



The Treasurer's Report

Annual Financial Statements

The Annual Financial Statements are currently outstanding for the financial years ending 2019, 2020, 2021 and 2022. FAPSA financial year end is on the 31 December 2023. In the past it would seem we were heavily reliant on external auditors and therefore the challenges with the handover have caused the delay in the financial reporting.

The association has a healthy cash flow even though we have not received any income since 2019. During 2020 there was a conference planned which had to be cancelled due to covid. There was a deposit of R100 000.00 that was paid to secure the venue. There was no payment received from delegates after registration. The refund from the venue was received. The bank balance when I was co-opted in the Executive Committee was R524 855.09.

Account name	Balance at 31 Dec 2021	Balance at 31 Dec 2022
BUSINESS CURRENT ACCOUNT	20 288.62	167 960.69
MONEY MARKET ACCOUNT	450 796.50	372 214.97

When we were co-opted, we discovered the following lapses in legislation compliance:

- The association is not registered for tax exemption with SARS and therefore does not have a PBO number
- Tax returns not done since 2016
- Handover of access to the bank account
- Unavailability of company registration
- Changing of Directorship from the CIPC
- Unresponsive auditors



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We will need to implement remedial actions to prevent these issues from occurring in the future. The remedial action will include but not limited to:

- Setting up an office for administrative and finance (recommendation: appoint a permanent administration and have a permanent virtual office)
- Appointing an accounting firm to assist with financial administration and backlog in financial reporting
- Reduce the requirement in constitution from audit to independent review
- Start collecting membership fees at the beginning of the year to assist with the running of the administrative office
- Amend the constitution to allow for a smooth handover to the new EXCO
- Apply with SARS for tax exemption and catch up on the tax returns for prior years
- Start working on alternative revenue stream (eg, engagement events with FAPSA stakeholders)

These remedial actions will assist FAPSA to produce timeous reports for member perusal and increase transparency and accountability to its members. The financial reports should be posted on the FAPSA website as and when they become available.



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Members,

I am happy to announce that even though we were unable to secure sponsorship for the 19th FAPSA Annual Conference, as off today the conference is financially profitable that will be reflected on the financial report for the year ending 2023.

I wish to express gratitude to the outgoing EXCO for trusting me with such a mammoth task. We might not have been to achieve what others expected of us but at least we were able to bring members together once more. Me thank you's would not be complete if I did not mention the former Treasurer General for her support.

I request the Treasurer General Report to be approved.

Complied by

Gugu Ihenacho
Treasurer General (co-opted)