Chartered Governance Institute of Southern Africa

Chartered Governance Institute of Southern Africa NPC

(Registration Number 1972/000007/08)
Annual Financial Statements
for the year ended 31 December 2024

Pre-Audit Annual Financial Statements

in compliance with the Companies Act of South Africa
Prepared by: Natasha Dyason
Professional designation: BCom Acc, CIMA DIP MA
Title: Finance Manager

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General Information

Country of Incorporation and Domicile	South Africa
Registration Number	1972/000007/08
Nature of Business and Principal Activities	The company is a non-profit company incorporated in South Africa.
Directors	Deolinda Maria da Silva - President Sandile Prince Mbhamali - Past President Leigh Roos - Senior Vice President Prudence Molebatsi -Vice President Sonia Mirella Maria Giuricich Ann Fiona Maskell Karen Goldstone-Hoffman Lindelwa Penelope Mngomezulu Simon Miteyo Akala Stephen Sadie CEO - Executive Director
Registered Office	Block C, Riviera Park 6-10 Riviera Road Killarney 2193
Business Address	Block C, Riviera Park 6-10 Riviera Road Killarney 2193
Bankers	The Standard Bank of South Africa Limited and Nedbank Group Limited.
Auditors	Moore Johannesburg Inc Registered Auditors
Company Secretary	Anri Winter PO Box 1816 Mulbarton 2059
Preparer	Natasha Dyason BCom (Acc), CIMA DIP MA Financial Manager

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. These annual financial statements have been prepared in accordance with the IFRS for SMEs® Accounting Standard as issued by the International Accounting Standards Board (IASB®) and it is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company and supported by reasonable and prudent judgements and estimates.

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

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

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

Stephen Sadie CEO - Executive Director	Deolinda Maria da Silva - President

Certificate by the Company Secretary

I hereby confirm, in my capacity as company secretary of Chartered Governance Institute of Southern Africa NPC, that for the financial year ended 31 December 2024, the company has filed all required returns and notices in terms of the Companies Act of South Africa, with the Companies and Intellectual Property Commission and that all such returns and notices are to the best of my knowledge and belief true, correct and up to date.

Anri Winter
Company Secretary
03/09/2025

Report of the Finance and Risk Committee

We are pleased to present our report for the financial year ended 31 December 2024.

The Finance and Risk Committee is an independent statutory committee appointed by the members. Further duties are delegated to the Finance and Risk Committee by the Directors of the company. This report includes both these sets of duties and responsibilities.

1. Finance and Risk Committee terms of reference

The Finance and Risk Committee has adopted formal terms of reference that have been approved by the directors. The committee conducted its affairs in compliance with its terms of reference and has discharged its responsibilities contained therein. The terms of reference are available on request.

2. Finance and Risk Committee Members and Attendance

The Finance and Risk Committee is independent and consists of three independent members, with two of them also being non-executive directors. It meets four times a year as per its terms of reference.

The chairman of the board, chief executive officer, finance manager, external auditor and other assurance providers (legal and technical adviser) attend meetings by invitation only.

During the year under review three meetings were held. The attendance of the committee is reflected on page 44 of the integrated report.

The effectiveness of the Finance and Risk Committee and its individual members are assessed on an annual basis.

2.1 Role and responsibilities

2.1.1 Statutory duties

The Finance and Risk Committee's role and responsibilities include statutory duties per the Companies Act, and further responsibilities assigned to it by the directors. The committee executed its duties in terms of the requirements of King IV and instances where the King IV requirements have not been applied have been explained in the corporate governance statement, included elsewhere in the Integrated Report.

2.1.2 External auditor appointment and independence

The Finance and Risk Committee has satisfied itself that the external auditor was independent of the company, as set out in section 94(8) of the Companies Act of South Africa, which includes consideration of previous appointments of the auditor, the extent of other work undertaken by the auditor for the company and compliance with criteria relating to independence or conflicts of interest as prescribed by the Independent Regulatory Board for Auditors. Requisite assurance was sought and provided by the auditor that internal governance processes within the audit firm support and demonstrate its claim to independence.

The committee ensured that the appointment of the auditor complied with the Companies Act of South Africa, and any other legislation relating to the appointment of auditors.

The committee, in consultation with executive management, agreed to the engagement letter, terms, audit plan and budgeted audit fees for the 2024 year.

