of revenue as well as other income, which result in trade receivables, have been assessed as described below.

Expected credit losses have been considered for deposits and related party receivables but found to be immaterial and therefore no expected credit losses have been provided. These line items have been assessed as a low credit risk as the counterparties are deemed to have a strong ability to settle accounts. The allowance for expected credit losses is recognised in the Group and Institute's surplus or deficit for the year.

10.3 ITEMS INCLUDED IN TRADE AND OTHER RECEIVABLES NOT CLASSIFIED AS FINANCIAL ASSETS

Prepaid expenses
Value added tax
Total non-financial assets included in trade and other receivables
Total trade and other receivables excluding non-financial assets included in trade and other receivables
Total trade and other receivables

10.4 MOVEMENTS IN EXPECTED CREDIT LOSSES OF TRADE AND OTHER RECEIVABLES ARE AS FOLLOWS:

At start of year
Increase in loss allowance
Amounts written off
Unused amounts reversed
At end of year

Unused amounts reversed relate to debtors on which expected credit losses were provided for in the previous financial year, however, were recovered during the current reporting period.

In their assessment, management considers, amongst other factors, the latest relevant credit ratings from reputable external rating agencies for sundry receivables, both past due (that is, whether it is more than 90 days past due) and forward-looking quantitative and qualitative information. Forward-looking information includes an adverse change in the economic environment, the assessment of the future outlook of the industry in which the debtor operates and the most recent news or market talks.

The expected loss rates are based on historical losses over a period of 3 years preceding 31 December 2024 and 1 January 2024. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors (such as employment rates, inflation rates, etc) affecting the ability of the customer to settle the receivables.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on trade receivables has increased significantly since initial recognition when contract payments are >90 days past due for trade debtors, unless the Group has reasonable and supportable information that demonstrates otherwise. The 30 day rebuttable presumption is therefore not used. Sundry receivables are not included in this presumption and are only assessed based on the factors described following the expected credit loss matrix.

The carrying amount of trade and other receivables recognised in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

To measure the expected credit losses, trade receivables and sundry receivables have been assessed separately as the credit risk of each is considered differently.

GROUP		INSTITUTE	
2024	2023	2024	2023
R `000	R `000	R `000	R `000
63	-	-	-
6,910	1,977	7,036	2,113
6,973	1,977	7,036	2,113
120,574	128,771	53,462	69,666
127,547	**130,748**	**60,498**	**71,779**

GROUP		INSTITUTE	
2024	2023	2024	2023
R `000	R `000	R `000	R `000
24,546	23,161	20,170	21,784
1,026	24,546	-	10,657
-	-	-	-
(2,198)	(23,161)	(2,198)	(12,271)
23,374	**24,546**	**17,972**	**20,170**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

TRADE AND OTHER RECEIVABLES CONTINUED ...

The results of the provision matrix are summarised as follows:

31 December 2024
Trade debtors
Weighted average expected loss rate
Gross carrying amount
Lifetime ECL
Sundry debtors
Weighted average expected loss rate
Gross carrying amount
Lifetime ECL
Total ECL

31 December 2023
Trade debtors
Weighted average expected loss rate
Gross carrying amount
Lifetime ECL
Sundry debtors
Weighted average expected loss rate
Gross carrying amount
Lifetime ECL
Total ECL

31 December 2024
Trade debtors
Weighted average expected loss rate
Gross carrying amount
Lifetime ECL
Sundry debtors
Weighted average expected loss rate
Gross carrying amount
Lifetime ECL
Total ECL

Trade and Sundry receivables - Group

Current R `000	More than 30 days past due R `000	More than 60 days past due R `000	More than 90 days past due R `000	Total R `000
2.09%	5.06%	26.69%	19.14%	
10,064	43,829	2,293	92,892	149,078
210	**2,218**	**612**	**17,781**	20,821
10.00%	20.00%	50.00%	100.00%	
3,051	273	508	1,939	5,771
305	**55**	**254**	**1,939**	2,553
515	**2,273**	**866**	**19,720**	**23,374**

Current R `000	More than 30 days past due R `000	More than 60 days past due R `000	More than 90 days past due R `000	Total R `000
4.49%	6.42%	7.41%	39.05%	
41,593	14,830	8,744	49,006	114,173
1,868	**952**	**648**	**19,137**	22,605
9.33%	2.36%	2.99%	30.33%	
430	121	103	6,254	6,908
40	**3**	**3**	**1,897**	1,943
1,908	**955**	**651**	**21,034**	**24,548**

Trade and Sundry receivables - Institute

Current R `000	More than 30 days past due R `000	More than 60 days past due R `000	More than 90 days past due R `000	Total R `000
4.67%	7.23%	26.69%	26.11%	
560	25,049	2,293	49,667	77,570
26	**1,811**	**612**	**12,970**	15,419
10.00%	20.00%	50.00%	100.00%	
3,051	273	508	1,939	5,771
305	**55**	**254**	**1,939**	2,553
331	**1,866**	**866**	**14,909**	**17,972**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

TRADE AND OTHER RECEIVABLES CONTINUED ...

31 December 2023

Trade debtors
Weighted average expected loss rate
Gross carrying amount
Lifetime ECL
Sundry debtors
Weighted average expected loss rate
Gross carrying amount
Lifetime ECL
Total ECL

*The ECL provision decreased in current year due to the reduction in the credit exposure of the debtors as the Group and institute were able to secure a court order for the government money owed to SAICA.

Gross receivables assessed for expected credit losses differ to the total gross receivables as per note 10.2 due to the exclusion of debtors who have been assessed to not have expected credit losses, such as receivables raised as a result of donations receivable. The percentages above are rounded off to the nearest two decimal points.

10.5 SIGNIFICANT TRADE AND OTHER RECEIVABLES

TEUF - FASSET
TEUF - National Student Financial Aid Scheme
TEUF - Department of Higher Education and Training
Gauteng Department of Health

Accounting policies

For further details about the accounting policies and classifications made related to loan to group entity, please refer to the financial assets note 8.

11. CASH AND CASH EQUIVALENTS

11.1 ACCOUNTING POLICY

Cash and cash equivalents comprise of cash held at the bank, and short-term deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	R `000	R `000	R `000	R `000	R `000
	3.40%	5.30%	11.35%	56.20%	
	30,425	9,265	8,182	28,065	75,937
	1,034	**491**	**929**	**15,773**	18,227
	9.33%	2.36%	2.99%	30.33%	
	430	121	103	6,254	6,908
	40	**3**	**3**	**1,897**	1,943
	1,074	**494**	**932**	**17,670**	**20,170**

Trade and sundry receivables are assessed each year for expected credit losses based on the information relevant to the current year and the probability of default. As an example, the probability of default for an exam candidate is significantly lower than that of a seminar as an exam candidate would not receive his/her results on default. While the loss (unrecovered amount) may be higher, the probability of it occurring is lower. This would lead to a variation of percentages within the categories year on year. These debtors are being actively pursued. The weighting in each age category compared to the previous year changes based on the risk profile of debtors.

