CANCER ASSOCIATION OF SOUTH AFRICA NPC
Incorporated not for profit - 1932/003720/08
Annual Financial Statements
for the year ended 31 March 2024



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CANCER ASSOCIATION OF SOUTH AFRICA NPC

(Registration Number 1932/003720/08)
Annual Financial Statements for the year ended 31 March 2024

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CANCER ASSOCIATION OF SOUTH AFRICA NPC

(Registration Number 1932/003720/08)
Annual Financial Statements for the year ended 31 March 2024

General Information

Country of Incorporation and Domicile	South Africa
Registration Number	1932/003720/08
Nature of Business	The company CANCER ASSOCIATION OF SOUTH AFRICA NPC ('the Company') is a non-profit company, as defined in the Companies Act of South Africa ('the Act') and complies with the provisions set out in Section 10 of the Act and Schedule 1 of the Act's Regulations.
Directors	Ms. E.G. Joubert: Executive Mr. P. Mukheli: Executive Rev. V.F. Memani-Sedile: Chairperson Judge D. Pillay: Non-Executive Dr. R. Mngqibisa: Non-Executive Mr. B.A. Mazarura: Non-Executive Prof. M.I. Parker: Non-Executive Ms. J.I. Palmer: Vice-Chairperson Prof. H.M Habile: Non-Executive (Appointed 26 October 2023) Mr. A.J. Pienaar: Non-Executive (Appointed 26 October 2023 - Terminated 19 May 2024)
Registered Office	26 Concorde Road West Bedfordview 2008
Business Address	26 Concorde Road West Bedfordview 2008
Postal Address	PO Box 2121 Bedfordview 2007
Bankers	ABSA Nedbank FNB Standard Bank

SARS Reference Numbers

Tax number	9425020840
Value Added Tax Number	4600122339
Pay As You Earn Registration Number	7740710126
Skills Development Levy Registration Number	L740710126
Unemployment Insurance Fund Registration Number	U740710126

General Information

Accounting Officer	Ms. E.G. Joubert - Chief Executive Officer
Company Secretary	Mr. P. Mukheli - Chief Financial Officer
Preparer	Mr. P. Mukheli - Chief Financial Officer
Auditors	BDO South Africa Incorporated Registered auditors

Directors' Responsibilities and Approval

The directors are responsible for the preparation, integrity, and fair presentation of the annual financial statements of the Cancer Association of South Africa ('CANSA'). The financial statements presented on pages 14 to 43 have been prepared in accordance with IFRS Accounting Standards, and include amounts based on judgements and estimates made by management. Appropriate accounting policies have been consistently applied and are supported by reasonable and prudent judgements and estimates.

In order for the directors to discharge their responsibilities, management has developed and continues to maintain a system of internal controls. The directors have ultimate responsibility for the system of internal control and review its operation, primarily through the board of directors and other risk-monitoring committees.

The internal controls include a risk-based system of internal financial controls designed to provide reasonable but not absolute assurance that assets are safeguarded and that transactions are executed and recorded in accordance with generally accepted business practices and the company's policies and procedures.

These controls, which are implemented by trained, skilled personnel with appropriate segregation of duties, are monitored by management and include a comprehensive budgeting and reporting system and an appropriate control framework. These internal controls continue to be reviewed and improved and subjected to internal audit processes.

The directors have reviewed the company's cash flow forecast for 12 months from the date of this report and, in light of this review and the current financial position, they are satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future and as such the annual financial statements have been prepared on the going concern basis.

The external auditors are responsible for independently auditing and reporting on the fair presentation of the financial statements in conformity with IFRS Accounting Standards and the requirements of the Companies Act of South Africa ('the Act'). Their report is presented on pages 11 to 13.

Approval of Annual Financial Statements
The annual financial statements set out on pages 14 to 43 were approved by the Board of Directors on 30 September 2024 and are signed on its behalf by:

Rev. Z.F. Nemani-Sedile
Board Chairperson

Mr. B.A. Mazarura
Audit and Risk Committee
Chairperson

Annual Financial Statements
Prepared by Mr. P. Mukheli
Chief Financial Officer

Certificate by the Company Secretary

In accordance with the provisions of section 88(2) of the Companies Act of South Africa, as amended, I certify that, to the best of my knowledge and belief, the company has lodged with the registrar for the financial year ended 31 March 2024 all such returns and notices as are required of a non-profit company in terms of the Act, and that all such returns and notices are true, correct and up to date.

Prepared by the Chief Financial Officer.

Mr. P. Mukheli
Company Secretary

Corporate Governance Report

Governance Structure

The members of the respective governance structures at the date of this report are as follows:

Board and Committee composition and meetings

Committee	No. of meetings held	No. of members	Names of members	No. of meetings attended	No. of apologies received
Board members	5	10 members	Rev. V.F. Memani-Sedile - Chairperson	5	0
			Ms. J.I. Palmer - Vice-Chairperson	5	0
			The Hon. Judge D. Pillay	2	3
			Dr. R. Mngqibisa, retired 26 October 2023	3	0
			Prof. M.I. Parker	3	2
			Prof. H.M Habile, appointed 26 October 2023	2	0
			Mr. A.J. Pienaar, appointed 26 October 2023	1	1
			Mr. B.A. Mazarura	5	0
			Ms. E.G. Joubert - CEO	5	0
			Mr. P. Mukheli - CFO	5	0
Social and Ethics Committee	4	5 members	Dr.R Mngqibisa - Chairperson, retired 26 October 2023	3	0
			Prof. H.M. Habile,Chairperson, appointed 26 October 2023	1	0
			Dr. J. Harries	2	2
			Prof. N.T. Naidoo	3	1
			Dr. B. Kubheka	4	0
			Ms. E.G. Joubert - CEO (Invitee)	4	0
Remuneration Committee	4	4 members	Mr. A.J. Pienaar, appointed 26 October 2023	1	0
			Ms. J.I. Palmer - Acting Chairperson	3	1
			The Hon. Judge D. Pillay	2	2
			Ms. S. van Jaarsveld	1	3
			Mr. A. de Wet (Invitee), resigned 30 September 2023	2	0
			Ms. E.G. Joubert - CEO (Invitee)	4	0
Chairpersons Committee **	2	4 members	Rev. V.F. Memani-Sedile - Chairperson	2	0
			Ms. E. Fourie - NBU region	2	0
			Mr. M. Dlamini - KZN & MP regions	2	0
			Dr. R. Sharmeck - NC & WC regions	2	0
			Ms. E.G. Joubert - CEO (Invitee)	2	0
			Ms. L. Strydom (Invitee)	2	0
			Mr. P. Mukheli - CFO (Invitee)	1	1

** The Chairpersons Committee has been restructured after the second meeting on 27 September 2023 as a management committee.

