

Pretoria Institute for Architecture

**Annual Financial Statements
for the year ended 30 June 2023**

Independently Reviewed Financial Statements
in compliance with the Nonprofit Organisation Act of South Africa

Pretoria Institute for Architecture

Annual Financial Statements for the year ended 30 June 2023

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Pretoria Institute for Architecture

Annual Financial Statements for the year ended 30 June 2023

General Information

Country of Incorporation and Domicile	South Africa
Nature of Business and Principal Activities	The nonprofit organisation is a voluntary association to promote the architectural profession in Pretoria.
Executive committee members	C McCusker (Ms) D Werkman (Ms) J Malan D Verbeek
Business Address	273 Tram Street Nieuw Muckleneuk Pretoria 0181
Postal Address	P O Box 35161 Menlo Park 0102
Bankers	ABSA Bank of SA
Tax Number	9145497161
Reviewers	Acctiva Accounting Glenwood Office Park 266 Sprite Avenue Faerie Glen 0181

Pretoria Institute for Architecture

Annual Financial Statements for the year ended 30 June 2023

Executive committee members' Responsibilities and Approval

The executive committee members are required by the Nonprofit Organisation 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 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 nonprofit organisation, and explain the transactions and financial position of the business of the nonprofit organisation at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the nonprofit organisation and supported by reasonable and prudent judgements and estimates.

The executive committee members acknowledge that they are ultimately responsible for the system of internal financial control established by the nonprofit organisation and place considerable importance on maintaining a strong control environment. To enable the executive committee members to meet these responsibilities, the executive committee members 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 nonprofit organisation and all employees are required to maintain the highest ethical standards in ensuring the nonprofit organisation's business is conducted in a manner that in all reasonable circumstances is above reproach.

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

The executive committee members 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 executive committee members have no reason to believe that the nonprofit organisation will not be a going concern in the foreseeable future. The annual financial statements support the viability of the nonprofit organisation.

The independent reviewers are responsible for independently reviewing and reporting on the nonprofit organisation's annual financial statements. The independent reviewers report is presented on page 5.

The annual financial statements set out on pages 6 to 17, and the supplementary information set out on pages 18 to 19 which have been prepared on the going concern basis, were approved by the executive committee members and were signed on 11 October 2023 on their behalf by:



C McCusker (Ms)
President



MD van Wyk (Mrs)
Executive Officer

Pretoria Institute for Architecture

Annual Financial Statements for the year ended 30 June 2023

Executive committee members' Report

The executive committee members present their report for the year ended 30 June 2023.

1. Review of activities

Main business and operations

The nonprofit organisation is a voluntary association to promote the architectural profession in Pretoria. There were no major changes herein during the year.

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

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.

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.

The executive committee members are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the nonprofit organisation.

4. Executive committee members

The executive committee members of the nonprofit organisation during the year and up to the date of this report are as follows:

C McCusker (Ms)

D Werkman (Ms)

J Malan

D Verbeek

5. Independent Reviewers

Acctiva Accounting were the independent reviewers for the year under review.

Report of the Independent Reviewer

To the Executive committee members of Pretoria Institute for Architecture

We have reviewed the financial statements of Pretoria Institute for Architecture set out on pages 6 to 17, which comprise the statement of financial position as at 30 June 2023, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Executive committee members' Responsibility for the Annual Financial Statements

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

Independent Reviewer's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

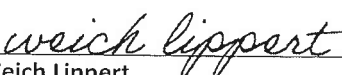
The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Pretoria Institute for Architecture as at 30 June 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 Nonprofit Organisation Act of South Africa.