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
	17,497	18,842	-	-
	-	1,341	-	-
	28,460	28,460	-	-
	12,271	12,271	12,271	12,271

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

CASH AND CASH EQUIVALENTS CONTINUED ...

11.2 CASH AND CASH EQUIVALENTS COMPRISE:

Cash
Balances with banks
Total cash
Cash equivalents
Short term deposits
Total cash equivalents
Total cash and cash equivalents included in current assets
Net cash and cash equivalents

There are no restrictions on the Group's ability to access or use the cash of the Group.

Credit risk
The cash and cash equivalents are held with only investment grade banks within South Africa with high credit ratings assigned by international credit-rating agencies. The funds invested are spread across a number of banks.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have a low credit risk based on the external credit ratings of the counterparties. The ECL was therefore deemed to be immaterial.

12. RESERVES

NATURE AND PURPOSE OF RESERVES

The following reserves form part of the various reserves of the Group and the Institute.

SAICA Education Fund reserve (SEFCO) (Group and Institute)
The objective of the Fund is to enable education providers to deliver high quality prospective CAs who are representative of the country's demographics in terms of race and gender. The fund is overseen by a committee appointed in terms of the regulations/rules approved by the board. All funds collected are disbursed in accordance with regulations approved by the SAICA board. The reserve is formed to maintain funding for SEFCO. The surplus or deficit relating to the SEFCO operations is allocated to the reserve on an annual basis.

Reserves of individual entities (Group only)
The Thuthuka Education Upliftment Fund and The Hope Factory reserves are the operating reserves of the individual entities. The surplus or deficit relating to the relevant entity is allocated to the reserve on an annual basis.

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
	218,082	192,442	79,055	68,958
	218,082	**192,442**	**79,055**	**68,958**
	226,627	275,899	226,627	275,862
	226,627	**275,899**	**226,627**	**275,862**
	444,709	**468,341**	**305,682**	**344,820**
	444,709	**468,341**	**305,682**	**344,820**

South African Journal of Accounting Research (SAJAR) (Group and Institute)
The Fund is overseen by a committee appointed in terms of the constitution of SAJAR. All funds collected are disbursed in accordance with the SAJAR constitution. The reserve is formed to maintain funding for SAJAR. The surplus or deficit relating to the SAJAR operations is allocated to the reserve on an annual basis.

Tax Practitioners Levy (Group and Institute)
SAICA is registered as a Recognised Controlling Body (RCB) with the South African Revenue Service (SARS) in terms of The Tax Administration Act No 28 of 2011. The fee raised to Tax Practitioners is used solely for the administration in terms of the requirements for Recognised Controlling Body. The surplus or deficit in any given year is recognised in the reserve. The reserve is formed to maintain funding for Tax Practitioner administration activities. The surplus or deficit relating to the tax practitioner operations is allocated to the reserve on an annual basis.

13. LEASE LIABILITIES

13.1 ACCOUNTING POLICY

At inception of a contract, the Group assesses whether a contract is, or contains a lease.

The Group is a lessee of premises and is sub-leasing a portion thereof. Refer to note 20 for further information on rent received.

The term of the lease is determined as the non-cancellable period of the lease together with the period covered by an option to extend the lease and if there is certainty that these options will be exercised. These have been identified to be between three and ten years.

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

CASH AND CASH EQUIVALENTS CONTINUED ...

At inception, a right-of-use asset and a lease liability are recognised. The Group presents right-of-use assets in property and equipment, the non-current portion of lease liabilities separately and the current portion of lease liabilities in 'trade and other payables' in the statement of financial position. Details regarding the right-of-use-asset, the corresponding liability, depreciation and interest can therefore be found in notes 5 and 26 and in the statement of cashflows.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability.

The right-of-use asset is subsequently depreciated using the straight-line method over the lease term. None of the leases transfer ownership of the underlying assets to the Group.

The Group and Institute also assessed the right of use asset at the end of this reporting period to determine whether there was an indication of impairment. No impairment was deemed necessary.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are payable over the lease term. Lease payments are discounted using the incremental borrowing rate.

Subsequently, the lease liability is measured by:

- increasing the carrying amount to reflect interest on the lease liability and
- reducing the carrying amount to reflect the lease payments made.

13.2 LEASE LIABILITIES COMPRISE:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
IFRS 16 Lease Liability	34,804	49,069	32,461	48,495
Undiscounted lease commitments				
Not later than one year	26,152	24,425	25,402	24,103
Later than one year and not later than five years	14,401	24,644	12,150	24,532
	40,554	**49,069**	**37,553**	**48,635**
Non-current liabilities	11,075	24,644	9,482	24,644
Current liabilities	23,729	24,425	22,979	23,851
	34,804	**49,069**	**32,461**	**48,495**
Discounted lease commitments				
Opening balance	49,069	66,283	48,495	65,231
New leases	5,598	-	3,268	-
Interest	5,104	4,220	5,061	4,139
Less lease payments	(24,967)	(21,434)	(24,363)	(20,875)
Principal	(19,863)	(17,214)	(19,300)	(16,736)
Interest	(5,104)	(4,220)	(5,061)	(4,139)
Closing balance	**34,804**	**49,069**	**32,461**	**48,495**

14. PROVISIONS

14.1 ACCOUNTING POLICY

The short-term incentive (STI) is a constructive obligation resulting from the remuneration policy and the performance evaluation process. The minimum requirements set out in the policy are expected to be met and thus a constructive obligation exists. The amount has been measured in line with the policy, however actual amounts paid may vary based on final individual, divisional and organisational performance assessments as approved by the remuneration committee and the SAICA Board.

14.2 PROVISIONS COMPRISE:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Short-term incentive	19,353	29,717	18,485	28,954
	19,353	**29,717**	**18,485**	**28,954**

The short-term incentive provision is expected to be paid in May 2025.

14.3 RECONCILIATION OF SHORT-TERM INCENTIVE PROVISION:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Opening balance	29,717	23,862	28,954	23,262
Settled during the year	(28,366)	(23,562)	(27,603)	(22,962)
Derecognised during the year	(1,351)	(300)	(1,351)	(300)
Recognised during the year	19,353	29,717	18,485	28,954
Closing balance	**19,353**	**29,717**	**18,485**	**28,954**

15. TRADE AND OTHER PAYABLES

15.1 ACCOUNTING POLICY

Trade payables are obligations for goods and services that have been acquired in the ordinary course of business from suppliers.

Trade payables are initially measured at fair value net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method.