Corporate Governance Report

Committee	No. of meetings held	No. of members	Names of members	No. of meetings attended	No. of apologies received
Audit and Risk Committee	6	3 members	Mr. B.A. Mazarura - Chairperson	3	3
			Ms. J.I. Palmer	6	0
			Ms. J. Dube	6	0
			Ms. E.G. Joubert - CEO (Invitee)	6	0
			Mr. P. Mukheli - CFO (Invitee)	6	0
Investment Committee	4	4 members	Ms. J.I. Palmer - Chairperson	4	0
			Mr. D.A. Foster	3	1
			Prof. L. Brummer, resigned 7 June 2023	0	0
			The Hon. Judge D. Pillay	1	3
			Ms. E.G. Joubert - CEO (Invitee)	3	1
			Mr. P. Mukheli - CFO (Invitee)	4	0
Nominations Committee	2	3 members	Rev. V.F. Memani-Sedile - Chairperson	2	0
			Ms. J.I. Palmer	2	0
			Mr. B.B.Pancha - President	2	0
			Ms. E.G. Joubert - CEO (Invitee)	2	
			Mr. P. Mukheli - CFO (Invitee)	2	0
Research Committee	2	9 members	Prof. M.I. Parker - Chairperson	2	0
			Prof. H.M. Habile, appointed 26 October 2023	1	0
			Prof. P. Ruff	1	1
			Ms. M.P. Kluyts	2	0
			Dr. R. Mngqibisa, retired 26 October 2023	0	0
			Prof. J. Harries - Head: Research	2	0
			Dr. R. Khanyile	2	0
			Prof. S. Prince	1	1
			Prof. J. Moodley	1	1
			Ms. E.G. Joubert - CEO (Invitee)	2	0

Corporate Governance Report

KING IV™

CANSA commits to adhering to the principles of good corporate governance based on the following fundamentals:

- Implementing and practising good governance, ensuring all documentation in respect of governance and policy are compliant with the Act and aligned with King IV™, to support transparency and accountability as we govern the organisation and its stakeholder relationships.
- Applying the principles of:
    - Ethical leadership and corporate citizenship.
    - Governing ethics in a way that supports the establishment of an ethical culture across the organisation.
- The Board ensures that the strategy is aligned with the purpose of the organisation, the value drivers of its business, and the legitimate interest and reasonable expectations of its stakeholders.
- Governing risk in a way that supports the organisation in setting and achieving its strategic objectives.
- Management Risk Committee have been established to control and monitor risk in the organisation by means of regular risk assessments and overall risk governance.
- The appointment of an effective and independent Audit and Risk Committee which is chaired by an independent non-executive director.
- Assessing compliance with applicable laws, rules, codes, and standards.
- Establishing an internal audit function which systematically analyses and evaluates business processes and associated controls.
- Embracing transparency and accountability and ensuring integrated reporting and disclosure.
- Adopting an inclusive stakeholder engagement program.
- Governing technology and information in a way that supports the organisation in setting and achieving its strategic objectives including the development of organisation specific technology and software that will make the organisation a leader in its field with regards to effective and safe data gathering and application.
- Adopting fair, responsible, and transparent remuneration policies, including:
    - Implementation of the Paterson grading system to standardize remuneration within the organisation and bring organisation remuneration in line with industry standards.
- By virtue of fulfilling social, community and environmental needs, acting as a collective voice and holding others responsible, CANSA is an integral part of the societal dynamic and a good corporate citizen.
- Clearly defining vision, purpose, and values.
- Monitoring fund-raising, and ensuring sustainability and risks are monitored consistently and pro-actively.
- Actively establishing stakeholder relationships that result in the governance outcomes of trust, good reputation, and legitimacy.
- Understanding that our stakeholders include members, donors and other funders, employees, media, beneficiaries, communities, suppliers, creditors, partnerships, alliances, and government agencies who also seek to improve the health and well-being of cancer patients and those affected by cancer.

Directors' Report

Nature of Operations

The Cancer Association of South Africa ("CANSA") is a non-profit company, as defined in the Companies Act of South Africa ('the Act') and complies with the provisions set out in Section 10 of the Act and Schedule 1 of the Act's Regulations.

Mission

As a non-profit NGO fighting cancer, we enable research; educate the public; advocate for and support all people affected by cancer.

Vision

Leading SA towards a cancer free society.

Performance

CANSA ended the financial period of 2024 with an operational surplus of R12,794 million. A surplus of R17,797 million were reported in 2023. Research ended the financial period of 2024 with a surplus of R1,515 million and a surplus of R2,485 million in 2023. The overall consolidated surplus for the year ending 31 March 2024 is R14,309 million (2023: R20,282 million).

The CANSA balance sheet remains strong which is reflected by its debt to assets ratio of 19%. The Property, Plant and Equipment have a carrying value of R9,546 million. The Market Value for Property is R36,525 million and Investments of R70,468 million.

CANSA is largely dependent on income from donor funds, sponsorship, and various fundraising projects. South African non-profit organisations have faced numerous challenges over the past few years, including the global recession and a decline in government funding. CANSA was also affected by the poor national economic growth in 2024 and high inflation which impacted the company's ability to source income and perform other donor funded activities. In the midst of all these challenges the organisation has seen an decrease in surplus of 29% in year 2024 as compared to 2023 due to an decrease in bequests and income from fund development.

The strategic reforms have been implemented to ensure that CANSA's operations can continue to service and assist cancer patients and those affected by cancer.

Financial Position

The accompanying financial statements reflect the company's financial, operational and research activities for the financial year ended 31 March 2024.

Contribution of Volunteers

The organisation wishes to express its sincere appreciation and gratitude to all volunteers for their unwavering support and tireless commitment to CANSA's mission and purpose. These financial statements do not reflect the significant contributions and value contributed to CANSA by thousands of volunteers throughout South Africa.

Donations

Without the support of corporations, trusts, grants and the public, who so generously donate and bequeath funds to CANSA, this organisation would not exist. Our major donors are further acknowledged in our report.