There is a formal procedure that governs the process whereby the auditor is considered for non-audit services. The committee approved the terms of a master service agreement for the provision of non-audit services by the external auditor, and approved the nature and extent of non-audit services that the external auditor may provide in terms of the agreed pre-approval policy.

Report of the Finance and Risk Committee

2.1.3 Financial statements and accounting practices

The Finance and Risk Committee has reviewed the accounting policies and the annual financial statements of the company and is satisfied that they are appropriate and comply with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board.

A Finance and Risk Committee process has been established to receive and deal appropriately with any concerns and complaints relating to the reporting practices of the company. No matters of significance have been raised in the past financial year.

Sonia Giuricich

Chairperson of the Finance and Risk Committee

03/09/2025

Directors' Report

The directors present their report for the year ended 31 December 2024.

1. Review of activities

Main business and operations

CGISA operates as a Non-Profit Company in terms of the Companies Act of South Africa (Co. Act).

Being a professional examining body, it continues to provide an examination that satisfies the demands for competence on the part of trained and qualified company secretaries and governance professionals in the private and public sectors. CGISA serves qualified professionals and provides a wide range of services to its members, such as technical information and seminars. A further purpose is ensuring the name and reputation of CGISA, and thereby its members, remain uppermost in the mind of decision makers and employers. In addition, it provides administrative services to associated Institutes.

There has been no material change in its activities during the year under review. The operating results and the financial position of the company are fully set out in the attached financial statements and do not, in our opinion, require any further comment.

The annual financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

2. Going concern

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

The directors are focused and committed to the restructuring initiatives and debt reduction of the company. The directors are also of the view that there are no material uncertainties that cast doubt on the company's ability to operate. The directors are also satisfied that the company has sufficient resources, or access to resources, to continue with all operating activities for the foreseeable future. Based on this assessment, the directors have no reason to believe that the company will not be a going concern for the foreseeable future.

3. Events after reporting date

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

4. Property, plant and equipment

There have been no changes in property, plant and equipment of the company or the policy regarding their use in the current period.

5. Directors' interest in contracts

Examination, moderation and marking fees were paid to a number of Directors or other Related Parties in the year as follows:

- A Mattiuzzo (Assignment, Examiner & Work experience Fees) - R49 739 (2023: R65 887)
- C Lewis (Presenter Fees) - R0 (2023: R13 720)
- S Sadie (Subsistence Allowance) - R73 929.44 (2023: R36 752)

Directors' Report

Executive Director Remuneration - S Sadie

- Salary - R1 533 700 (2023: R1 445 761)
- Thirteenth cheque - R127 738 (2023: R120 508)
- Pension contribution - R153 045 (2023: R144 373)
- Group risk benefits - R59 415 (2023: R53 229)
- Medical aid contribution - R169 712 (2023: R137 258)

Total = R2 043 610 (2023: R1 901 129)

Membership and webinar income etc were received from a number of Directors or other Related Parties in the year as follows:

- A Maskell (FCG membership) – R5 950 (2023: R4 878.26)
- A Maskell (Webinar income) – R0 (2023: R848.70)
- A Mattiuzzo (ACG membership) – R5 160 (2023: R4 230.43)
- C Lewis (FCG membership) – R5 950 (2023: R4 878.26)
- C Lewis (Discount allowed) – R0 (2023: R195.13)
- D da Silva (FCG membership) – R5 950 (2023: R4 878.26)
- D da Silva (Discount allowed) – R0 (2023: R195.13)
- J Rosenberg (FCG membership) – R5 950 (2023: R4 878.26)
- J Rosenberg (Sales of physical stock) – R0 (2023: R1 217.40)
- L Mngomezulu (FCG membership) – R5 950 (2023: R4 878.26)
- L Mngomezulu (Discount allowed) – R0 (2023: R195.13)
- L Roos (FCG membership) – R5 950 (2023: R4 878.26)
- L Roos (Sales of physical stock) – R0 (2023: R1 217.40)
- L Roos (Webinar income) – R0 (2023: R674.78)
- S Akala (PPG membership) – R1205 (2023: R930.43)
- S Akala (FCG membership) – R6 310 (2023:R4 878.26)
- S Akala (Discount allowed) – R252.40 (2023: R232.35)
- S Giuricich (FCG membership) – R5 950 (2023: R4 878.26)
- S Giuricich (PPG membership) – R1 135 (2023: R930.43)
- S Mbhamali (FCG membership) – R5 173.91 (2023: R4 878.26)
- S Mbhamali (PPG membership) – R986.96 (2023: R930.43)

6. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa, and have concluded the company is liquid and solvent.

