



South African Society of Anaesthesiologists National Treasurer's Report By Adéle de Goede

6 April 2024

The financials for 1 July 2022 to 30 June 2023 are hereby presented to the SA Society of Anaesthesiologists membership. BGR De Villiers Auditors Incorporated has audited the annual financial statements.

After the official sign-off, the completed AFS will be available on the secure section of www.sasaweb.com.

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1. Annual Financial Statement extracts and comments

Balance sheet

The South African Society of Anaesthesiologists

Financial Statements for the year ended 30 June 2023

Statement of Financial Position as at 30 June 2023

	Note(s)	2023 R	2022 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	86 282	136 047
Investments	3	16 480 057	13 706 592
		16 566 339	13 842 639
Current Assets			
Trade and other receivables	4	802 736	391 809
Cash and cash equivalents	5	22 501 847	19 099 823
		23 304 583	19 491 632
Total Assets		39 870 922	33 334 271
Equity and Liabilities			
Equity			
Revaluation reserve		5 653 306	3 726 812
Retained income	6	26 047 061	23 984 132
		31 700 367	27 710 944
Liabilities			
Current Liabilities			
Trade and other payables	7	8 170 555	5 623 327
Total Equity and Liabilities		39 870 922	33 334 271

Comments on most mark-worthy elements:

- Investment holdings increased by R2.77m
- Cash holdings increased by R3.40m
- Retained income increased by the surplus made for the year.

The increase in investment and cash holdings is due to increased fees collected during the 2023 financial year (due to a debt collection effort), investment growth through market value increases, and interest and dividend income.

The South African Society of Anaesthesiologists

Financial Statements for the year ended 30 June 2023

Statement of Comprehensive Income

	Note(s)	2023 R	2022 R
Revenue	8	8 221 025	6 742 181
Other income	9	2 848 627	1 770 342
Operating expenses		(8 616 657)	(8 784 890)
Operating profit (loss)	10	2 452 995	(272 367)
Investment revenue	11	1 897 402	1 079 200
Finance cost	12	(360 974)	(169 815)
Profit before taxation		3 989 423	637 018
Taxation	13	-	-
Profit for the year		3 989 423	637 018
Other comprehensive income		-	-
Total comprehensive income for the year		3 989 423	637 018

Comments on most mark-worthy elements:

- The largest form of income is membership fees/subscriptions from both General Levy and PPBU Levy (*Thank you to all the loyal SASA members for paying their annual fees*)
- Alliance membership was created and signed into the constitution during the 2023 FY. However, no alliance membership fees were received during that period, as it will only be implemented in the 2024 FY.
- SASA National made a surplus (income exceeded expenses). This surplus was unplanned as it was budgeted for a deficit. Reasons for surplus include:
 - A debt collection company collected old debt from members worth R1m in the 2023 FY. This debt is from years prior and is not part of the 2023 subscription income.
 - Increased financial governance, specifically over expenses.

Detailed income statement (expenses)

The South African Society of Anaesthesiologists

Financial Statements for the year ended 30 June 2023

Detailed Income Statement

	Note(s)	2023 R	2022 R
Operating expenses			
Accounting and audit fees		176 140	149 760
Auditors remuneration		40 000	31 800
Bank charges		73 516	54 947
Communication and marketing		142 142	216 288
Computer expenses		104 087	17 480
Congress expenses		267 971	28 326
Consulting and professional fees		194 732	200 607
Council meeting expenses		183 531	41 565
Depreciation		86 313	82 754
Education grants		649 008	600 680
Employee costs		3 513 338	3 303 043
Fair value losses		-	897 740
General expenses		40 653	35 039
Insurance		66 069	58 699
Loss on sale of assets		2	-
Medals		33 845	31 179
Medpharm publications		672 000	645 000
PPBU expenses		1 060 615	1 254 996
PSBU expenses		54 786	485
Postage and courier		2 121	1 932
Printing and stationery		3 875	337
Registrar's prizes		-	28 475
Rental paid		9 192	13 409
Safe Surgery SA development costs		324 989	480 000
SSSA Assessment		-	53 483
Subscriptions		454 665	307 991
Telephone		59 235	49 928
Training and development		10 045	24 193
Transformation		-	62 500
Travel		382 613	99 896
Wellness		11 174	11 608
Workshop attendance		-	750
		8 616 657	8 784 890

Comments on most mark-worthy elements:

- The overall increase in expenses from 2022 to 2023 was negligible.