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

TRADE AND OTHER PAYABLES CONTINUED ...

15.2 TRADE AND OTHER PAYABLES COMPRISE:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Trade payables	56,455	58,193	53,373	47,106
Deposits received	108	108	108	108
Accrued leave pay	17,425	16,985	16,949	16,582
Payroll liabilities	51	70	-	-
Other payables	-	31	-	31
ISFAP payable	(245)	-	-	-
Current portion of lease liabilities	23,729	24,425	22,979	23,851
Total trade and other payables	**97,523**	**99,812**	**93,409**	**87,678**

15.3 ITEMS INCLUDED IN TRADE AND OTHER PAYABLES NOT CLASSIFIED AS FINANCIAL LIABILITIES

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Accrual for leave pay	17,425	16,985	16,949	16,582
Deposits received	108	108	108	108
Payroll liabilities	51	70	-	-
Total non-financial liabilities included in trade and other payables	**17,584**	**17,163**	**17,057**	**16,690**
Financial liability portion	79,939	82,649	76,352	70,988
Total trade and other payables	**97,523**	**99,812**	**93,409**	**87,678**

Employees' entitlement to annual leave is recognised when it accrues to employees. An accrual is made for the estimated liability for annual leave due as a result of services rendered by employees up to the reporting date, with a maximum of 35 days per employee.

The Group's exposure to liquidity risk related to trade and other payables is disclosed in note 32.3.

16. CURRENT TAX LIABILITIES

16.1 ACCOUNTING POLICY

Tax expense is the aggregate amount included in the determination of surplus or deficit for the period in respect of current tax and deferred tax.

Current tax is the amount of income taxes payable in respect of the taxable surplus for a period.

16.2 CURRENT TAX LIABILITIES COMPRISE THE FOLLOWING BALANCES

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Net current tax liability	(485)	(31)	-	-
Total current tax liability per the statements of financial position	**(485)**	**(31)**	-	-

17. DEFERRED INCOME

17.1 ACCOUNTING POLICY

Donations and grants received in advance are reported as a current liability if they will be earned within one year. Deferred income is recognised when the funds are received from the donors and derecognised to other income when terms of the contract have been met by the Group to the extent of the expenses that have been incurred. For further information refer to note 20.

17.2 DEFERRED INCOME COMPRISE:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Deferred income	-	108	-	-
Future project and bursary income	5,164	9,244	-	-
	5,164	**9,352**	-	**-**
Non-current liabilities	-	-	-	-
Current liabilities	5,164	9,352	-	-
	5,164	**9,352**	-	**-**

18. FINANCIAL LIABILITIES

18.1 ACCOUNTING POLICY

Financial liabilities of the Group are classified as subsequently measured at amortised cost. Accordingly, the financial liabilities are initially measured at fair value net of directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Financial liabilities held by the Group comprises of trade and other (excluding income received in advance, accrual for leave, payroll liabilities and deposits received) payables of which the carrying amounts approximate the fair value due to the short-term nature. The lease liability carrying amounts approximate the fair value as the incremental borrowing rate is market related.

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL LIABILITIES CONTINUED ...

	GROUP		INSTITUTE	
	2024 At amortised cost R `000	2023 At amortised cost R `000	2024 At amortised cost R `000	2023 At amortised cost R `000
Lease liabilities (Note 13)	11,075	24,644	9,482	24,644
Trade and other payables excluding non-financial liabilities (Note 15)	79,722	82,649	76,135	70,988
	90,797	**107,293**	**85,617**	**95,632**

19. REVENUE

19.1 ACCOUNTING POLICY

The Group generates revenue from goods and services. Goods comprise products such as sale of books. Services comprise subscriptions, members' entrance fees, professional development – pre-qualification (training and examinations), tax practitioners fees, a once-off disciplinary levy, Accountancy SA magazine advertising, seminars, events, sponsorships and SAICA Education Fund levies. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts received on behalf of third parties, like value-added tax. The Group has applied the practical expedient with regard to significant financing components on all contracts up to 12 months.

Revenue is recognised at a point in time when the goods are delivered to the customers, such as the date of issue of Accountancy SA magazine and the date of the seminar or event or sponsorship.

Revenue is recognised over a period of time for services in line with the duration of the service, that is, over the period of the subscription or the period of professional development contract. Invoices are generated at a point in time and are generally payable in advance of the service being provided to the customer.

No discounts are provided for any goods or services.

Contract balances

Contract fulfilment asset
The contract fulfilment assets consist of actual costs incurred to fulfil a contract of which the performance obligations have not been met yet significant costs have been incurred. The Group recognises costs incurred relating to the exams as an asset and amortises the asset consistently with the pattern of revenue recognition.

Contract liabilities
If a customer (being a member, student or training office) pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

19.2 REVENUE COMPRISES:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Subscriptions - Chartered Accountants (SA)	373,775	347,792	373,775	347,792
Disciplinary levy	3	10	3	10
Subscriptions - Associate General Accountants (SA)	21,229	17,603	21,229	17,603
Subscriptions - Accounting Technician (SA)	777	629	777	629
Accountancy SA journal	944	729	944	729
Entrance fees	15,938	16,756	15,938	16,756
Product sales	7,197	6,009	7,197	6,009
Professional development - pre-qualification	63,823	69,654	63,823	69,654
SAICA Education Fund levies	35,990	37,082	35,990	37,082
Seminars and events	7,202	8,631	7,202	8,631
Sponsorships	11,417	13,430	11,417	13,430
Total revenue	**538,295**	**518,325**	**538,295**	**518,325**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

REVENUE CONTINUED ...

19.3 Revenue Type

Type of revenue	Description	Performance obligation	Transfer of control	Measurement of transaction price	Duration of contract
Service	Subscriptions	Making the designation available throughout the year	Over time	Invoice amount as contracted, allocation using a straight-line method over 12 months	1 year
Service	Disciplinary levy	Commencement of disciplinary cases	At a point in time	Invoice amount as contracted	Once-off cost
Goods	Accountancy SA journal	Publishing the magazine	At a point in time	Invoice amount as contracted	Once-off cost
Service	Entrance fees	Registration of membership	At a point in time	Invoice amount as contracted	Once-off cost
Goods	Product sales	Delivery of product	At a point in time	Invoice amount as contracted	Once-off cost
Service	Professional development - prequalification	Examinations - publishing of results	At a point in time	Invoice amount as contracted	Once-off cost
Service	Professional development - prequalification	Training contracts - admin support throughout contract	Over time	Invoice amount as contracted, allocation using a straight-line method over 12 months	3 - 5 years
Service	Professional development - prequalification	Training office reviews - one accreditation, one post accreditation visit/monitoring	At a point in time	Two performance obligations - Invoice amount allocated based on a relative stand-alone selling price basis	1 year
Service	SAICA Education Fund levies	Updating and maintaining of standards	Over time	Invoice amount as contracted, allocation using a straight-line method over 12 months	1 year
Goods	Seminars and events	Hosting of seminar/event	At a point in time	Invoice amount as contracted	Once-off cost
Goods	Sponsorships	Advertising as agreed	At a point in time	Invoice amount as contracted	Once-off cost

The performance obligations expected to be recognised in more than one year relate to Professional development - prequalification contracts which are to be satisfied within 3-5 years. The input method is determined based on the straight line method over the duration of the contract which is faithfully depicted by the signed service contracts. All the other remaining performance obligations are expected to be recognised within one year.