Directors' Report

7. Directors

The directors of the company during the year and up to the date of this report are as follows:
Deolinda Maria da Silva - President
Sandile Prince Mbhamali - Past President
Leigh Roos - Senior Vice President
Prudence Molebatsi -Vice President (Appointed 12 June 2024)
Ann Fiona Maskell
Sonia Mirella Maria Giuricich
Janis Rosenberg (Resigned 13 February 2024)
Helena Stoop-Koornhof (Appointed 8 March 2024)
Lindelwa Penelope Mngomezulu
Simon Miteyo Akala
Stephen Sadie CEO - Executive Director

8. Social and ethics committee

In line with the requirements of the Companies Act of South Africa, Chartered Governance Institute of Southern Africa NPC has appointed a social and ethics committee. The members of the committee are:

Name	Appointment date	Resignation date
Sandile Mbhamali - Chairman	10 July 2020	
Ann Fiona Maskell	10 July 2020	
Stephen Sadie	10 July 2020	

9. Secretary

The company's designated secretary is Anri Winter appointed in terms of s86 of the Companies Act of South Africa.
PO Box 1816
Mulbarton
2059

10. Independent Auditors

Moore Johannesburg Inc were the independent auditors for the year under review.

Statement of Financial Position

Figures in R	Notes	2024	2023
Assets			
Non-current assets			
Property, plant & equipment	3	23,037	52,305
Intangible assets other than goodwill	4	919,507	559,582
Total non-current assets		**942,544**	**611,887**
Current assets			
Inventories	5	41,761	41,822
Trade and other receivables	6	4,357,892	3,129,365
Loans receivable	7	(1,928,222)	2,414
Cash and cash equivalents	8	15,185,565	11,675,590
Total current assets		**17,656,996**	**14,849,191**
Total assets		**18,599,540**	**15,461,078**
Equity and liabilities			
Equity			
Retained surplus		9,127,508	9,627,547
Liabilities			
Current liabilities			
Trade and other payables	9	9,026,605	5,833,531
Loans group A		445,427	-
Total current liabilities		**9,472,032**	**5,833,531**
Total equity and liabilities		**18,599,540**	**15,461,078**

Statement of Comprehensive Income

Figures in R	Notes	2024	2023
Revenue	11	20,159,136	17,096,168
Cost of sales	12	(71,244)	(53,662)
Gross profit		**20,087,892**	**17,042,506**
Other income	13	295,122	454,311
Administrative expenses		(943,344)	(1,642,903)
Other expenses		(20,493,991)	(16,115,159)
Other gains and (losses)	14	(13,815)	(26,716)
Surplus / (deficit) from operating activities	15	**(1,068,136)**	**(287,961)**
Finance income	16	1,200,137	1,020,497
Finance costs	17	(74,049)	(37,772)
Surplus / (deficit) for the year		**57,952**	**694,764**
Total comprehensive income		**57,952**	**694,764**

Statement of Changes in Equity

Figures in R	Share premium	Cash flow hedging reserve	Retained surplus	Total
Balance at 1 January 2023	-	-	8,932,783	8,932,783
Changes in equity				
Profit for the year	-	-	694,764	694,764
Total comprehensive income for the year	-	-	694,764	694,764
Balance at 31 December 2023	**-**	**-**	**9,627,547**	**9,627,547**
Balance at 1 January 2024	-	-	9,627,547	9,627,547
Changes in equity				
Profit for the year	-	-	57,952	57,952
Total comprehensive income for the year	-	-	57,952	57,952
Balance at 31 December 2024	**-**	**-**	**9,685,499**	**9,685,499**

Statement of Cash Flows

Figures in R	Notes	2024	2023
Net cash flows from operations	21	**1,645,618**	**900,205**
Finance costs		(74,049)	(37,772)
Finance income		1,200,137	1,020,497
Net cash flows from operating activities		**2,771,706**	**1,882,930**
Cash flows used in investing activities			
Purchase of property, plant and equipment		-	(50,484)
Purchase of intangible assets		-	(456,000)
		-	-
Cash flows used in investing activities		**-**	**(506,484)**
Cash flows from financing activities			
Loan (repaid)/raised		1,930,636	7,539
Loans advanced group A		445,427	-
Cash flows from financing activities		**1,930,636**	**7,539**
Net increase in cash and cash equivalents		**4,702,342**	**1,383,985**
Cash and cash equivalents at beginning of the year		11,675,590	11,818,474
Cash and cash equivalents at end of the year	**8**	**16,377,932**	**13,202,459**

Accounting Policies

1. General information

Chartered Governance Institute of Southern Africa NPC ('the company') is a non-profit company incorporated in South Africa.