2. Financial statistics for Q1 and Q2 of 2024

Membership fee increase

Membership fees (General Levy, PPBU Levy and branch fees) were increased by 7% from the 2023 to 2024 financial year. The increase for 2024 to 2025 will be 7%, which is in line with the 2023 to 2024 increase.

Budgeting

The budgeting approach for the 2024 budget was adjusted based on how budgets were done in prior years.

Previously, a fixed 5% increase was added to the actual figures of the previous year to determine the new year's budget. This method did not consider changes in society, new ventures, or events that are no longer applicable.

The new budgeting approach:

- Analysed actualised figures on a line-for-line basis
- Adjusted each line based on projected projects, projected expenses
- Detailed calculations for income, based on member numbers and compared to increase from previous years

Bank accounts

SASA National moved its operating bank account from Standard Bank to Investec Bank Limited.

The cross-over between accounts went smoothly and successfully.

82% of all membership fees were received into the new Investec account, thus allowing us to operate entirely from the Investec account.

All investments held in Standard Bank have been transferred to Investec. However, a small balance remains in the Standard Bank current account to keep it active, as we still have a few debit orders and the odd member/customer who uses that bank account.

Rate of collection

We are very proud to announce a significant increase in the collection rate of membership fees for the 2024 FY.

In July 2023, 66% of all membership fees were received, a 31% increase from the 35% collected in July 2022.

Members who did not pay their members fees by 1 December 2023 were suspended.

SAJAA changes

During the 2024 financial year, the decision was made to go from a paper-based SAJAA to an online version. This is in line with SASA's commitment to sustainability and the environment.

Because the online version does not require printing, it leads to a 50% cost savings for SASA. This will be visible in a reduction of the expense line in the 2024 financial statements.

New accounting software

During the 2024 financial year, SASA incorporated a new accounting software: Sage Accounting.

Sage Accounting is a modern, online software package that replaced the previous accountant's outdated desktop system.

One of Sage Accounting's significant benefits is that it will eventually integrate with Glue Up (a database system).

Appointment of new auditors

BGR De Villiers was appointed as the new auditors for SASA after quotes were received by three potential auditors, who were all interviewed by the CEO and Financial Manager. They conducted the 2023 audit and signed off on the Annual Financial Statements. BGR De Villiers will continue in office as auditors for the 2024 financial year

3. SASA as a unitary structure

Please refer to the CEO report for more detailed information on this topic. This portion of the report relates specifically to the financial impact of the changes made during the 2024 financial year.

Branches and sigs finances as part of SASA National

Reporting and Accounting

Each branch and SIG will have a cost centre in the set of accounting ledgers in SASA National's books. These will be reported separately and form part of the annual SASA audit.

The executive of each branch or SIG can request a set of management accounts for their respective branch or SIG, with a five-day lead time.

Transfer of branch and SIG funds

Each branch and SIG will have to transfer all their funds to SASA National and close the bank accounts they hold. No funds may be kept in any account outside of the official bank accounts opened by SASA National(see below).

The branch and SIGs will specify which amount they want placed in the Call account (classified as investment holdings) and which amount will stay in the SASA National trading account. The trading amount will be ring-fenced for the branch or SIG. The trading account amount must preferably cover at least a year's expenses.

Bank accounts and Investment

Investec Call accounts were opened for each branch and SIG for the investment holdings. The trading funds will be part of SASA National's trading account but ring-fenced for each branch and SIG.

The executive of each branch and SIG can request an Investec Call statement for their funds from the financial manager at any time.

Decision-making about branch and SIG funds

The SASA National Financial Manager will manage the funds, investment holdings, and trading on behalf of the branch and SIG executives. This includes making the payments, reporting, and ensuring that the 85/15 rule is followed. All decision-making powers remain in the hands of the branch and SIG executives, who have complete autonomy.

4. SASA NPC

Please refer to the CEO report for more detailed information on this topic.