

**CHARTERED FINANCIAL ANALYST SOCIETY OF SOUTH AFRICA**  
**(Registration number 2011/011107/08)**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

These annual financial statements were prepared by:  
Mazars

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.

**Chartered Financial Analyst Society of South Africa**  
**(Registration number: 2011/011107/08)**  
**Annual Financial Statements for the year ended 31 August 2023**  
**General Information**

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	The company serves investment management professionals with educational, ethical and certification programs
<b>Directors</b>	T Chataika AH Chijikwa N Comninos CB Cremen (Secretary) CL Dyers R Ganie JS Henry (President) S Khan T Mashigo (Vice President) L Moni D Naidoo N Okello JD Van Wyk (Treasurer)
<b>Executive Office</b>	L Hawkins
<b>Business address</b>	The Pivot Block E, 1st Floor Montecasino Boulevard Fourways 2191
<b>Bankers</b>	Bidvest Bank Limited
<b>Auditors</b>	Mazars Registered Auditors
<b>Secretary</b>	CB Cremen
<b>Company registration number</b>	2011/011107/08
<b>Level of assurance</b>	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
<b>Preparer</b>	The annual financial statements were independently compiled by: Mazars
<b>Issued</b>	20 November 2023

**Chartered Financial Analyst Society of South Africa**  
**(Registration number: 2011/011107/08)**  
**Annual Financial Statements for the year ended 31 August 2023**  
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The reports and statements set out below comprise the annual financial statements presented to the members:

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**Chartered Financial Analyst Society of South Africa**  
**(Registration number: 2011/011107/08)**  
**Annual Financial Statements for the year ended 31 August 2023**  
**Directors' Responsibilities and Approval**

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The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied 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 board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the 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 directors have reviewed the company's cash flow forecast for the year to 31 August 2024 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 10 - 9.

The annual financial statements set out on pages 10 to 16, which have been prepared on the going concern basis, were approved by the board on 20 November 2023 and were signed on its behalf by:



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**Director**

**Chartered Financial Analyst Society of South Africa**  
**(Registration number: 2011/011107/08)**  
**Annual Financial Statements for the year ended 31 August 2023**  
**Directors' Report**

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The directors present their report for the year ended 31 August 2023.

**1. Incorporation**

The Chartered Financial Analyst Society of South Africa was incorporated on 01 July 2001 and converted to a non-profit company in 2011. It is affiliated to the CFA Institute, based in Charlottesville, Virginia, USA.

**2. Review of activities**

The principle activities of the company is that of leading the local investment industry in the highest standards of ethical practices and professional standards. The activities broadly fall into three categories: develop future professionals through relevant and accessible credentialing programs (incl. beyond the country borders into Southern Africa), deliver member value that accelerates members' professional success and build market integrity through industry engagement and adoption of standards that improve investor outcomes.

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

**3. Directors**

The directors in office at the date of this report are as follows:

<b>Directors</b>	<b>Changes</b>
T Chataika	Appointed 01 September 2022
AH Chijikwa	
N Comninos	Appointed 01 September 2023
CB Cremen (Secretary)	
CL Dyers	
R Ganie	
D Govender	Resigned 31 August 2023
JS Henry (President)	
S Khan	Appointed 01 September 2023
T Mashigo (Vice President)	
L Moni	
D Naidoo	
N Okello	Appointed 01 September 2023
D Semwayo	Resigned 31 August 2023
JD Van Wyk (Treasurer)	

**4. Events after the reporting period**

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

**5. Going concern**

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

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

**6. Auditors**

Mazars continued in office as the independent auditors for the company for 2023.

**7. Secretary**

The company secretary is CB Cremen.

Business address

The Pivot  
Block E, 1st Floor  
Montecasino Boulevard  
Fourways  
2191

# Chartered Financial Analyst Society of South Africa

## Independent Auditor's Report

31 August 2023

Registered Auditor – A firm of Chartered Accountants (SA) • IRBA Registration Number 900222

Partners: MV Ninan (Country Managing Partner), C Abrahamse, SJ Adlam, F Albertus, JPMP Atwood, JM Barnard, AK Batt, T Beukes, WI Blake, HL Burger, MJ Cassan, JC Combrink, JR Comley, GJ De Beer, TVDL De Vries, G Deva, Y Dockrat, DS Dollman, S Doolabh, A Driscoll, CP Du Plessis, J Du Plessis, M Edelberg, JJ Eloff, T Erasmus, Y Ferreira, MH Fisher, T Gangen, M Groenewald, J Heathcote-Hacker, K Hoosain, MY Ismail, B Jansen, J Kasan, D Keeve, CN Kelton, J Marais, N Mayat, B Mbunge, G Molyneux, A Moruck, R Murugan, S Naidoo, GJ Oberholster, MG Odendaal, W Olivier, MV Patel, M Pieterse, E Pretorius, W Rabe, N Ravele, D Resnick, L Roeloffze, M Saayman, MA Salee, E Sibanda, MR Snow, SM Solomon, W Sterley, EM Steyn, HH Swanepoel, AL Swartz, DM Tekie, MJA Teuchert, N Thelander, S Truter, PC van der Merwe, R van Molendorff, JC Van Tubbergh, N Volschenk, S Vorster, J Watkins-Baker