Directors' Report

Going Concern

It is the opinion of the Board of Directors that CANSA is a going concern.

The following key considerations were taken into account in assessing whether CANSA will remain a going concern for the foreseeable future:

- Valuation of the freehold land and buildings indicated a total market value of R36,525 million on 31 March 2024. Valuations are performed every two years. The carrying value of the freehold land and buildings is currently R6,938 million (2023: R7,135 million).
- The current level of investments, being R70,468 million in 2024,(2023: R58,227 million), is adequate to cover operating and research related costs for the next twelve months.
- During the financial year under review, management implemented changes in the operational model of CANSA to reduce costs and improve efficiencies in response to the prevailing turbulent economic conditions.
- The directors have reviewed the company's cash flow forecast for 12 months from the date of this report and, in 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 anticipated surplus is a direct result of the measures and reforms being implemented to maximise revenue and curtail costs.These reforms include:

- A streamlined CANSA service offerings basket to ensure we deliver on our mission in the most affordable way while securing sustainable donor support and fundraising streams.
- Focus on high impact projects in 2024/2025, and centralisation of fund-raising activities and projects.
- Deployment of operations with highly competent national teams and utilising core competencies to deliver on our mission.

Compliance with Laws and Regulations

Directors considered and complied with critical laws and regulations amongst others, Companies Act of South Africa, Anti-Money Laundering and Combating Terrorism Financing amendment Act 22 of 2022, Protection of Personal Information Act 4 of 2013 and the Non Profit Organisation Act 71 of 1997.

Contingent Asset

As reported in the previous financial year, CANSA established that its outsourced tele-fundraising service provider had not paid over to CANSA all donations collected. A court order was issued on the 11 February 2022 in favour of CANSA, wherein the defendants were ordered to pay CANSA an amount of R2,5 million with interest of 10% effective 2019. At year-end the recovery of the amount was uncertain and henceforth no asset was recorded in the Annual Financial Statements.

The processes for edictal citation have been successfully completed. Management is in the process of attaching the immovable property registered on the debtor's name to enable us to proceed with a sale of execution of the debtor's immovable property.

Subsequent Event

CANSA resolved on the 28th of November 2023 to sell the Richards Bay property situated at 27 Bauhina Bend at prevailing market prices. The building was used as a Care Home and it was no longer financially viable to operate the Care Home. On 31 March 2024, the property had a carrying value of R1,360m and it was sold for an amount of R1,600m excluding transactional costs. The transfer of the building was finalised and registered with the Deeds Offices on the 25th of June 2024.

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Menlyn, Pretoria, 0181
PO Box 95438
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South Africa

Independent Auditor's Report

To the Members of

Cancer Association of South Africa NPC

Qualified Opinion

We have audited the financial statements of Cancer Association of South Africa NPC (the company) set out on pages 14 to 43, which comprise the statement of financial position as at 31 March 2024, and the statement of surplus or deficit 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 material accounting policy information.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Cancer Association of South Africa NPC as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Qualified Opinion

Cash donations are a significant source of fundraising revenue for Cancer Association of South Africa NPC. The directors have determined that it is impracticable to establish internal controls over the collection of cash donations prior to the initial entry into its financial records. We were therefore unable to confirm whether all cash donations were recorded.

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 qualified opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "CANCER ASSOCIATION OF SOUTH AFRICA NPC ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024", which includes the Certificate by Company Secretary, Corporate Governance Report, and 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 report 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.

BDO South Africa Incorporated
Registration number: 1995/002310/21
Practice number: 905526
VAT number: 4910148685

Chief Executive Officer: LD Mokoena

A full list of all company directors is available on www.bdo.co.za

The company's principal place of business is at The Wanderers Office Park, 52 Corlett Drive, Illovo, Johannesburg where a list of directors' names is available for inspection. BDO South Africa Incorporated, a South African personal liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate evidence about whether all cash donations were recorded. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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 the IFRS Accounting Standards as issued by the International Accounting Standards Board 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 entity'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 entity 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.

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 entity'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 entity'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 entity 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.

BDO South Africa Inc.

BDO South Africa Incorporated
Registered Auditors

Muhammed Ebrahim
Director
Registered Auditor

30 September 2024

Building 5, Summit Place Office Park
221 Garsfontein Road
Menlyn, 0181

CANCER ASSOCIATION OF SOUTH AFRICA NPC

(Registration Number 1932/003720/08)
Annual Financial Statements for the year ended 31 March 2024

Statement of Financial Position as at 31 March 2024

Figures in R `000	Notes	2024	2023
ASSETS			
Non-current assets			
Property, plant and equipment	6	8,186	9,711
Right-of-use assets	15.2	4,097	5,583
Other financial assets	9.1	50,553	40,522
Total non-current assets		**62,836**	**55,816**
Current assets			
Inventories	7	2,471	3,720
Trade and other receivables	8	5,387	5,546
Short term investments	9.2	19,915	17,705
Cash and cash equivalents	10	19,222	14,139
Assets held for sale	11	1,360	-
Total current assets		**48,355**	**41,110**
Total assets		**111,191**	**96,926**
ACCUMULATED FUNDS AND LIABILITIES			
Accumulated funds and reserves			
Operational surplus / (deficit)		11,225	(1,569)
Research funds and reserves	12.2	79,257	77,742
Total accumulated funds		**90,482**	**76,173**
Liabilities			
Non-current liabilities			
Lease liabilities	15.1	3,640	5,132
Earmarked Funds	13	9,783	8,717
Total non-current liabilities		**13,423**	**13,849**
Current liabilities			
Trade and other payables	14	5,793	5,761
Lease liabilities	15.1	1,493	1,143
Total current liabilities		**7,286**	**6,904**
Total liabilities		**20,709**	**20,753**
Total accumulated funds and liabilities		**111,191**	**96,926**

Statement of Surplus or Deficit and Other Comprehensive Income for the year ended 31 March 2024

Figures in R `000	Notes	2024	2023
Income from fund development	16.1	22,576	23,086
Income from national and provincial projects	16.2	14,268	13,719
Income from donations and general income	16.3	31,092	29,174
Income from bequests	20	15,567	18,994
Investment revenue	16.4	4,271	2,084
Cost of sales	20.2	(11,059)	(10,011)
Other gains	17	2,288	3,053
Other administration and service delivery expenses	20.3	(61,726)	(56,603)
Expenditure relating to research grants received	20.1	(2,299)	(2,616)
Finance costs	18	(669)	(598)
Total comprehensive surplus for the year		**14,309**	**20,282**
Total turnover for the year		87,774	87,057
Segmental results:			
Operational activities surplus for the year	20.2	12,794	17,797
Research activities surplus for the year	20.1	1,515	2,485
Total comprehensive surplus for the year	21	**14,309**	**20,282**