2. Summary of significant accounting policies

The annual financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008 of South Africa. The annual financial statements have been prepared on the historical cost basis, except as indicated below, and incorporate the principal accounting policies set out below. They are presented in South African Rands. These accounting policies are consistent with the previous period except where specifically stated. No provision has been made for 2022 taxation as CGISA is exempt from income tax in terms of Section 10(1)(d)(iv)(bb) of the Income Tax Act No 58 of 1962.

2.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Depreciation and useful lives of property, plant and equipment

Depreciation on assets is calculated using the straight-line method to allocate their cost to residual values over the period management expects to use the asset. The actual lives of the assets and residual values are assessed depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining lives of the assets and projected disposable values.

Going concern

Management expects that there will be adequate resources to continue in operational existence for the foreseeable future. Accordingly, the company continues to adopt the going concern basis in preparing its annual financial statements.

Impairment of financials instruments

Loans and receivables

On loans receivable an impairment loss is recognised in the statement of comprehensive income when there is objective evidence that the loan receivable is impaired. Significant financial difficulties, probability that the company will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered as objective evidence of impairment.

The impairment for trade and other receivables is calculated on an individual basis, based on past experience with the third party and any other indication that the amount will not be recovered such as when a debtor enters bankruptcy.

2.2 Property, plant and equipment

Items of property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

Costs include costs incurred initially to acquire an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

An item of property, plant and equipment is derecognised upon disposal or where no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit and loss and is calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the item at the date of derecognition.

During the year, there were no significant changes in the pattern by which the company expects to consume the future economic benefits of property, plant and equipment.

Accounting Policies

Summary of significant accounting policies continued...

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

Category:	**Average Useful lives:**
Motor vehicles	10 Years
Furniture & Fittings	10 Years
Office equipment	5 Years
Computer equipment	3 Years

2.3 Intangible assets

Intangible assets are initially recognised at cost and subsequently recognised at cost less any accumulated amortisation and any accumulated impairment losses.

The cost of an intangible asset includes its purchase price.

Amortisation is provided for all intangible assets on a straight-line basis so as to write down the cost of the intangible assets, on the straight-line basis over their useful lives.

The amortisation charge is recognised through profit and loss as it is incurred. The amortisation period and amortisation method applied to an intangible asset with a useful life is reviewed, and adjusted if necessary, on an annual basis. These changes are accounted for as a change in estimate.

Category:	**Average Useful lives:**
Trademarks	10 Years
Computer Software	3 Years

2.4 Impairment of non-financial assets

The entity determined that there were no indicators of impairment in the years presented.

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.5 Inventories

Inventories are stated at the lower of cost and selling price less costs to sell. Cost is calculated using the first-in, first-out (FIFO) method. Inventories consists of textbooks for resale.

The cost of inventories comprise all costs of purchases, and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the relative revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Accounting Policies

Summary of significant accounting policies continued...

2.6 Financial instruments

Classification

The company classifies financial assets and financial liabilities into the following categories:

- Financial asset at amortised cost
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained or incurred and takes place at initial recognition.

Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments. Financial instruments are measured initially at the transaction price.

Subsequent measurement

Financial assets at amortised cost are subsequently measured at amortised cost, using the effective interest rate method, less accumulated impairment losses. Financial liabilities, classified as financial liabilities measured at amortised cost, are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

Trade Receivables

Trade receivables are classified as financial assets at amortised cost. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade Payables

Trade payables are classified as financial liabilities measured at amortised cost.

Loans Receivable

Loans receivable, classified as financial assets at amortised cost, comprise loans to associated institutes. These are recorded at amortised cost using the effective interest rate method.

Loans Payable

Loans payable, classified as financial liabilities measured at amortised cost, comprise loans from associated institutes.
These are recorded at amortised cost using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of one year or less.

Equity

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Accounting Policies

Summary of significant accounting policies continued...