19.4 CONTRACT FULFILMENT ASSETS AND CONTRACT LIABILITIES

Contract fulfilment assets and contract liabilities are disclosed separately in the statement of financial position.

Current contract fulfilment assets

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
At the start of the year	11,474	10,003	11,474	10,003
Utilised	(11,474)	(10,003)	(11,474)	(10,003)
Increase in current year	20,819	11,474	20,819	11,474
	20,819	**11,474**	**20,819**	**11,474**

Contract liabilities

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
At the start of the year	(109,404)	(101,649)	(109,404)	(101,649)
Utilised	98,512	79,368	98,512	79,368
Increase in current year	(87,887)	(87,123)	(87,887)	(87,123)
	(98,779)	**(109,404)**	**(98,779)**	**(109,404)**

Current contract liabilities detail (Revenue stream)

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
SEFCO Levies (SAICA Education Fund levies)	(13,081)	(25,440)	(13,081)	(25,440)
APC Exams (Professional Development)	(29,785)	(24,510)	(29,785)	(24,510)
Trainee admin fee (Professional Development)	(1,352)	(291)	(1,352)	(291)
Training contract fees (Professional Development)	(15,202)	(12,399)	(15,202)	(12,399)
Subscriptions (All designations)	(36,487)	(44,839)	(36,487)	(44,839)
ITC Exams January (Professional Development)	(2,852)	(976)	(2,852)	(976)
Tax Practitioners Levy (Subscriptions)	(20)	(949)	(20)	(949)
	(98,779)	**(109,404)**	**(98,779)**	**(109,404)**
Non-current liabilities	(7,712)	(5,811)	(7,712)	(5,811)
Current liabilities	(91,067)	(103,593)	(91,067)	(103,593)
Total contract liabilities	**(98,779)**	**(109,404)**	**(98,779)**	**(109,404)**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

REVENUE CONTINUED ...

SEFCO Levies

- SEFCO recognises the need for universities to suitably transform their academic staff complement by attracting and retaining both African and Coloured academic staff. In most cases this requires that funding is made available to enable the universities to mitigate this risk by attracting and retaining the best academic staff who can act as role models to a transformed student body.
- SEFCO was established to raise finance for the maintenance and development of standards of education and training for chartered accountants on par with the standards of its reciprocal partners.
- As part of the contract for trainees, the training office agrees to pay an annual levy toward the fund. The levy is payable for each completed year of training contract for each trainee until the training contract is cancelled or discharged.
- The maintenance and development of standards, being the performance obligation, is done throughout the year. The benefit is provided for over a period of time and should therefore be recognised over such period.

APC Exams

- APC is the second part of the qualifying examination, which assesses professional competence.
- The exam fee is payable at any time, and any non-payment will result in results being withheld from the candidate.
- The performance obligation to the candidate is an exam result. This is satisfied at a point in time when the exam results are released, which was 23rd of February 2024.

Trainee admin fee

- Audit firms are required to employ trainees under training contracts. The firm must be accredited by SAICA as a training office.
- The fee is payable upfront on application of the accreditation. Two performance obligations arise from the contract that is the accreditation and the post-accreditation monitoring visit.
- The performance obligations are satisfied at a point in time and therefore the transaction price for each is recognised upon satisfaction at the relevant point in time.

Training contract fees

- Audit firms are required to employ trainees under training contracts.
- The training contract fee is payable upfront by the training office for periods between three to five years. This fee activates the training contract to register the trainee with SAICA.
- The performance obligation is satisfied over time as the contract runs over a period of three to five years. Revenue is therefore recognised monthly over the contract period. The Group has performed an assessment on the financing component of the contracts over three to five years and concluded that the financing component was not significant and therefore has not been applied.
- The training contracts allow the training office to receive a credit should a trainee cancel their contract for any reason prior to the completion of the training contract. As the training contract fee is allocated monthly, the credit is equivalent to the remaining months that the trainee did not complete.

Subscriptions

- In order to be entitled to carry their designations, CA(SA)'s, AGA(SA)'s and AT(SA)'s must pay a membership subscription fee to SAICA.
- The subscription fees are payable in full and upfront for access to the designation for the year ahead being 1 January to 31 December each year.

- Invoices for membership fees are issued in December of the previous year. Certain members therefore do pay their fees in advance. These fees are recognised as contract liabilities.
- As the designation is used throughout the year, the performance obligation is satisfied over time and the transaction price is the subscription fee. Revenue is recognised monthly over one year.

ITC Exams

- ITC which is the Initial Test of Competence, is the first part of the qualifying examination.
- The exam fee is payable at any time and any non-payment will lead to results being withheld from the candidate.
- In this instance we refer to the ITC exam written in January 2025 for which payment was already received in 2024. The performance obligation to the candidate is an exam result. This is satisfied at a point in time when the exam results are released, which was 4th of April 2025.

Tax Practitioners Levy

- In order to practice as a tax practitioner, a tax practitioners levy is payable to SAICA as the Recognised Controlling Body (RCB).
- The fees are payable in full and upfront for access to the designation for the year ahead being 1 January to 31 December each year.
- Invoices for tax practitioner levy are issued in December of the previous year. Certain tax practitioners therefore do pay their fees in advance. These fees are recognised as contract liabilities.
- As the ability to practise as a tax practitioner is used throughout the year, the performance obligation is satisfied over time and the transaction price is the fee amount. Revenue is recognised monthly over one year.

19.5 REVENUE RECOGNISED IN RELATION TO CONTRACT LIABILITIES

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Revenue recognised that was included in contract liabilities at the beginning of the year				
SEFCO Levies (SAICA Education Fund levies)	(328)	(8,708)	(328)	(8,708)
APC Exams (Professional Development)	(24,886)	(25,934)	(24,886)	(25,934)
Trainee admin fee (Professional Development)	(645)	(257)	(645)	(257)
Training contract fees (Professional Development)	(223)	(6,650)	(223)	(6,650)
Subscriptions (Subscriptions all)	(51,263)	(49,181)	(51,263)	(49,181)
ITC Exams January (Professional Development)	(20,191)	(2,454)	(20,191)	(2,454)
Tax Practitioners Levy (Subscriptions all)	(976)	(1,799)	(976)	(1,799)
	(98,512)	**(94,983)**	**(98,512)**	**(94,983)**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

REVENUE CONTINUED ...