Our offices: Bloemfontein, Cape Town, Durban, George, Gqeberha, Johannesburg, Paarl, Pretoria

## Chartered Financial Analyst Society of South Africa

The Pivot, Block E, 1<sup>st</sup> Floor  
Montecasino Boulevard, Fourways  
2191

## Independent Auditor's Report

31 August 2023

*To the Members of Chartered Financial Analyst Society of South Africa*

# Report on the Audit of the Financial Statements<sup>1</sup>

## Opinion

We have audited the financial statements of Chartered Financial Analyst Society of South Africa set out on pages 10 to 16, which comprise the statement of financial position as at 31 August 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Chartered Financial Analyst Society of South Africa as at 31 August 2023, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

## 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 Financial Statements* section of our report. We are independent of the 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.

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Chartered Financial Analyst Society of South Africa Annual Financial Statements for the year ended 31 August 2023", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's reports thereon.



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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Financial Statements

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

In preparing the 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 company or to cease operations, or have no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditor's report. This description, which is located at page 9, forms part of our auditor's report.

A handwritten signature in black ink, appearing to read 'Mazars' with a stylized flourish at the end.

**Mazars**

**Partner: JJ Eloff**

**Registered Auditor**

**20 November 2023**

**Pretoria**

## Auditor's Responsibilities for the Audit of the Financial Statements

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 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 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 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 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

**Chartered Financial Analyst Society of South Africa**  
**(Registration number: 2011/011107/08)**  
**Annual Financial Statements for the year ended 31 August 2023**  
**Statement of Financial Position as at 31 August 2023**

<b>Figures in Rand</b>	<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>Assets</b>			
<b>Current Assets</b>			
Trade and other receivables	2	240,340	1,015,173
Cash and cash equivalents	3	7,813,275	3,032,073
<b>Total Assets</b>		<b>8,053,615</b>	<b>4,047,246</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated Surplus		7,708,468	3,840,707
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	345,147	206,539
<b>Total Equity and Liabilities</b>		<b>8,053,615</b>	<b>4,047,246</b>

Chartered Financial Analyst Society of South Africa  
(Registration number: 2011/011107/08)  
Annual Financial Statements for the year ended 31 August 2023  
Statement of Comprehensive Income

Figures in Rand	Notes	2023	2022
Revenue	7	9,863,154	4,988,991
Other income		942,823	371,200
Operating expenses		(7,153,303)	(5,571,042)
<b>Operating surplus/(deficit)</b>		<b>3,652,674</b>	<b>(210,851)</b>
Investment revenue	8	215,087	130,924
<b>Surplus/ (Deficit) for the year</b>		<b>3,867,761</b>	<b>(79,927)</b>

Chartered Financial Analyst Society of South Africa  
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Annual Financial Statements for the year ended 31 August 2023  
Statement of Changes in Equity

Figures in Rand	Accumulated Surplus	Total equity
Balance at 01 September 2021	3,920,634	3,920,634
Deficit for the year	(79,927)	(79,927)
Balance at 01 September 2022	3,840,707	3,840,707
Surplus for the year	3,867,761	3,867,761
Balance at 31 August 2023	7,708,468	7,708,468
Note	4	

Chartered Financial Analyst Society of South Africa  
(Registration number: 2011/011107/08)  
Annual Financial Statements for the year ended 31 August 2023  
Statement of Cash Flows

Figures in Rand	Notes	2023	2022
<b>Cash flows from operating activities</b>			
Cash generated from (used in) operations	9	4,566,115	(3,265,763)
Interest income		215,087	130,924
<b>Net cash from operating activities</b>		<b>4,781,202</b>	<b>(3,134,839)</b>
<b>Total cash movement for the year</b>		<b>4,781,202</b>	<b>(3,134,839)</b>
Cash at the beginning of the year		3,032,073	6,166,913
<b>Total cash at end of the year</b>	3	<b>7,813,275</b>	<b>3,032,074</b>

## **General information**

Chartered Financial Analyst Society of South Africa is a non-profit company incorporated in South Africa.