2.7 Related parties

A related party is related to a company if any of the following situations apply to it:
- Individual control/significant influence: The party is controlled or significantly influenced by a member of key management personnel or by a person who controls the company.
- Key Management: The party is a member of the company's key management personnel.

2.8 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the company's activities.

Revenue is shown net of value-added tax and returns.

The company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the company; and specific criteria have been met for each of the company's activities, as described below:

Membership Subscriptions and Student Fees
Revenue from membership subscriptions and student fees is recognized upon receipt of payment, regardless of the membership period.
This policy is not in line with International Financial Reporting Standard for Small and Medium-sized Entities.

Services Revenue
The service rendered is recognised as revenue by reference to the stage of completion of the transaction at the reporting date.

Events Revenue
Revenue from events are recognised when confirmation of attendance and registration is received.

Royalties
Royalties are recognised on an accrual basis in accordance with the substance of the relevant agreement.

Interest Income
Interest income is recognised using the effective interest method.

Sponsorship Income
Sponsorship income is recognised on the accrual basis in accordance with the substance of the relevant agreements.

2.9 Employee benefits

Short-term employee benefits
The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Summary of significant accounting policies continued...

Defined contribution plans

The policy of CGISA, subject to the rules of the Pension Fund, is to provide retirement benefits for its employees. Current contributions to the defined contribution retirement benefit pension fund are based on a percentage of salaries cost and are charged as an expense in the period in which they are incurred.

For defined contribution plans, the company pays contributions to publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

2.10 Leases

Definition

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred. An operating lease is a lease other than a finance lease.

Operating leases as lessee

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern of the benefit obtained.

2.11 Foreign Currencies

In preparing the financial statements, transactions in currencies other than the Institute's functional currency are recorded at the dates of the transactions. At the balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing at the balance sheet date. Exchange differences are recognised in profit and loss in the period in which they arise. CGI and CSIA annual fees are based in British Pound and United States Dollar respectively. The company's financial currency is the South African Rand (ZAR).

Notes to the Annual Financial Statements

Figures in R **2024** **2023**

3. Property, plant and equipment

	Motor vehicles	Furniture & Fittings	Office equipment	Computer equipment	Total
Reconciliation for the year ended 31 December 2024					
Balance at 1 January 2024					
At cost	144,925	41,014	115,076	501,893	**802,908**
Accumulated depreciation	(144,925)	(41,014)	(102,703)	(461,961)	**(750,603)**
Carrying amount	**-**	**-**	**12,373**	**39,932**	**52,305**
Movements for the year ended 31 December 2024					
Additions from acquisitions	-	-	-	-	**-**
Depreciation	-	-	(11,989)	(34,346)	**(46,335)**
Impairment loss recognised in profit or loss	-	-	-	-	**-**
Revaluation increase (decrease)	-	-	-	-	**-**
Property, plant and equipment at the end of the year	**-**	**-**	**384**	**5,586**	**5,970**
Impairment loss recognised in profit or loss	-	-	-	-	-
Closing balance at 31 December 2024					
At cost	144,925	41,014	115,076	552,194	**853,209**
Accumulated depreciation	(144,925)	(41,014)	(113,783)	(530,450)	**(830,172)**
Carrying amount	**-**	**-**	**1,293**	**21,744**	**23,037**

Reconciliation for the year ended 31 December 2023	Motor vehicles	Furniture & Fittings	Office equipment	Computer equipment	Total
Balance at 1 January 2023					
At cost	144,925	41,014	115,076	485,554	**786,569**
Accumulated depreciation	(144,925)	(41,014)	(90,714)	(451,378)	**(728,031)**
Carrying amount	**-**	**-**	**24,362**	**34,176**	**58,538**
Movements for the year ended 31 December 2023					
Additions from acquisitions	-	-	-	50,484	**50,484**
Depreciation	-	-	(11,989)	(44,727)	**(56,717)**
Closing balance at 31 December 2023					
At cost	144,925	41,014	115,076	501,893	**802,908**
Accumulated depreciation	(144,925)	(41,014)	(102,703)	(461,961)	**(750,603)**
Carrying amount	**-**	**-**	**12,373**	**39,932**	**52,305**