CANCER ASSOCIATION OF SOUTH AFRICA NPC

(Registration Number 1932/003720/08)
Annual Financial Statements for the year ended 31 March 2024

Statement of Changes in Equity for the year ended 31 March 2024

Figures in R `000	Accumulated Operational Surplus	Accumulated Research Funds and Reserves	Total Accumulated Funds and Reserves
Balance at 1 April 2022	**(19,366)**	**75,257**	**55,891**
Changes in equity			
Comprehensive surplus for the year	17,797	2,485	20,282
Balance at 31 March 2023	**(1,569)**	**77,742**	**76,173**
Balance at 1 April 2023	**(1,569)**	**77,742**	**76,173**
Changes in equity			
Comprehensive surplus for the year	12,794	1,515	14,309
Balance at 31 March 2024	**11,225**	**79,257**	**90,482**

The Research Funds and Reserves are shown as equity and are not earmarked funds as defined. Although reported as a separate reserve, these funds can be used for CANSA operations and business in general.

CANCER ASSOCIATION OF SOUTH AFRICA NPC

(Registration Number 1932/003720/08)
Annual Financial Statements for the year ended 31 March 2024

Statement of Cash Flows for the year ended 31 March 2024

Figures in R `000	Notes	2024	2023
Net cash flows from operations	**21**	**12,138**	**17,327**
Finance cost		(6)	(1)
Net cash flows from operating activities		**12,132**	**17,326**
Cash flows used in investing activities			
Proceeds on disposal of property, plant and equipment		7	1,269
Acquisitions of property, plant and equipment		(692)	(951)
Investment income		4,271	2,084
Increase in other financial assets		(9,755)	(11,857)
Cash flows used in investing activities		**(6,169)**	**(9,455)**
Cash flows used in financing activities			
Earmarked funds received		7,185	3,142
Earmarked funds utilised		(6,118)	(5,878)
Settlement portion of Lease liability		(1,947)	(1,578)
Cash flows used in financing activities		**(880)**	**(4,314)**
Net increase in cash and cash equivalents		**5,083**	**3,557**
Cash and cash equivalents at beginning of the year		14,139	10,582
Cash and cash equivalents at end of the year	**10**	**19,222**	**14,139**

Accounting Policies

1. General Information

The entity is a Non-Profit Company, incorporated in South Africa. The addresses of its registered office and principal place of business are disclosed within the directors' report. The principal activities of CANSA are also described therein.

At the date of authorisation of these financial statements for the year ended 31 March 2024, the following IFRS Accounting Standards were adopted:

2. Presentation currency

These Annual Financial Statements are presented in South African Rand, which is the functional currency of the organisation.
The amounts in the Annual Financial Statements are rounded to the nearest one thousand rand.

3. Adoption of new and revised IFRS Accounting Standards

3.1 IFRS Accounting Standards and interpretations in issue not yet adopted.

As at the date of these financial statements, the following relevant IFRS Accounting Standards and interpretations were in issue but not yet effective or not applicable to a Non-Profit Organisation as defined:

IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (Amendment - Supplier Finance Arrangements)

In May 2023, the IASB issued Supplier Finance Arrangements which amended IFRS 7 and IAS 7. The amendments are intended to enable users of financial statements to assess the effects of an entity's supplier finance arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk.

The amendments require an entity to provide specific qualitative and quantitative disclosures related to its supplier finance arrangements.

The amendments are effective for annual periods beginning on or after 1 January 2024.

IAS 1 Amendments on classification of Liabilities as Current or Non-Current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.
Effective date 1 January 2024.

IAS 1- Non-current Liabilities with Covenants

These amendments were in response to concerns raised on applying previous amendments to the classification of liabilities as current or non-current that would have become effective for reporting periods beginning on or after 2023.
The new amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period.
Effective date 1 January 2024.

Accounting Policies

Adoption of new and revised IFRS Accounting Standards continued...

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

The IFRS Accounting Standards sets out the general requirements for a company to disclose information about its sustainability related risks and opportunities that is useful to users of general-purpose financial reports (referred to as 'investors' throughout this document) in making decisions relating to providing resources to the company.
Effective date: The IFRS Accounting Standard is effective for annual reporting periods beginning on or after 1 January 2024

IFRS S2 Climate-related Disclosures

The IFRS Accounting Standard sets out the requirements for a company to disclose information about its climate-related risks and opportunities, while building on the requirements described in IFRS S1. IFRS S2 integrates the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and requires the disclosure of information about both cross-industry and industry specific climate-related risks and opportunities.
Effective date: The IFRS Accounting Standard is effective for annual reporting periods beginning on or after 1 January 2024

4. Material accounting policies

4.1 Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa ('the Act') and other applicable laws and regulations.

4.2 Presentation of currency

These annual financial statements are presented in South African Rand, which is the functional currency of CANSA.The amounts in the annual financial statements are rounded off to the nearest one thousand rand.

4.3 Going concern assumption

These annual financial statements have been prepared based on the expectation that CANSA will continue to operate as a going concern for at least the next 12 months.

4.4 Basis of preparation

The financial statements have been prepared on the historical cost basis except for the re-valuation of certain non-current assets and financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets.
The principal accounting policies are set out below.

4.5 Property, plant and equipment

Property, plant and equipment are tangible assets which the entity holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Accounting Policies

Material accounting policies continued...

Property, plant and equipment is initially measured at cost.

Cost includes incurred initially to acquire or construct an item of property, plan 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probably that future economic benefits associated with the expenditure will flow to the entity and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Owner occupied property is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses. Leasehold property is depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Furniture, motor vehicles and equipment are subsequently depreciated on a straight-line basis over their estimated useful lives to their estimated residual values. Freehold land is not depreciated.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the entity.