### **1. Summary of significant accounting policies**

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa. The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in South African Rands.

#### **1.1 Revenue**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and/or services in the ordinary course of the company's activities. Revenue is shown net of returns and discounts.

The company recognises revenue when:

- the amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity; and
- the amount can be measured reliably.

#### **Interest income**

Interest is recognised, in profit or loss, using the effective interest rate method.

#### **1.2 Trade and other receivables**

Trade and other receivables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest rate method, if material.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

#### **1.3 Cash and cash equivalents**

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

#### **1.4 Trade and other payables**

Trade and other payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest rate method, if material.

**Chartered Financial Analyst Society of South Africa**  
**(Registration number: 2011/011107/08)**  
**Annual Financial Statements for the year ended 31 August 2023**  
**Notes to the Annual Financial Statements**

<b>Figures in Rand</b>	<b>2023</b>	<b>2022</b>
<b>2. Trade and other receivables</b>		
Trade receivables	240,340	242,548
Value-added Tax	-	772,625
	<b>240,340</b>	<b>1,015,173</b>
The SARS VAT debtor was impaired by R831,702 in the current year.		
<b>3. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Bidvest - Call Account	290,611	1,976,981
Bidvest - Current Account	979,467	286,291
Bidvest - Project Funding	4,918,185	238,591
Bidvest - 41 day Notice Account	1,625,012	530,210
	<b>7,813,275</b>	<b>3,032,073</b>
<b>4. Accumulated Surplus</b>		
The Society is required in terms of its constitution to utilize its funds solely for the objectives for which it has been established. On winding up or liquidation it is also obliged to transfer any remaining assets to a society or association with objects similar to its own.		
<b>5. Trade and other payables</b>		
Trade payables	237,010	71,133
Value-added Tax	36,399	-
Leave pay provision	27,051	105,283
Sundry payables	44,687	30,123
	<b>345,147</b>	<b>206,539</b>
<b>6. Income Tax Expense</b>		
The Society has been registered for taxation. Receipts and accruals to the Society are exempt from income tax in terms of section 10(1)(d)(iv)(bb) of the Income Tax Act and donations by or to the Society are exempt from donations tax in terms of section 56(1)(h) of the aforementioned Act.		
<b>7. Revenue</b>		
SADC Outreach	3,429,176	527,753
Subscriptions	3,917,969	2,105,194
Operational Funding	2,385,191	2,345,159
Programmes and events	130,818	10,885
	<b>9,863,154</b>	<b>4,988,991</b>
<b>8. Investment revenue</b>		
Interest revenue		
Bank	215,087	130,924



**Chartered Financial Analyst Society of South Africa**  
**(Registration number: 2011/011107/08)**  
**Annual Financial Statements for the year ended 31 August 2023**  
**Notes to the Annual Financial Statements**

<b>Figures in Rand</b>	<b>2023</b>	<b>2022</b>
<b>9. Cash generated from (used in) operations</b>		
Profit (loss) before taxation	3,867,761	(79,927)
<b>Adjustments for:</b>		
Interest received	(215,087)	(130,924)
<b>Changes in working capital:</b>		
Trade and other receivables	774,833	(665,100)
Trade and other payables	138,608	(2,389,812)
	<b>4,566,115</b>	<b>(3,265,763)</b>

**10. Going concern**

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

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

**Chartered Financial Analyst Society of South Africa**  
**(Registration number: 2011/011107/08)**  
**Annual Financial Statements for the year ended 31 August 2023**  
**Detailed Income Statement**

<b>Figures in Rand</b>	<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>Revenue</b>			
SADC Outreach		3,429,176	527,753
Subscriptions		3,917,969	2,105,194
Operational Funding		2,385,191	2,345,159
Programmes and events		130,818	10,885
	7	<b>9,863,154</b>	<b>4,988,991</b>
<b>Other income</b>			
Conferences		663,405	312,387
Research challenge		279,418	58,813
		<b>942,823</b>	<b>371,200</b>
<b>Operating expenses</b>			
Accounting fees		203,623	123,839
Bank charges		20,114	30,673
Candidate preparation		442,846	318,986
Conferences, Programme and events		2,040,544	2,067,526
Employee costs		2,229,827	2,168,585
Impairment of VAT debtor		831,702	-
Managed office expenditure		286,348	292,187
Marketing and communication		1,098,299	569,246
		<b>7,153,303</b>	<b>5,571,042</b>
<b>Operating profit (loss)</b>		<b>3,652,674</b>	<b>(210,851)</b>
Investment income	8	215,087	130,924
<b>Total comprehensive income (loss) for the year</b>		<b>3,867,761</b>	<b>(79,927)</b>