Notes to the Annual Financial Statements

Figures in R	2024	2023

4. Intangible assets

	Trade Marks	Computer Software			Total
Reconciliation for the year ended 31 December 2024					
Balance at 1 January 2024					
At cost	15,000	756,770			**771,770**
Accumulated amortisation	(15,000)	(197,188)			**(212,188)**
Carrying amount	**-**	**559,582**			**559,582**
Acquisitions through internal development	-	-			**-**
Amortisation	-	(258,293)			**(258,293)**
Impairment loss recognised in profit or loss	-	-			**-**
Revaluation increase (decrease)	-	-			**-**
Closing balance at 31 December 2024					
At cost	15,000	3,886,091			**3,901,091**
Accumulated amortisation	(15,000)	(2,966,584)			**(2,981,584)**
Carrying amount	**-**	**919,507**			**919,507**

Reconciliation for the year ended 31 December 2023	**Trade Marks**	**Computer Software**			
Balance at 1 January 2023					
At cost	15,000	2,811,872			**2,826,872**
Accumulated amortisation	(13,500)	(2,517,792)			**(2,531,292)**
Carrying amount	**1,500**	**294,080**			**295,580**
Acquisitions through internal development	-	456,000			**456,000**
Amortisation	(1,500)	(190,498)			**(191,998)**
Intangible assets at the end of the year	**-**	**559,582**			**559,582**
Closing balance at 31 December 2023					
At cost	15,000	756,770			**771,770**
Accumulated amortisation	(15,000)	(197,188)			**(212,188)**
Carrying amount	**-**	**559,582**			**559,582**

5. Inventories

	2024	2023
Merchandise for resale - Textbooks	41,761	41,822

Notes to the Annual Financial Statements

Figures in R	2024	2023

6. Trade and other receivables

Trade receivables	3,998,506	3,079,351
Provision for bad debts	-	-
Trade receivables - net	3,998,506	3,079,351
Sundry debtors	-	-
Prepaid expenses	31,151	43,624
Employee costs in advance	-	-
Total trade and other receivables	**4,357,892**	**3,122,975**

7. Other loans and receivables

Other loans and receivables comprise the following balances

The Chartered Institute of Business Management NPC	(1,928,222)	1,838
The Business Administrators Educational Foundation Trust - Mentor	-	-
	(1,928,222)	1,838

The above loans are unsecured, interest is charged at 5.15% (2023: 5.15%) per annum on month end balance and there are no fixed terms of repayment.

8. Cash and cash equivalents

8.1 Cash and cash equivalents included in current assets:

Cash equivalents		
Cash on hand	(31,803)	2,421
Current Accounts	3,371,399	1,480,389
Call and short term investments	12,174,204	10,199,170
	15,513,800	**11,681,980**

For purposes of the statement of cash flow, cash and cash equivalents comprise the balances disclosed above.
A guarantee of R 222,348, is held by Standard Bank that relates to CGISA lease of property, from Growthpoint Limited.

8.2 Net cash and cash equivalents

Current assets	15,513,800	11,681,980
Current liabilities	-	-
	15,513,800	**11,681,980**

Notes to the Annual Financial Statements

Figures in R	2024	2023

9. Trade and other payables

Trade and other payables comprise:

Trade creditors	7,970	50,122
Income received in advance	897,742	2,111,728
Payroll accruals	248,061	337,910
Unallocated deposits	7,205,929	3,289,910
Value added tax	666,903	43,861
Total trade and other payables	**9,026,605**	**5,833,531**

10. Operating lease liabilities

Operating lease liabilities comprise:

Growthpoint Property Lease - expired 31st July 2023.

Minimum lease payments under operating leases are recognised as an expense during the year.	-	943,912

At year-end, the company has outstanding commitments under non-cancellable operating leases that fall due as follows:

Within one year	-	588,260
Later than one year but within five years	-	-
	-	**588,260**

Notes to the Annual Financial Statements

Figures in R		2024	2023

11. Revenue

Revenue comprises:

Admin and management fees received		172,087	209,627
Advertising Income		-	18,317
Consulting Income		15,000	177,348
Corporate Governance Conference	*	1,569,919	1,194,470
Integrated Reporting Awards	*	758,913	551,220
Member Income		6,088,674	5,541,608
Placements Income		-	90,240
Professional Practice Group Income		398,799	377,900
Royalties		18,883	13,713
Sales - Physical Stock		397,565	291,019
Seminar, Workshop & Webinar Income	*	178,115	506,993
Student Income		10,522,268	8,092,852
Technical Support Package		38,913	30,861
Total revenue		**20,159,136**	**17,096,168**