19.6 UNSATISFIED PERFORMANCE OBLIGATIONS

19.6.1EXPECTED DURATION OF THE PERFORMANCE OBLIGATIONS

At 31 December 2024 - Group and Institute

SEFCO Levies (SAICA Education Fund levies)
APC Exams (Professional Development)
Trainee admin fee (Professional Development)
Training contract fees (Professional Development)
Subscriptions (All designations)
ITC Exams January (Professional Development)
Tax Practitioners Levy (Subscriptions)

At 31 December 2023 - Group and Institute

SEFCO Levies (SAICA Education Fund levies)
APC Exams (Professional Development)
Trainee admin fee (Professional Development)
Training contract fees (Professional Development)
Subscriptions (All Designations)
ITC Exams January (Professional Development)
Tax Practitioners Levy (Subscriptions)

Up to 1 year	2 years	3 years	4 years	5 years	Total
R `000	R `000	R `000	R `000	R `000	R `000
(13,081)	-	-	-	-	(13,081)
(29,785)	-	-	-	-	(29,785)
(1,352)	-	-	-	-	(1,352)
(7,489)	(4,863)	(2,331)	(377)	(142)	(15,202)
(36,487)	-	-	-	-	(36,487)
(2,852)	-	-	-	-	(2,852)
(20)	-	-	-	-	(20)
(91,066)	**(4,863)**	**(2,331)**	**(377)**	**(142)**	**(98,779)**

Up to 1 year	2 years	3 years	4 years	5 years	Total
R `000	R `000	R `000	R `000	R `000	R `000
(25,440)	-	-	-	-	(25,440)
(24,510)	-	-	-	-	(24,510)
(291)	-	-	-	-	(291)
(6,588)	(4,034)	(1,412)	(299)	(66)	(12,399)
(44,839)	-	-	-	-	(44,839)
(976)	-	-	-	-	(976)
(949)	-	-	-	-	(949)
(103,593)	**(4,034)**	**(1,412)**	**(299)**	**(66)**	**(109,404)**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

20. OTHER INCOME

20.1 ACCOUNTING POLICY

Sundry income comprises of grants, project income and donations, and is recognised to cover project specific expenditure and this is not perceived to be the main business of the Group. It is recognised when there is reasonable assurance that the entity will comply with the conditions attached to the income and the income will be received.

Sundry income is accounted for when it is received or receivable. Where there are conditions attached to grants, project income and donations, these are recognised in deferred income until conditions are met, when they are then recognised in the statement of surplus or deficit.

Sundry income relates to the donor funding received by the Group for projects. Any income with unfulfilled conditions has been classified as deferred income.

Rent received is derived from the sub-letting of space by the Institute. The sub lease is short term, month to month lease. Due to the nature of the lease, the rent received is recognised in the statement of surplus or deficit and other comprehensive income of the Group on a month-to-month basis.

20.2 OTHER INCOME COMPRISES:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Sundry income	210,791	271,422	-	6,820
Technical and Vocational Education and Training (TVET) project income	-	5,470	-	5,470
Community Education and Training (CET) project income	-	186	-	186
Donations - TEUF	172,351	153,665	-	-
Donations - TEUF - ISFAP	-	79,224	-	-
THF projects	38,440	31,713	-	-
AT(SA) projects	-	1,164	-	1,164
Rent received	4,700	4,361	4,700	4,361
Total other income	**215,491**	**275,783**	**4,700**	**11,181**

21. EMPLOYEE BENEFITS EXPENSE

21.1 ACCOUNTING POLICY

Short-term employee benefits

Compensation paid to employees for the rendering of services is recognised in surplus or deficit at the undiscounted amount paid or expected to be paid in the accounting period in which the services were rendered.

Where employees accumulate entitlement for paid absences (i.e. leave pay), an expense is recognised as the additional amount that the Group and Institute expect to pay as a result of the unused leave that has accumulated at the end of the reporting period. In the case of non-accumulating paid absences, the expense is recognised only when the absences occur.

The expected cost of bonus payments are recognised when there is a present legal or constructive obligation to make such payments as a result of past events, and a reliable estimate of the obligation can be made. A present obligation exists when there is no realistic alternative but to make the payments.

21.2 EMPLOYEE BENEFITS EXPENSE COMPRISES OF:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Salaries	219,897	205,538	210,319	197,872
Short term incentive	18,001	29,417	17,134	28,654
Defined contribution plan expense	24,906	24,424	24,906	24,424
Casual wages	1,251	1,416	1,251	1,416
Total employee benefits expense	**264,055**	**260,795**	**253,610**	**252,366**

22. SIGNIFICANT ADMINISTRATIVE EXPENSES

ADMINISTRATIVE EXPENSES COMPRISE:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Auditors remuneration - Internal	3,270	762	3,270	762
Auditors remuneration - External Audit	4,265	3,492	3,792	3,046
Bank charges	5,665	3,922	5,657	3,915
Computer expenses	6,979	16,999	6,612	16,536
Subscriptions	20,355	17,296	20,355	17,296
Telephone	6,200	7,943	5,862	7,711

Subscriptions include those paid to other professional bodies that provide our members the benefit of being internationally recognised and relevant to the profession, as well as online access to the IFRS Accounting Standards. These subscriptions also allow SAICA to play an active role in the worldwide accountancy profession.

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

23. OTHER EXPENSES

The Group views its expenses in two categories. Project expenses have been listed as all costs incurred per project. Core business expenses are viewed as operational expenses relating to the day-to-day activities of the Group.

OTHER EXPENSES COMPRISE:

	GROUP		INSTITUTE	
	2024 R `000	2023 R `000	2024 R `000	2023 R `000
Core business expenses	562,213	609,347	532,911	508,106
Significant core expenses:				
Advertising	5,801	7,540	5,373	7,471
Consulting fees	34,959	27,317	20,384	13,099
Utilities	4,923	4,100	4,923	4,100
Legal fees	12,088	9,775	11,789	9,680
Licence fees	15,774	16,701	15,774	16,701
Repairs and maintenance	10,435	9,853	10,427	9,829
Markers and umpires	27,887	19,461	27,887	19,461
Board fees	6,558	6,389	6,558	6,389
Royalties	2,417	1,943	2,417	1,943
Research and content development	4,502	2,491	4,501	2,455
Subventions	23,970	23,326	23,970	23,326
Travel costs	14,498	14,515	12,982	13,314
Venue costs	21,268	23,640	21,268	23,640
Project expenses	149,997	155,014	-	6,132
AT(SA) - project costs	-	435	-	435
CET project costs	-	186	-	186
TEUF Bursaries	148,491	69,697	-	-
TEUF Bursaries - ISFAP	-	79,224	-	-
THF project costs	1,506	2	-	41
TVET project costs	-	5,470	-	5,470
Total other expenses	**712,210**	**764,361**	**532,911**	**514,238**

24. OTHER GAINS AND LOSSES

OTHER GAINS AND LOSSES COMPRISE:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Gain/(Loss) on disposal of assets	164	(229)	162	(229)
(Loss) on foreign exchange differences on liabilities	(416)	(120)	(416)	(120)
Total other gains and losses	**(252)**	**(349)**	**(254)**	**(349)**

25. FINANCE INCOME

Finance income is recognised using the effective interest method and is recognised when it is receivable by the Group and Institute. The interest income is earned on available cash in the bank and investment accounts.