The rates of depreciation are as follows:

Freehold land	Not depreciated
Freehold buildings	2% per annum
Leasehold buildings	2% per annum
Furniture and equipment	20% per annum
Motor vehicles	20% per annum

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

Assets less than R5,000 are defined as small assets and will fully depreciate in the year of purchase. All assets costing less than R5,000 will be classified as 'minor assets'. These assets must be recorded in the Minor asset register but will be fully depreciated and expensed in the year of acquisition in the income statement and not over its useful life.

4.6 Impairment of tangible assets

At the end of each reporting date, CANSA reviews the carrying value of its tangible assets to determine whether there is any indication that those assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount for an individual asset, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than it's carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Accounting Policies

Material accounting policies continued...

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

4.7 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale (under current assets) if the carrying amount of these assets will be recovered principally through a sale transaction rather than through continued use. This condition will only be regarded as met if the sale transaction is highly probable and the asset (or disposal group) is available-for-sale in its present condition. For the sale to be highly probable, management must be committed to the plan to sell the asset and the transaction should be expected to qualify for recognition as a complete sale within 12 months of the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amounts and their fair values less costs to sell and are not depreciated.

4.8 Financial instruments

CANSA's financial instruments consist mainly of investments, bank balances and cash, receivables, and trade payables. Investments are stated at their fair values. Bank balances and cash, receivables and trade payables are stated at amortised cost.

CANSA does not use derivative financial instruments nor does CANSA speculate in the trading of derivative instruments.

Financial Assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL) and 'loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL.

Financial Asset at Fair Value through Profit/Loss (FVTPL)

Financial assets are classified as at FVTPL where the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- It has been acquired principally for the purpose of selling soon; or
- It is part of an identified portfolio of financial instruments that CANSA manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

Accounting Policies

Material accounting policies continued...

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial asset forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with CANSA's risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any resultant gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.Fair value is determined in the manner described in note 16.

Loans and receivables

Receivables and loans that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Due to the short-term nature of CANSA's receivables, amortised cost is deemed to equal fair value.

Investments

Investments are classified as financial assets at FVTPL. They are initially measured at fair value. Increases or decreases in the carrying amount of investments are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are measured at face value, which approximates fair value. Cash and cash equivalents comprise cash on hand and demand deposits, bank overdrafts and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to insignificant risks of changes in value.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting date. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis.Objective evidence of impairment for a portfolio of receivables could include CANSA's past experience of collecting payments.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

Accounting Policies

Material accounting policies continued...

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets except for receivables, where the carrying amount is reduced using an allowance account. CANSA measures the loss allowance at an amount equal to the life-time expected losses determined at initial recognition without the need to identify significant increases in credit risk. When a receivable is considered irrecoverable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Expected Credit Loss Allowances

CANSA recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

CANSA always recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on CANSA's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, CANSA recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, CANSA measures the loss allowance for that financial instrument at an amount equal to 12-month ECL

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime.

ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to CANSA in accordance with the contract and all the cash flows that CANSA expects to receive, discounted at the original effective interest rate.

If CANSA has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, CANSA measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

Accounting Policies

Material accounting policies continued...

Write-off policy

CANSA writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under CANSA's recovery procedures, considering legal and Audit and Risk Committee advice where appropriate. Any recoveries made are recognised in profit or loss.

De-recognition of financial assets

CANSA derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If CANSA neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, CANSA recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If CANSA retains substantially all the risks and rewards of ownership of a transferred financial asset, CANSA continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received.

Financial liabilities

CANSA does not have any financial liabilities other than trade payables, which are classified as 'other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period.

De-recognition of financial liabilities

CANSA derecognises financial liabilities when, and only when, CANSA's obligations are discharged, cancelled, or expire.

4.9 Inventories

Inventories are stated at the lower of cost, determined on the weighted average method, and net realisable value. Costs comprise direct materials and, where applicable, direct labour cost and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated cost of completion and cost to be incurred in marketing, selling and distribution.

Provision is made against slow moving, obsolete and damaged inventories. Damaged inventories are identified and written down through the inventory counting procedures conducted. Allowance for slow moving and obsolete inventories is assessed as part of the ongoing financial reporting. Obsolescence is assessed based on comparison of the level of inventory holding to the projected likely future sales less selling costs using factors existing at the reporting date. The provision will be based on the ageing of the inventories as per guidelines detailed in the inventory management policy.

Accounting Policies

Material accounting policies continued...

4.10 Accumulated funds

CANSA is incorporated not for gain. Consequently, in terms of the Memorandum of Incorporation the accumulated funds are non-distributable.These funds may only be used to promote the objectives of CANSA.

The Research Funds and Reserves are amounts set aside to provide for cancer research.These funds are not recognised as earmarked funds and while they are available for use in the operations,these funds are to be prioritised in accordance with CANSA's research strategy.

4.11 Government Grants and National Lotteries Distribution Trust Fund

Government grants are accounted for according to IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. Government grants are recognised when there is reasonable assurance that CANSA will comply with the conditions applicable to the grant and that the grants will be received. Government grants that relate to expenses are recognised as income on a systematic basis, over the period necessary to match them with the related costs.

4.12 Earmarked funds

Earmarked funds are administered in terms of the specific conditions applicable to the fund. Income is recognized when the actual expense has occurred in accordance with the earmarked funding agreement.

4.13 Provisions

Provisions are recognised when CANSA has a present obligation because of a past event and it is probable that this will result in an outflow of economic benefits that can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Bonus provisions are raised monthly (as per employment contracts) for employees that have chosen the option to receive their pay-out in December. The current provision is thus for the period April 2023 to March 2024.

Accounting Policies

Material accounting policies continued...

4.14 Revenue

Revenue Recognition and Measurement

Revenue is measured at the fair value of the consideration received or receivable. All revenue is stated net of Value Added Tax.

In terms of IFRS 15 Revenue from Contracts with Customers is required to be recognized when control over goods and services is transferred to the customer.

The new IFRS Accounting Standards introduces a five-step model that should be applied to all contracts with customers in order to establish how and when to recognize revenue:

- Identify contracts with customers.
- Identify the separate performance obligations.
- Determine the transaction price of the contract.
- Allocate the transaction price to each of the separate performance obligations.
- Recognize the revenue as each performance obligation is satisfied.

Significant judgement is required when applying these steps to a contract in order to define performance obligations, transaction price, revenue allocation and timing of revenue recognition.

Revenue from fundraising (including national and provincial projects), bequests, donations, and general income, is recognised on either receivable cash basis or receivable where there is certainty of receipt, and the amount can be reliably measured.