*** - Sponsorship Income is included in revenue above as follows:**

Corporate Governance Conference	324,096	647,825
Integrated Reporting Awards	185,000	205,000
Webinar Sponsorship	-	122,000
	509,096	974,825

12. Cost of sales

Cost of sales comprise:

Textbooks	71,244	53,662

13. Other income

Other income comprises:

Other income	294,179	452,378
Donation received	943	1,933
Total other income	**295,122**	**454,311**

Other income includes prescription write offs and the boardroom subscription

Notes to the Annual Financial Statements

Figures in R	2024	2023

14. Other gains and (losses)

Other gains and (losses) comprise:

Gain or (loss) on foreign exchange differences on liabilities	(13,815)	(26,716)

15. Surplus / (deficit) from operating activities

Surplus / (deficit) from operating activities includes the following separately disclosable items

Other operating expenses		
Property plant and equipment		
- depreciation	45,425	56,717
Intangible assets		
- amortisation	258,293	191,998
Employee costs	8,746,671	8,233,789
Municipal charges	429,205	433,814
International Capitation fees	449,999	432,735
Operating lease expense - January - July 2023	550,615	716,831
Rent paid - August - December 2023	310,262	-
Repairs and maintenance	223,255	367,301
Student expenses	1,296,731	1,272,175
Webinar, seminars and workshop expenses	120,853	312,024
Audit fees		
Auditors remuneration - Fees	113,727	420,554

16. Interest Income

Interest income comprises:

Interest received on call accounts	1,198,075	1,018,526
Interest received - The Chartered Institute of Business Management NPC	1,752	1,471
Interest received - The Business Administration Educational Foundation Trust - Mentor	2	-
Interest on staff loans	308	500
Total finance income	**1,200,137**	**1,020,497**

Notes to the Annual Financial Statements

Figures in R	2024	2023

17. Finance costs

Finance costs included in profit or loss:

Interest paid - suppliers	0	42
Alexander Forbes interest paid	50	-
SARS - Penalties and interest	5,043	10,844
Interest paid - The Chartered Institute of Business Management NPC	1,143	37
Interest paid - The Business Administration Educational Foundation Trust - Mentor	31,536	33,840
Total finance costs	**37,772**	**44,763**

18. Related parties

Membership and webinar income / expenses etc from Directors as follows:

- A Maskell (FCG membership) – R5 950 (2023: R4 878.26)
- A Maskell (Webinar income) – R0 (2023: R848.70)
- A Mattiuzzo (ACG membership) – R5 160 (2023: R4 230.43)
- C Lewis (FCG membership) – R5 950 (2023: R4 878.26)
- C Lewis (Discount allowed) – R0 (2023: R195.13)
- D da Silva (FCG membership) – R5 950 (2023: R4 878.26)
- D da Silva (Discount allowed) – R0 (2023: R195.13)
- J Rosenberg (FCG membership) – R5 950 (2023: R4 878.26)
- J Rosenberg (Sales of physical stock) – R0 (2023: R1 217.40)
- L Mngomezulu (FCG membership) – R5 950 (2023: R4 878.26)
- L Mngomezulu (Discount allowed) – R0 (2023: R195.13)
- L Roos (FCG membership) – R5 950 (2023: R4 878.26)
- L Roos (Sales of physical stock) – R0 (2023: R1 217.40)
- L Roos (Webinar income) – R0 (2023: R674.78)
- S Akala (PPG membership) – R1205 (2023: R930.43)
- S Akala (FCG membership) – R6 310 (2023:R4 878.26)
- S Akala (Discount allowed) – R252.40 (2023: R232.35)
- S Giuricich (FCG membership) – R5 950 (2023: R4 878.26)
- S Giuricich (PPG membership) – R1 135 (2023: R930.43)
- S Mbhamali (FCG membership) – R5 173.91 (2023: R4 878.26)
- S Mbhamali (PPG membership) – R986.96 (2023: R930.43)

Notes to the Annual Financial Statements

Figures in R	2024	2023

Related parties continued...

18.1 Compensation paid to directors and prescribed officers

Name	Salaries, bonuses, leave paid and performance related payments	Pensions paid or receivable	Other pension scheme contributions	Medical aid contribution	Total remuneration
Stephen Sadie CEO - Executive Director	1,654,208	153,045	59,415	169,712	2,036,381

18.2 Related party transactions and balances

Year ended 31 December 2024
year ended 31 December 2023

19. Taxation

No provision has been made for 2023 taxation as CGISA is exempt from income tax in terms of Section 10(1)(d)(iv)(bb) of the Income Tax Act No 58 of 1962.