Acctiva Accounting

11 October 2023


Per: Weich Lippert
Director
Chartered Accountant CA (SA)

Glenwood Office Park
266 Sprite Avenue
Faerie Glen
0081

Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Statement of Financial Position

Figures in R

	Notes	2023	2022
Assets			
Non-current assets			
Property, plant and equipment	3	18,219	-
Current assets			
Inventories	4	30,105	39,887
Trade and other receivables	5	2,468	-
Cash and cash equivalents	6	4,119,273	3,974,592
Total current assets		4,151,846	4,014,479
Total assets		4,170,065	4,014,479
Equity and liabilities			
Equity			
Accumulated surplus		4,000,231	3,800,232
Liabilities			
Current liabilities			
Trade and other payables	7	169,834	214,247
Total equity and liabilities		4,170,065	4,014,479

Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Statement of Comprehensive Income

Figures in R

	Notes	2023	2022
Revenue	8	1,265,906	1,203,511
Cost of sales	9	(38,810)	(69,113)
Gross surplus		1,227,096	1,134,398
Other income	10	897,703	889,713
Administrative expenses	11	(180,592)	(185,472)
Other expenses	12	(2,072,535)	(1,920,094)
Other gains and (losses)	13	22,527	-
Deficit from operating activities	14	(105,801)	(81,455)
Finance income	15	305,806	171,970
Finance costs	16	(6)	(1)
Surplus for the year		199,999	90,514

Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Statement of Changes in Equity

Figures in R	Accumulated surplus	Total
Balance at 1 July 2021	3,709,718	3,709,718
Changes in equity		
Surplus for the year	90,514	90,514
Total comprehensive income for the year	90,514	90,514
Balance at 30 June 2022	3,800,232	3,800,232
Balance at 1 July 2022	3,800,232	3,800,232
Changes in equity		
Surplus for the year	199,999	199,999
Total comprehensive income for the year	199,999	199,999
Balance at 30 June 2023	4,000,231	4,000,231

Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Statement of Cash Flows

Figures in R

	Note	2023	2022
Cash flows (used in) / from operations			
Surplus for the year		199,999	90,514
Adjustments to reconcile surplus			
Adjustments for finance income		(305,806)	(171,970)
Adjustments for finance costs		6	1
Adjustments for decrease / (increase) in inventories		9,782	(5,622)
Adjustments for decrease in trade accounts receivable		-	950
Adjustments for (increase) / decrease in other operating receivables		(2,468)	12,145
Adjustments for (decrease) / increase in trade accounts payable		(263)	11,582
Adjustments for (decrease) / increase in other operating payables		(44,150)	67,384
Adjustments for depreciation and amortisation expense		18,133	2,709
Adjustments for gains and losses on disposal of non-current assets		(22,527)	-
Income tax penalties paid		1,344	-
Total adjustments to reconcile surplus		(345,949)	(82,821)
Net cash flows (used in) / from operations		(145,950)	7,693
Interest paid		(6)	(1)
Interest received		305,806	171,970
Income taxes paid		(2,688)	-
Net cash flows from operating activities		157,162	179,662
Cash flows used in investing activities			
Proceeds from sales of property, plant and equipment		22,527	-
Purchase of property, plant and equipment		(36,352)	-
Cash flows used in investing activities		(13,825)	-
Net increase in cash and cash equivalents		143,337	179,662
Cash and cash equivalents at beginning of the year		3,974,592	3,794,930
Cash and cash equivalents at end of the year	6	4,117,929	3,974,592

Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements of Pretoria Institute for Architecture have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Nonprofit Organisation Act of South Africa. The financial statements have been prepared under the historical cost convention. They are presented in South African Rand.

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the nonprofit organisation's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

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.

1.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the executive committee members.

The nonprofit organisation adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the nonprofit organisation. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to surplus or deficit during the period in which they are incurred.

Asset class	Useful life
Furniture and fittings	6
Office equipment	5
Computer equipment	3
Computer software	2

1.2 Financial instruments

Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the nonprofit organisation will not be able to collect all amounts due according to the original terms of the receivables.

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 three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

1.3 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises packaging costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

1.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

Revenue is derived from the invoiced value of subscriptions received. Revenue in the form of subscriptions is recognised when the person subscribes to the institute according to institute rules.

Revenue from the sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been transferred to the buyer, the entity has effective control over the goods sold and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Furthermore, revenue is recognised net of any returns of goods.

1.5 Borrowing costs

All borrowing costs are recognised in surplus or deficit in the period in which they are incurred.

2. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Notes to the Financial Statements

Figures in R

3. Property, plant and equipment

Balances at year end and movements for the year

Reconciliation for the year ended 30 June 2023

Balance at 1 July 2022

At cost

Accumulated depreciation

Carrying amount

	Furniture and fittings	Office equipment	Computer equipment	Computer software	Professional books	Total
Balance at 1 July 2022	319,133	72,580	67,468	9,480	3,149	471,810
At cost	(319,133)	(72,580)	(67,468)	(9,480)	(3,149)	(471,810)
Accumulated depreciation	-	-	-	-	-	-
Carrying amount	-	-	-	-	-	-

Movements for the year ended 30 June 2023

Additions from acquisitions

Depreciation

Property, plant and equipment at the end of the year

Additions from acquisitions	-	2,955	33,397	-	-	36,352
Depreciation	-	(2,955)	(15,178)	-	-	(18,133)
Property, plant and equipment at the end of the year	-	-	18,219	-	-	18,219

Closing balance at 30 June 2023

At cost

Accumulated depreciation

Carrying amount

Closing balance at 30 June 2023	319,133	43,502	86,429	9,480	3,149	461,693
At cost	(319,133)	(43,502)	(68,210)	(9,480)	(3,149)	(443,474)
Accumulated depreciation	-	-	-	-	-	-
Carrying amount	-	-	18,219	-	-	18,219

Reconciliation for the year ended 30 June 2022

Balance at 1 July 2021

At cost

Accumulated depreciation

Carrying amount

Balance at 1 July 2021	319,133	72,580	67,468	9,480	3,149	471,810
At cost	(319,133)	(72,580)	(64,759)	(9,480)	(3,149)	(469,101)
Accumulated depreciation	-	-	-	-	-	-
Carrying amount	-	-	2,709	-	-	2,709

Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Notes to the Financial Statements

Figures in R

Property, plant and equipment continued...

Movements for the year ended 30 June 2022

Depreciation	1	-	(2,709)	-	-	(2,708)
Property, plant and equipment at the end of the year	1	-	-	-	-	1

Closing balance at 30 June 2022

At cost	319,133	72,580	67,468	9,480	3,149	471,810
Accumulated depreciation	(319,133)	(72,580)	(67,468)	(9,480)	(3,149)	(471,810)
Carrying amount	-	-	-	-	-	-

Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Notes to the Financial Statements

Figures in R

2023

2022

4. Inventories

Inventories comprise:

Stock on hand	30,105	39,887
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5. Trade and other receivables

Trade and other receivables comprise:

Value added tax	2,468	-
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6. Cash and cash equivalents

6.1 Cash and cash equivalents included in current assets:

Cash

Cash on hand	676	473
Balances with banks	4,118,597	3,974,119
Total	4,119,273	3,974,592

6.2 Net cash and cash equivalents

Current assets	4,119,273	3,974,592
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6.3 Detail of cash and cash equivalent balances

Bank balances

Cheque account	67,786	29,114
PIA Student account	1,088	1,040
Money Market	4,049,723	3,943,965
Total	4,118,597	3,974,119

Cash on hand

Cash on hand	376	173
Documents float	300	300
Total	676	473

7. Trade and other payables

Trade and other payables comprise:

Trade creditors	29,684	29,947
Sundry creditors	14,455	21,676
Income received in advance	125,695	129,756
Value added tax	-	32,868
Total trade and other payables	169,834	214,247

Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Notes to the Financial Statements

Figures in R

2023

2022

8. Revenue

Revenue comprises:

Sale of goods	48,433	82,048
Fees received	1,217,473	1,121,463
Total revenue	1,265,906	1,203,511

9. Cost of sales

Cost of sales comprise:

Sale of goods	38,810	69,113
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10. Other income

Other income comprises:

Sundry income	893,253	887,063
Other income	4,450	2,650
Total other income	897,703	889,713

11. Administrative expenses

Administrative expenses comprise:

Accounting fees	72,163	70,900
Reviewers fees	-	11,500
Bank charges	24,663	25,100
Computer expenses	25,806	18,815
Subscriptions	28,615	29,549
Telecommunication	29,345	29,608
Total administrative expenses	180,592	185,472

Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Notes to the Financial Statements

Figures in R

2023

2022

12. Other expenses

Other expenses comprise:

Advertising	69,939	28,383
Awards	10,500	8,500
Cleaning	2,171	1,346
Courses and forums expenses	427,682	420,682
Depreciation	18,133	2,709
Employee benefit expenses	1,052,056	1,049,328
Fines and penalties	1,344	-
Gifts	8,188	9,294
Insurance	12,228	12,924
Members education and exhibition	18,283	13,674
Operating lease expense	357,467	337,233
Postage	583	509
Printing and stationery	7,189	7,584
Professional fees	15,000	825
Refreshments and entertainment	37,556	18,755
Repairs and maintenance	9,673	3,000
Sponsorships	14,139	-
Storage	3,815	4,426
Travel - Local	6,589	922
Total other expenses	2,072,535	1,920,094

13. Other gains and (losses)

Other gains and (losses) comprise:

Gain or (loss) on disposal of assets	22,527	-
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14. Deficit from operating activities

Deficit from operating activities includes the following separately disclosable items

Other operating expenses

Property plant and equipment - depreciation	18,133	2,709
Leases - operating lease minimum lease rentals	357,467	337,233

15. Finance income

Finance income comprises:

Interest received	305,806	171,970
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Pretoria Institute for Architecture

Financial Statements for the year ended 30 June 2023

Notes to the Financial Statements

Figures in R

2023

2022

16. Finance costs

Finance costs included in surplus or deficit:

Trade and other payables

6

1

Pretoria Institute for Architecture

Annual Financial Statements for the year ended 30 June 2023

Detailed Income Statement

Figures in R	Notes	2023	2022
Revenue	8		
Income from sale of documents and books		48,433	82,048
Subscriptions received		1,217,473	1,121,463
		1,265,906	1,203,511
Cost of sales	9		
Opening stock		39,887	34,265
Document and book purchases		29,028	74,735
Closing stock		(30,105)	(39,887)
		38,810	69,113
Gross surplus		1,227,096	1,134,398
Other income	10		
Advertising, awards and sponsorships		4,450	2,650
Courses and forums Income		893,253	887,063
		897,703	889,713
Administrative expenses	11		
Accounting fees		72,163	70,900
Bank charges		24,663	25,100
Computer expenses		25,806	18,815
Reviewers fees		-	11,500
Subscriptions		28,615	29,549
Telecommunication		29,345	29,608
		180,592	185,472
Other expenses	12		
Advertising		69,939	28,383
Awards		10,500	8,500
Cleaning		2,171	1,346
Courses and forums expenses		427,682	420,682
Depreciation - property, plant and equipment		18,133	2,709
Employee costs - salaries		1,052,056	1,049,328
Fines and penalties		1,344	-
Gifts		8,188	9,294
Insurance		12,228	12,924
Members education and exhibition		18,283	13,674
Operating lease expense		357,467	337,233
Postage		583	509
Printing and stationery		7,189	7,584
Professional fees		15,000	825
Refreshments and entertainment		37,556	18,755
Repairs and maintenance		9,673	3,000
Sponsorships		14,139	-
Storage		3,815	4,426
Travel - Local		6,589	922
		2,072,535	1,920,094

Pretoria Institute for Architecture

Annual Financial Statements for the year ended 30 June 2023

Detailed Income Statement

Figures in R	Notes	2023	2022
Other gains and losses	13		
Gain or loss on sale - property, plant and equip.		<u>22,527</u>	<u>-</u>
Deficit from operating activities	14	<u>(105,801)</u>	<u>(81,455)</u>
Finance income	15		
Other		<u>305,806</u>	<u>171,970</u>
Finance costs	16		
Trade and other payables		<u>6</u>	<u>1</u>
Surplus for the year		<u>199,999</u>	<u>90,514</u>