Revenue from donations in kind (asset; stock; consumables or services) is recognised at fair value on the date of receipt. The fair value will be determined using best available market information at the date of receipt.

Certainty for voluntary donations is ordinarily established through an applicable Promise to Give Agreement between CANSA and the relevant Donor/Funder.

When there are conditions attached to the request or donation, the revenue is deferred until the conditions are met. Revenue from the sale of goods is recognised upon the delivery of goods to customers.Revenue from the rendering of services is recognised upon the delivery of a service to the customers.Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (if it is probable that the economic benefits will flow to CANSA, and the amount of revenue can be measured reliably).

Interest revenue is recognised when it is probable that the economic benefits will flow to CANSA, and the amount of revenue can be measured reliably.Interest revenue is accrued on a time basis, with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established and in line with IFRS 15.

Allocation of the transaction price to performance obligations

IFRS 15 gives clear guidance on how to allocate the transaction price to identified deliverables (performance obligations) in a bundled contract. According to the IFRS Accounting Standard, the allocation should be based on stand-alone selling prices and any discount should be proportionally distributed amongst the various performance obligations. A stand-alone-selling price is the price an entity charges for goods or services when the entity sells it separately in similar circumstances to similar customers. If goods or services are not sold separately the stand-alone selling price must be estimated.

Accounting Policies

Material accounting policies continued...

4.15 Retirement benefits

The company contributes to a defined contribution plan. Contributions paid are recognised as an expense in the period that they occur.

4.16 Leases

Right to use an asset

CANSA has elected to present and disclose the right to use an asset on the face of the statement of financial position. CANSA recognises:

(a) Right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments.
(b) Depreciation of right-of-use assets and interest on lease liabilities in profit or loss.
(c) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the statement of cash flows.

Short-term and low value leases

CANSA elected not to bring short-term and low value leases in the statement of financial position. A short-term lease is a lease that, at the date of commencement, has a term of 12 months or less. A lease that contains a purchase option cannot be a short-term lease.

An asset will be defined as a low value asset if (i) the CANSA can benefit from use of the underlying asset on its own or together with other resources that are readily available to the lessee; and (ii) the underlying asset is not highly dependent on, or highly interrelated with, other assets.

CANSA will treat short-term and low value leases by recognising the lease rentals as an expense over the lease term. Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36.

Lease Liability

The lease liability is effectively treated as a financial liability which is measured at amortised cost, using the rate of interest implicit in the lease as the effective interest rate

Other Leases

Leases are classified as financial leases whenever the terms of the lease transfers substantially all risk and rewards of the ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Accounting Policies

5. Critical accounting judgements and key sources of estimation uncertainty

In the application of CANSA's accounting policies, which are described in Note 4, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

5.1 Critical judgements in applying CANSA's accounting policies.

In the process of applying CANSA's accounting policies, management has made some judgements when:

- Estimating the present value of minimum lease payments when capitalising certain lease rental payments for equipment as disclosed in Notes 15 and 22.3.
- Determining the period over which each grant or donation is recognised as based on each grant or donation specifications.

5.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation at the reporting date that had a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed in Note 6, 15 and 22.3.

5.2.1 Allowance for credit losses

CANSA's debtors are made up of different categories, being:

- Research
- CANSA Seal of Recognition (CSOR)
- Stoma (Service Delivery)
- Wellness (Service Delivery)
- General (Includes other fundraising projects and general debtors)

CANSA made a definite effort to collect all outstanding debtors in the past three years. This is evident in the reduction in outstanding amounts.

5.2.2 Significant IFRS 15 Revenue Categories

National projects are well known as major fundraising events that support CANSA's focus on remaining sustainable: CANSA Shavathon (February & March), Cuppa for CANSA (June to October), CANSA Relay for Life (September to December; February to March), CANSA Active (all year and includes SAGES (Senior Golfers)). Tele-sales approach which includes tele-sales and debit order approach. Special events include smaller fundraising projects which are rolled out nationally, provincially or regionally.These projects and events are smaller and are popular in specific provinces or regions.

5.2.3 VAT Liabilities

Directors and management have calculated their best estimate of the VAT accrual due to the South African Revenue Services based on circumstances presented in Sundry receivables note 8.1.

The estimated provisional accrual is included as part of the net VAT payable amount disclosed in Note 14.

5.2.4 Change in accounting estimates - minor assets

There was a change in the estimate of minor assets from R2,500 to R5,000 in 2022/23 financial period due to the condition and useful lives of minor assets.

The change will be applied prospectively in terms of IAS 8 and it will not have an impact on prior periods.

Notes to the Financial Statements

Figures in R `000	2024	2023

6. Property, plant and equipment

Cost	21,085	21,936
Accumulated depreciation	(12,899)	(12,225)
Carrying value at the end of the year	**8,186**	**9,711**
Freehold buildings	3,487	5,044
Freehold land	2,091	2,091
Leasehold land and buildings	686	729
Furniture and equipment	1,318	962
Motor vehicles	604	885
Carrying value at the end of the year	**8,186**	**9,711**

	Freehold buildings R'000	Freehold land R'000	Leasehold land and buildings R'000	Furniture and equipment R'000	Motor vehicles R'000	Total R'000
Cost						
Balance at 31 March 2023	10,539	2,091	1,403	4,658	3,245	21,936
Additions	-	-	-	940	-	940
Disposals	-	-	(12)	(279)	-	(291)
Assets held for sale (refer to note 11)	(1,500)	-	-	-	-	(1,500)
Balance at 31 March 2024	**9,039**	**2,091**	**1,391**	**5,319**	**3,245**	**21,085**
Accumulated depreciation						
Balance at 31 March 2023	5,495	-	674	3,696	2,360	12,225
Depreciation expense	197	-	31	530	281	1,039
Disposals	-	-	-	(225)	-	(225)
Assets held for sale (refer to note 11)	(140)	-	-	-	-	(140)
Balance at 31 March 2024	**5,552**	**-**	**705**	**4,001**	**2,641**	**12,899**

	Freehold buildings R'000	Freehold land R'000	Leasehold land and buildings R'000	Furniture and equipment R'000	Motor vehicles R'000	Total R'000
Cost						
Balance at 31 March 2022	10,628	2,263	2,053	4,706	2,862	22,512
Additions	-	-	-	568	383	951
Disposals	(89)	(172)	(650)	(616)	-	(1,527)
Balance at 31 March 2023	**10,539**	**2,091**	**1,403**	**4,658**	**3,245**	**21,936**
Accumulated depreciation						
Balance at 31 March 2022	5,418	-	1,292	3,430	2,040	12,180
Depreciation expense	199	-	31	806	320	1,356
Disposals	(122)	-	(649)	(540)	-	(1,311)
Balance at 31 March 2023	**5,495**	**-**	**674**	**3,696**	**2,360**	**12,225**

Registers of property and investments

A register of land and buildings is available for inspection by members at CANSA's registered office. The market value of freehold land and buildings was valued by independent valuators at R36,525 million in 2024. External valuations are performed every 2 years. No property has been pledged as a security for any form of liabilities.