In calculating finance income, the effective interest rate is applied to the gross carrying amount of the asset.

FINANCE INCOME COMPRISES:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Interest received	51,507	48,554	41,849	40,818

Interest rate risk

The Group's exposure to fair value interest rate risk mainly arises from its fixed deposits with banks. It also has exposure on cash flow interest rate risk, that arises mainly from its deposits with banks. The Group interest rate risk exposure is reduced by the annual escalation of its fixed deposits with banks and investments should this not be variable interest rate instruments.

Sensitivity analysis

2024

Change in interest rate (basis points)	-50	-25	+25	+50
Finance income sensitivity (R'000)	(2 224)	(1 112)	1 112	2 224

2023

Change in interest rate (basis points)	-50	-25	+25	+50
Finance income sensitivity (R'000)	(2 342)	(1 171)	1 171	2 342

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26. FINANCE COSTS

26.1 ACCOUNTING POLICIES

The Group views its expenses in two categories. Project expenses have been listed as all costs incurred per project. Core business expenses are viewed as operational expenses relating to the day-to-day activities of the Group.

26.2 FINANCE COSTS COMPRISES:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Interest - lease liability	5,104	4,220	5,061	4,139

27. INCOME TAX EXPENSE

27.1 ACCOUNTING POLICIES

Tax expense is the aggregate amount included in the determination of surplus or deficit for the period in respect of current tax and deferred tax.

Tax is measured using the tax rates and tax laws that have been enacted.

Current and deferred tax is recognised as income or an expense and included in surplus or deficit for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, outside surplus or deficit, either in other comprehensive income or directly in equity.
- a business combination other than the acquisition by an investment of a subsidiary that is required to be measured at fair value through surplus or deficit.

Current and deferred tax is recognised outside surplus or deficit if the tax relates to items that are recognised in the same or a different period outside surplus or deficit. Therefore, current tax and deferred tax that relate to items that are recognised in the same or a different period:

- in other comprehensive income, will be recognised in other comprehensive income.
- directly in equity, will be recognised directly in equity.

27.2 INCOME TAX RECOGNISED IN SURPLUS OR DEFICIT:

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Current tax				
Current year	(1,102)	(1,398)	-	-
Total current tax	**(1,102)**	**(1,398)**	**-**	**-**
Deferred tax				
Deferred tax	(209)	668	-	-
Total deferred tax	**(209)**	**668**	**-**	**-**
Total income tax expense	**(1,311)**	**(730)**	**-**	**-**

27.3 THE INCOME TAX FOR THE YEAR CAN BE RECONCILED TO THE ACCOUNTING SURPLUS AS FOLLOWS:

	GROUP		INSTITUTE	
	2024 R `000	2023 R `000	2024 R `000	2023 R `000
Surplus before tax from operations	38,561	19,895	2,008	1,908
Income tax calculated at 27.0%	10,411	5,372	-	-
Tax effect of				
- Tax exempt income	(8,218)	(4,642)	-	-
Tax charge	**2,193**	**730**	**-**	**-**

27.4 THE INCOME TAX FOR THE YEAR CAN BE RECONCILED TO ACCOUNTING SURPLUS AS FOLLOWS::

	GROUP 2024	GROUP 2023	INSTITUTE 2024	INSTITUTE 2023
Surplus before tax from operations	38,561	19,895	2,008	1,908
Income tax calculated at 27.0%	27.00%	27.00%	0.00%	0.00%
Tax effect of				
- Tax exempt income	(23.00%)	(23.00%)	0.00%	0.00%
Effective tax rate	**4.00%**	**4.00%**	**0.00%**	**0.00%**

Interest rate risk
The TEUF and THF income is exempt from income tax in terms of the provisions of S10(1)cN and S30 of the Income Tax Act, 1962. The income of the Institute is exempt in terms of the provisions of S30B of the Income Tax Act, 1962 and SAICA Enterprise Development (Pty) Ltd is a full tax paying entity. Donations by or to the entities in the Group are exempt from donations tax in terms of S56(1)(h) of the Income Tax Act, 1962. The TEUF and THF have public benefit organisation (PBO) status.TEUF has signed a contract with National Student Financial Aid Scheme (NSFAS), for current projects and future projects.

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

28. TEUF COMMITMENTS

TEUF

TEUF has signed a contract with National Student Financial Aid Scheme (NSFAS), for current projects and future projects.

	2025 - 2027
	Total Contracted Income (for remaining project term)
	R `000
National Skills Fund (NSF)	176,996
	176,996

Commitments received	2025	2026	2027	Total
	R `000	R `000	R `000	R `000
Secured funding in respect of bursaries	67,809	65,435	43,753	176,997

Commitments made to students

The average cost for a year of study in 2025 is estimated to be R 233 224 (2024: R 215 948) per student, of which R 116 612 (2024: R 107 974) is funded by the National Students Financial Aid Scheme (NSFAS).

For 2025 there are 657 students on the bursary scheme with a total commitment of R 67 809 741 for the year.

For every student who continues to pass, there is a contractual obligation to provide a bursary to complete the accredited undergraduate degree. Thus, the total commitment as at 31 December 2024 for the committed bursaries is:

	Number of committed students	2025	2026	2027	Total
		R `000	R `000	R `000	R `000
Total Commitment	657	60,444	44,810	29,455	134,709

The surplus funding will be utilised to fund new intake in 2025 and future intakes.

29. RELATED PARTIES

29.1 GROUP ENTITIES

Subsidiaries	Refer to note 7.