20. Going concern

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

21. Cash flows from operating activities

	2024	2023
Surplus / (deficit) for the year	**57,952**	**694,764**
Adjustments for:		
Finance income	(1,200,137)	(1,020,497)
Finance costs	74,049	37,772
Depreciation and amortisation expense	303,718	248,714
Change in operating assets and liabilities:		
decrease / (increase) in inventories	61	(20,040)
(increase) / decrease in trade receivable	(1,228,527)	97,225
increase in trade payable	3,638,501	862,267
Net cash flows from operations	**1,645,618**	**900,205**

Detailed Income Statement

Figures in R	Notes	2024	2023
Revenue	11		
Admin and management fees		172,087	209,627
Advertising		-	12,817
Corporate Governance Conference		1,569,919	1,421,764
Consulting income		15,000	177,348
Integrated Reporting Awards		758,913	596,826
Membership income		6,088,674	5,634,584
Placement income		-	316,150
Professional Practice Group Incme		398,799	407,483
Royalties		18,883	13,713
Sales - Physical stock		397,565	291,019
Seminar, Workshop & Webinar Income		178,115	531,889
Student Income		10,522,268	9,079,068
Technical Support Package		38,913	37,567
		20,159,136	**18,729,855**
Gross profit		**20,087,892**	**18,676,193**
Other income	13		
Other income		295,122	454,311
Administrative expenses			
Admin and selling expenses		-	(3,276)
Auditors remuneration - Fees		(113,727)	(420,554)
Bank charges		(115,651)	(122,812)
Computer expenses		(486,385)	(838,869)
Subscriptions		(38,409)	(95,560)
Telecommunication		(189,172)	(161,832)
		(943,344)	**(1,642,903)**
Other expenses			
Advertising		(1,239,590)	(950,994)
Amortisation - intangible assets		(258,293)	(191,998)
Bad debts		(3,697,066)	-
Boardroom Magazine		(305,200)	(296,640)
Cleaning		(31,445)	(41,963)
Consulting fees		(340,814)	(242,834)
Depreciation - property, plant and equipment		(45,425)	(56,716)
Discount allowed		(46,118)	(51,082)
Employee costs - casual wages		(215,627)	(340,385)
Employee costs - salaries		(8,531,044)	(7,893,404)
Event expenses		(1,246,691)	(1,519,220)

Detailed Income Statement

Figures in R	Notes	2024	2023
Gifts		(16,919)	(24,843)
Hire - Equipment		(17,983)	(19,200)
Insurance		(99,934)	(61,276)
International Capitation Fees		(449,999)	(432,735)
International Council Fees		(26,398)	(94,049)
International Initiatives		(161,228)	(185,267)
Legal expense		(293,244)	(38,198)
Meeting expenses		(8,640)	(17,173)
Motor vehicle expense		(19,068)	(23,822)
Municipal charges		(429,205)	(433,814)
Operating lease expenses		(410,319)	(716,831)
Other expenses		(10,796)	475
Placements expense		-	(60,710)
Postage		(157,746)	(115,574)
Printing and stationery		(183,045)	(82,630)
Recruitment fees		(222,921)	(93,500)
Rent		(310,262)	-
Repairs and maintenance		(225,522)	(367,301)
Security		(14,577)	(9,523)
Small assets - below R5000		(10,800)	(16,709)
Staff catering expenses		(25,978)	(18,207)
Student expenses		(1,296,731)	(1,272,175)
Training		-	(58,508)
Travel - Local		(24,510)	(45,308)
Travel - Overseas		-	(31,021)
Webinar_Seminar_Workshop expenses		(120,853)	(312,024)
		(20,493,991)	**(16,115,159)**
Other gains and losses	14		
Forex gain or loss - trade and other payables		(13,815)	(26,716)
(Loss) / profit from operating activities	15	**(1,068,136)**	**1,345,726**
Finance income	16		
Interest received		1,200,137	1,020,497
Finance costs	17		
Interest paid		(74,049)	(37,772)
Profit for the year		**57,952**	**2,328,451**

The supplementary information presented does not form part of the annual financial statements and is unaudited