Notes to the Financial Statements

Figures in R `000	2024	2023

Property, plant and equipment continued...

Impairment of assets

Management has done an impairment assessment on Property, plant and equipment for 2023/2024; and concluded that there were no assets that have been impaired.

7. Inventories

Merchandise	2,491	3,790
Provision for slow moving and obsolete stock	(20)	(70)
Total carrying amount of inventories	**2,471**	**3,720**

The cost of inventory recognised as an expense during the year was R11,059 million (2023: R10,011 million). The merchandise sold relates to specific projects e.g. sprays and wraps.

There was no write-downs of inventory to net realisable value in current and prior years. No inventory was pledged as security for liabilities.

8. Trade and other receivables

8.1 Trade and other receivables comprise of:

Amounts receivable from customers	2,084	2,221
Seal of recognition royalty receivables	178	2,906
Trade receivables - net	2,262	5,127
Allowance for estimated credit losses	(155)	(448)
Sundry receivables	3,280	867
Total trade and other receivables	**5,387**	**5,546**

The directors consider that the carrying value of receivables approximates their fair value. The average receivable days are 60 days.

8.2 Movement in allowance for estimated credit loss (ECL)

Balance at the beginning of the year	448	1,660
Movement in provision raised during the year	(88)	406
Amounts written off during the year as irrecoverable	(205)	(1,618)
At the end of the year	**155**	**448**

Basis of ECL estimate

In accordance with the provisions of IFRS 9 Financial Instruments, the expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

CANSA writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

Notes to the Financial Statements

Figures in R `000		2024	2023

Trade and other receivables continued...

CANSA calculated the allowance for credit losses based on the expected credit loss model to determine whether there is a need to impair the receivables. In determining the expected credit loss, receivables are grouped into categories of debtors based on similar risks.

The ECL has been reduced from R0,448 million in 2023 to R0,155 million in 2024. The amount of debtors written off in 2024 was R0,206 million and in 2023 R1,618 million.

The ECL allowance for 2024 has been estimated using the following categories of receivables:

2024	Gross Balance R'000	ECL % applied	ECL Provision raised R'000
Shavathon E-shop	187	7.00%	13
Sustainability	78	12.00%	9
Seal of Recognition	178	6.00%	11
Stoma	1,272	6.88%	88
Wellness and Service Delivery	356	5.07%	18
General	190	8.00%	15
	2,261		154
Specific provisions	1	100.00%	1
Total	**2,262**		**155**

2023	Gross Balance R'000	ECL % applied	ECL Provision raised R'000
Shavathon E-shop	16	7.00%	1
Sustainability	630	12.00%	76
Seal of Recognition	2,906	6.00%	174
Research	16	1.00%	1
Stoma	839	5.09%	43
Wellness and Service Delivery	555	5.20%	28
General	43	8.00%	3
	5,005		326
Specific provisions	122	100.00%	122
Total	**5,127**		**448**

9. Other financial assets

9.1 Long term investments

Investments - at fair value	(i)/(ii)	50,553	40,522
Carrying value at the end of the year		**50,553**	**40,522**

9.2 Short term investments

Investments - at fair value	(i)	19,915	17,705
Carrying value at the end of the year		**19,915**	**17,705**

Notes to the Financial Statements

Figures in R `000	2024	2023

Other financial assets continued...

9.3 Reconciliation to statement of financial position

Long term investments	50,553	40,522
Short term investments	19,915	17,705
Carrying value at the end of the year	**70,468**	**58,227**

(i) The directors' valuation of investments approximates the fair value of the investments, which constitutes medium and short-term investments. The director's valuation of the investments agrees to the carrying value. The medium-term investments are classified as long-term investments in accordance with the investment policy. The short-term investments are managed by Ninety One and Sanlam and these are readily convertible into cash. The long-term investments are managed by ABAX, Visio Capital, Fedgroup and Ninety One.

(ii) A long-term investment with Fedgroup was identified in 2023/2024 to the value of R0,145 million. The amount has been disclosed in the long-term investments. Prior period adjustment was not included as the amount is considered immaterial.

A register of investments is available for inspection by members at CANSA's registered office.

No investments have been pledged as a security for any form of liabilities.

10. Cash and cash equivalents

Cash and cash equivalents included in current assets:

Cash and bank balances	19,222	14,139
Total cash and cash equivalents	**19,222**	**14,139**

No cash and cash equivalents have been pledged as a security for any form of liabilities.

11. Assets held for sale

A sale agreement was entered into to sell the CANSA Richards Bay property. The effective date for classification as held for sale was 15 March 2024. The asset on 31 March 2024 to be disposed at carrying amount is as follows:

Property Plant and equipment (refer to note 6)	1,360	-
Assets held for sale	**1,360**	**-**

Notes to the Financial Statements

Figures in R `000	2024	2023

12. Research funds and Reserves

12.1 Research fund portfolios

Martin Zadek (*)	14,887	14,452
CV Lamont (*)	36,930	35,850
P & R Ainslie	40	40
HE Griffin	900	900
Bequest funds	26,500	26,500
Total reserves	**79,257**	**77,742**

* These are initial donors of CANSA research funds

12.2 Movement in research funds

Balance at the beginning of the year	77,742	75,257
Research activities surplus for the year	1,515	2,485
Balance at end of the year	**79,257**	**77,742**

13. Earmarked Funds

Allocation of earmarked funds

Health Promotion	202	340
Patient Care	5,240	2,626
Movember	4,272	4,843
Oncology Grant	27	76
MLCCP Funds	-	832
Tobacco For Kids Grant	42	-
Carrying value at end of year	**9,783**	**8,717**

Movement in earmarked funds

Balance at the beginning of the year	8,717	11,453
Earmarked funds received	7,185	3,142
Earmarked funds utilised - Written back	(221)	(2,573)
Earmarked funds utilised - Current year	(5,898)	(3,305)
Balance at end of the year	**9,783**	**8,717**

14. Trade and other payables

Trade and other payables comprise of:

Trade payables	1,789	2,374
Leave pay accrual	1,755	1,658
Accrued expenses	2,181	1,644
Sundry payables	44	70
Vat accrual	24	15
Total trade and other payables	**5,793**	**5,761**

The directors consider that the value of trade and other payables approximate the fair value thereof. The average credit period on trade and other payables is 30 days.