29.2 OTHER RELATED PARTIES

Entity name
ISFAP FOUNDATION NPC
WISEMAN NKUHLU TRUST

The Group has identified the below related parties through common Board members:
THE NATIVE KITCHEN
THE GROWTH SWITCH
KHUTHAZA ACADEMY
THE NATIVE PUBLISHING COMPANY
CYRIL MADIBA EMPOWERMENT FOUNDATION
THE NATIVE FARM
TINYELETI CONSULTING
RED SYNERGY
ATTACQ GROUP ESD(RF)
UNIQUIVATE
AOE SOUTH AFRICA STELLR
SOUTH AFRICA EDULIFE
COLONY CAMPAIGNS
LEKWA BUSINESS SOLUTIONS
BREN FARMS
ADMOND CAPITAL
REPAID VC
ADMOMANZI
REPAID HOLDINGS
THUTHUKA EDUCATION UPLIFTMENT FUND
HALETJAHABA ENERGY
NGWEDI INVESTMENT MANAGERS
TAQUANTA SECURITIES
TAQUANTA ASSET MANAGERS
TAQUANTA INVESTMENT HOLDINGS
NICRO
NICRO ENTERPRISE

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

RELATED PARTIES CONTINUED ...

29.3 REMUNERATION OF THE EXECUTIVE COMMITTEE AND BOARD

	2024			
	Remuneration	Pension fund	Short-term incentive*	Total
	R `000	R `000	R `000	R `000
Executive Committee				
SF Nomvalo - Chief Executive Officer (CEO) (Term ended 31 January 2024)	953	-	-	**953**
P Stock (2023:One Month) - Chief Executive Officer (CEO)	4,901	-	-	**4,901**
FL Lamola - Chief Operating Officer (COO) (Resigned 27 May 2024)	1,866	173	953	**2,991**
NO Nekhavhambe - Chief Financial Officer (CFO) (Resigned 31 August 2024)	2,102	256	-	**2,358**
N Hamdulay - Acting Executive: Risk & Compliance, Information Technology and Member engagement	1,325	140		**1,465**
DG Watson - Acting Chief Financial Officer (Acting CFO)	408	42		**451**
J Snyman - Executive Director: Governance	2,431	318	670	**3,418**
R Zwane - Executive Director: Learning, Development & National Imperatives	2,312	368	653	**3,334**
M Segal - Executive Director: Standards	2,155	282	592	**3,028**
M McWalter - Chief Executive Officer: SAICA Enterprise Development (Pty) Ltd	1,153	-	120	**1,273**
J Johnson - Senior Executive: SAICA Enterprise Development (Pty) Ltd	792	-	94	**886**
	20,398	1,579	3,082	25,059

2023

Remuneration	Pension fund	Short-term incentive	Total
R `000	R `000	R `000	R `000
5,004	-	-	**5,004**
408	-	-	**408**
3,243	401	953	**4,597**
2,531	379	-	**2,910**
-	-	-	**-**
2,264	298	670	**3,232**
2,160	344	653	**3,157**
2,002	263	592	**2,857**
1,089	-	120	**1,209**
738	-	94	**832**
19,439	1,685	3,082	24,206

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

RELATED PARTIES CONTINUED ...

	2024			
	Remuneration	Pension fund	Short-term incentive*	Total
	R `000	R `000	R `000	R `000
Board				
V Motholo - Board member (Chairman of the Board and Nominations and Governance Committee Chairman)	660	-	-	**660**
B Bekwa - Board member (Lead Independent)	576	-	-	**576**
Y Forbes - Board member	687	-	-	**687**
AM le Roux - Board member (Resigned 18 March 2025)	584	-	-	**584**
C Madiba - Board member (Social, Ethics and Transformation Committee Chairman)	482	-	-	**482**
T Mofokeng - Board member (Audit and Risk Committee Chairman)	766	-	-	**766**
A Singh - Board member	336	-	-	**336**
D Singh - Board member (Digital Transformation and Governance Chairman)	537	-	-	**537**
T Thankge - Board member (Chair Human Resources and Remuneration Committee Chair)	657	-	-	**657**
B Tsvetu - Board member	632	-	-	**632**
J Swanepoel - Ex Board member	119	-	-	**119**
J du Toit - Ex Board member	-	-	-	**-**
A Teeruth - Independent member of the Audit and Risk Committee	247	-	-	**247**
Y Madolo - Independent member of the Audit and Risk Committee	275	-	-	**275**
	6,558	-	-	6,558

The Executive Committee members are considered key management of the Group and Institute. The term 'Executive Director' used above is the internal job title that denotes management that makes up the members of the internal Executive Committee.

2023			
Remuneration	Pension fund	Short-term incentive	Total
R `000	R `000	R `000	R `000
710	-	-	**710**
479	-	-	**479**
641	-	-	**641**
476	-	-	**476**
505	-	-	**505**
614	-	-	**614**
-	-	-	**-**
512	-	-	**512**
367	-	-	**367**
772	-	-	**772**
647	-	-	**647**
418	-	-	**418**
124	-	-	**124**
124			**124**
6,389	-	-	6,389

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

RELATED PARTIES CONTINUED ...

29.4 RELATED PARTY TRANSACTIONS AND BALANCES

	Thuthuka Education Upliftment Fund (TEUF)	The Hope Factory (THF)	ISFAP Foundation	Total
	R `000	R `000	R `000	R `000
Year ended 31 December 2024				
Related party transactions				
Administration costs in kind	(3,203)	(1,286)	(912)	**(5,401)**
SAICA donation (1% of membership fees)	(3,779)	-	-	**(3,779)**
Rent received	-	-	282	**282**
Outstanding loan accounts				
Amounts receivable	1,064	37	-	**1,101**
Year ended 31 December 2023				
Related party transactions				
Administration costs in kind	(2,803)	(1,713)	(772)	**(5,288)**
SAICA donation (1% of membership fees)	(3,407)	-	-	**(3,407)**
Rent received	-	-	529	**529**
Outstanding balances for related party transactions				
Amounts receivables	497	-	-	**497**
Outstanding loan accounts				
Amounts receivable	-	115	-	**115**

At group level all transactions eliminate except for ISFAP.

The sundry debtors includes a receivable from non-exec amounting to R91 700. The sundry creditors includes a payable to non-exec amounting to R216 564.

All key management that are employed by the Group have standard employment contracts. All transactions with related parties have been concluded at arm's length. Related party balances are interest free and have no fixed terms of repayment.

30. EVENTS AFTER THE REPORTING DATE

The board is 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 Group and Institute.

31. GOING CONCERN

The Group and Institute Annual Financial Statements have been prepared on the going concern basis. 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 application of this basis is supported by a detailed budget process which has a certain level of judgements and estimates as well as ongoing compliance with budgeting controls.

32. FINANCIAL RISK MANAGEMENT

The Group's Risk Management Committee monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyse exposure by degree and magnitude of risk. These risks include market risk, credit risk and liquidity risk.

Market and liquidity risk are addressed below. Credit risk is addressed under trade and other receivables and cash and cash equivalents respectively. (Refer to notes 10 and 11)

The internal audit function reports quarterly to the Group's Audit and Risk Committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

32.1 MARKET RISK

32.1.1 FOREIGN CURRENCY RISK

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate.

