

## Financial Summary

### March 2020 to February 2021



During the 2019/2020 reporting period DECO Accounting Services acted as the auditor, and Hendrik Venter was the bookkeeper. Both parties also acted in these capacities in the previous term. The reporting period was 1 March 2020 to 29 February 2021.

For the fiscal year under review, revenue decreased to R 865,100 (-45% year-on-year), likewise operating costs declined to R574,926 (40%) resulting in a net profit of R290,560 for the year.

Paul Kibuuka SAMRA Treasurer

Revenues resulted from the following areas:

	2018/2019	2019/2020	2020/2021	Change
Membership	R974 477	R988 973	R835 520	-15.5%
Annual Conference	R559 020	R465 778	R0	-100%
Publications	R62 200	R3 500	R0	-100%
Professional Recognition	R49 770	R96 213	R35 980	-62.6%
Professional Development Event/s	R32 960	R0	R0	-100%
Advertising through SAMRA	R9 800	R9 600	(R6 400)	-166.7%
Database Subscription	R1 500	R0	R0	0%
Code of Conduct Introduction	R24 000	R0	R0	0%
<b>TOTAL</b>	<b><u>R1 713 727</u></b>	<b><u>R1 564 064</u></b>	<b><u>R 865 100</u></b>	<b>-44.7%</b>

The major contributors to the decline in revenue were the annual conference and publications. New or returning sources of revenue, such as the code of conduct introduction and professional recognition, did not make up for this deficit.

The cost of sale (COS) associated with the revenue generated decreased significantly by 96% to R15,000. The largest part of this cost can be attributed to the annual conference expenses, which at R0 declined by 100% compared to costs for the conference in the previous period. The resultant gross profit ends 26% lower than for 2019/2020.

Operating expenses shrunk by 40% as a result of conservative spending and active cost management. Specifically, large expense areas were either maintained at the previous year's level or decreased. The largest expense being salary costs that decreased by -56% however the write-off of bad debts as per board resolution to write-off bad debts older than one year led to an increase in the item by 786%.

Current assets increased from R739,752 in 2019/2020 to R1,055,911, a 43% increase. At the same time current liabilities increased from R60,714 to R83,441. Consistent with previous years cash and cash equivalents make up the largest share of assets at R1,026,763 for this period, while trade and other payables remain the only current liability. The retained earnings increased by 42% to reach R977,561.

The result of the foregoing is a situation where SAMRA made a profit the second consecutive year after incurring a deficit for the previous three fiscal years in a row. Nevertheless, revenue has not grown over the last three years, though expenses have started to decline significantly resulting in a profitable period. The new strategic plan that includes a focus on lowering employee costs, managing membership arrears, online engagement and delivery of services is an attempt to turn this situation around. This, coupled with a strong revenue focus, remain the key financial objectives of the organisation.