SAICA's foreign currency risk arises from transactions incurred for foreign travel of SAICA's employees and for foreign subscriptions and royalties, which are denominated in Pound Sterling, United States Dollar, Euro and Australian Dollar. Foreign exchange gains or losses resulting from the settlement of foreign currency transactions are recognised in surplus or deficit. The foreign exchange risk is mainly in relation to the United States Dollar and Pound Sterling. The details as follows:

31 December 2024	Dollar	Pound
Average rate	18.53	21.54
Spot rate	18.74	23.56

31 December 2023	Dollar	Pound
Average rate	17.68	21.54
Spot rate	18.31	23.32

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL RISK MANAGEMENT CONTINUED ...

Sensitivity

The following table details the Group's sensitivity to a 10% increase and decrease in the Rand against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management is 10% and it represents management's assessment of the reasonably possible changes in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in surplus where the Rand strengthens by 10% against the relevant currency. For a 10% weakening of the Rand against the relevant currency, there would be a comparable impact on the surplus and the balances below would be negative.

	Impact on post tax surplus	
	2024	2023
	R `000	R `000
Dollar exchange rate – increase 10% (10%) *	2,915	(330)
Dollar exchange rate – decrease 10% (10%) *	(2,915)	330
Pound exchange rate – increase 10% (10%) *	5,636	(31)
Pound exchange rate – decrease 10% (10%) *	(5,636)	31
(Increase)/decrease impact	8,551	(361)

* Holding all other variables constant

	Dollar	Pound
31 December 2024		
Trade payables	-	(2,419)
Bank balances	1,556	2
	1,556	(2,417)
31 December 2023		
Trade payables	182	(5)
Bank balances	2	20
	184	15

32.2 CREDIT RISK

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables.

32.3 LIQUIDITY RISK

Ultimate responsibility for liquidity risk management rests with the Board, which has built an appropriate liquidity risk management framework for the management of the Group's short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows. The Group treasury is responsible for managing the Group's exposure to financial risk within the policies set by the Board under the guidance of the CFO.

The following table details the Group's remaining contractual maturity for its current liabilities, commitments and guarantees with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of the current liabilities, commitments and guarantees based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

32.3.1 MATURITIES OF FINANCIAL LIABILITIES

Contractual maturities of financial liabilities	Less than 6 months	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows
	R `000	R `000	R `000	R `000	R `000	R `000
Year ended 31 December 2024 - Group						
Non-derivatives						
Trade and other payables excluding non-financial liabilities (Note 15)	-	55,993	-	-	-	**55,993**
Lease liabilities (Note 13)	13,076	13,076	5,298	9,103	-	**40,553**
Guarantees (Note 35)	3,898	-	-	-	-	**3,898**
Total non-derivatives	**16,974**	**69,069**	**5,298**	**9,103**	**-**	**100,444**
Year ended 31 December 2023 - Group						
Non-derivatives						
Trade and other payables excluding non-financial liabilities (Note 15)	-	58,224	-	-	-	**58,224**
Lease liabilities (Note 13)	12,276	12,275	25,172	23,322	-	**73,045**
Guarantees (Note 35)	3,898	-	-	-	-	**3,898**
Total non-derivatives	**16,174**	**70,499**	**25,172**	**23,322**	**-**	**135,167**

ACCOUNTING POLICIES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND NOTES TO THE GROUP AND INSTITUTE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

33. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern.

Our reserves policies ensure that the Group has sufficient resources to meet its obligations and other cash flow requirements of the Group. The Group optimises the management of its capital through the Investment and Reserves policy managed by the treasury function under the supervision of the Chief Financial Officer.

The Group follows a low risk approach to determine the optimal capital structure and makes adjustments to it based on changes in economic conditions and the risk characteristics of the underlying assets.

The Group has adhered to the requirements of the Investment and Reserves policy and this has therefore translated in the Group maintaining levels of interest received as well as sufficient cash reserves in order to settle obligations in the ordinary course of business. As per the statement of financial position the current ratio is 2,78:1 (2023 2,5:1)

34. NET CASH FLOWS FROM OPERATIONS

	GROUP		INSTITUTE	
	2024	2023	2024	2023
	R `000	R `000	R `000	R `000
Surplus before tax	**38,436**	**19,895**	1,883	**1,908**
Adjustments for:				
Finance income	(51,507)	(48,554)	(41,849)	(40,818)
Finance costs	5,104	4,220	5,061	4,139
Depreciation and amortisation expense	31,192	28,579	30,349	28,085
Impairment losses and reversal of impairment losses (ECL)	1,172	1,385	(2,198)	(1,614)
Adjustment to useful life	(3,540)	-	(3,540)	-
Adjustments for lease liabilities	696	2,004	871	2,004
Losses on foreign exchange	284	120	421	120
(Gains)/Losses on disposal of non-current assets	(164)	-	(162)	229
Other adjustments for which cash effects are investing or financing cash flow	-	229	-	-
Change in operating assets and liabilities:				
Adjustments for increase in trade accounts receivable	2,029	(54,952)	13,479	(41,593)
Decrease / (increase) in prepayments	736	(157)	718	(196)
Adjustments for decrease in contract fulfilment asset	(9,345)	(1,440)	(9,345)	(1,440)
Adjustments for increase / (decrease) in provisions	(10,364)	5,855	(10,469)	5,692
Adjustments for increase / (decrease) in trade payables	(2,573)	5,586	5,310	(5,439)
(Decrease) / increase in contract liabilities	(10,625)	7,755	(10,625)	7,755
Decrease / (increase) in prepayments	(4,188)	(10,223)		(1,764)
Decrease / (increase) in current tax liabilities	454			
Net cash flows from operations	**(12,203)**	**(39,698)**	**(20,096)**	**(42,932)**

35. GUARANTEES

The Institute has a guarantee in place through Standard Bank in favour of the South African Post Office Limited for bulk postage to the value of R150 (expiry date 1 January 2030) (2023: R150). The Institute also has guarantees in place with Nedbank for bulk postage to the value of R250 (2023: R250). The Institute also has a guarantee in place with First National Bank for the lease of 17 Fricker Road, Illovo in favour of Sanlam to the value of R3 498 (2023 R3 498).

36. CONTINGENT LIABILITIES

The Group is aware of pending legal matters and has in consultation with its legal counsel, assessed the outcome of these proceedings. Management has therefore concluded that no provisions are required in respect of these legal matters and that these litigations, current or pending, are not likely to have a material adverse effect on the Group. However, should the outcome of these cases not be favourable to the Group these may result in potential obligations in the future. Matters in progress range from Human Resource related matters, disciplinary actions taken against members and collection of outstanding trade receivables.

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