Notes to the Financial Statements

Figures in R `000	2024	2023

15. Lease liabilities

15.1 Lease liabilities comprise of:

	Minimum lease payments	
Amounts payable under finance leases:		
Within one year	2,007	1,806
In the second to fifth years inclusive	4,112	6,119
	6,119	7,925
Less: Future finance charges	(986)	(1,650)
Present value of lease obligations	**5,133**	**6,275**

	Present value of minimum lease payments	
Amounts payable under finance leases:		
Within one year	1,493	1,143
In the second to fifth years inclusive	3,640	5,132
Present value of lease obligations	**5,133**	**6,275**

It is the Company's policy to lease its printers and PABX system under rental agreements which qualify as finance leases in terms of IFRS 16. The average lease term is five (5) years which also approximates the average useful life of a printer and the PABX system.

For the year ended 31 March 2024, management used an estimated incremental borrowing rate of 13.50% (2023) and 11.08% (2022). This is the rate used when the initial contracts were entered into and still represent the current borrowing rate.

The Company's obligations under finance leases are secured by the lessors' rights over the leased assets disclosed below.

15.2 Right-of-use of Assets

Cost - Furniture and equipment		
At the beginning of the year	7,429	5,997
Additions during the year	-	1,847
Disposals / Derecognition	-	(415)
At end of the year	**7,429**	**7,429**
Accumulated depreciation		
At the beginning of the year	(1,846)	(879)
Depreciation expense for the current year	(1,486)	(1,278)
Disposals / Derecognition	-	311
At the end of the year	**(3,332)**	**(1,846)**
Net carrying amount	**4,097**	**5,583**

In terms of paragraph 59 of IFRS 16 management has considered the qualitative and quantitative information relating to leasing activities that needs to be disclosed. This information includes the nature of financial lease activities being the future cash outflow to which the lessee is potentially exposed to, that is not reflected on the measurement of the lease liability.

Notes to the Financial Statements

Figures in R `000	2024	2023

Lease liabilities continued...

Lease payments are fixed and linked to prime interest rates and subject to escalations from inception of the leases. Management has the option to extend the lease for PABX at the end of the lease term and to change the lease term for the Printers after 24 months.

There are no residual value guarantees on leases. There are no leases that have been committed but not yet commenced. There are no guarantees, restrictions or covenants imposed on our lease agreements.

16. Revenue

16.1 Income from fund development

Mail appeals and tele donations	7,554	8,209
Corporates and trusts	6,296	8,524
Government grants	2,828	3,150
Utilisation of earmarked funds	5,898	3,203
Total	**22,576**	**23,086**

16.2 Income from national and provincial projects

National projects	13,527	12,406
Special provincial events	741	1,313
Total	**14,268**	**13,719**

16.3 Income from donations and general income

Donations and general income (i)	12,428	13,207
Donations in-kind	2,840	1,371
Sale of goods	15,072	13,905
Other income	752	691
Total	**31,092**	**29,174**
i) Donations and general income breakdown		
Donations	2,739	3,083
Project income (Cause Related Marketing)	863	1,915
CANSA Seal of Recognition	4,574	4,663
Services rendered	3,951	3,197
Patient equipment rentals	43	65
Rent received	251	272
Bad debt recovered	7	9
Debtors realised to income	-	3
	12,428	**13,207**

16.4 Investment revenue

Interest received on investments	4,271	2,084
Total	**4,271**	**2,084**

Notes to the Financial Statements

Figures in R `000	2024	2023

17. Other gains

Net gain arising on financial assets as at FVTPL	2,487	2,035
(Loss) / Gain on disposal of property and equipment	(58)	1,053
Derecognition of a lease (loss on leases)	(141)	(35)
Total	**2,288**	**3,053**

18. Finance Cost

Interest expense on unwinding of lease liabilities	663	597
Bank interest	6	1
Total	**669**	**598**

19. Surplus for the year

The total comprehensive surplus for the year is stated after taking into account the following:

Employee cost	30,574	28,536
Repairs and maintenance	1,650	971
Administrative expenses	14,376	13,155
Audit fees	1,281	1,042
Operating lease expenses	278	258
Loss / (Gain) on disposal of property and equipment	58	(1,053)
Depreciation expense on right of use of asset	1,486	1,278
Depreciation on property, plant and equipment	1,039	1,356

Details on remuneration paid to directors and senior management have been disclosed in Note 26 - Related parties

20. Segmental results

20.1 Research activities

Income from bequests	1,999	5,265
Investment revenue		
- Interest received from investments	3,640	1,904
Other gains and losses		
- Net gain arising on financial assets at FVTPL	2,487	2,034
- Trust and other income	2,359	2,349
- Expenditure relating to research grants (*)	(2,299)	(2,616)
Employee cost	(3,929)	(3,915)
Consultants	(573)	(536)
Investment advisor's fees	(141)	(133)
Travel and accommodation	(141)	(76)
Other expenses	(1,887)	(1,791)
Research activities surplus for the year	**1,515**	**2,485**

* The Research grant expenditure is for research grants and related expenses.

Notes to the Financial Statements

Figures in R `000	2024	2023
Segmental results continued...		
20.2 Operational activities		
Income from fund development	20,402	20,876
Income from national and provincial projects	14,268	13,720
Income from donations and general income	30,908	27,735
Income from bequests	13,568	13,729
Investment revenue	631	180
Cost of sales	(11,059)	(10,011)
(Loss) / Gain on disposal of property and equipment	(58)	1,053
Derecognition of a lease (loss on leases)	(141)	(35)
Administration and service delivery expense	(55,060)	(48,852)
Finance cost	(665)	(598)
Operational activities surplus for the year	**12,794**	**17,797**
20.3 Breakdown of other administration and services expenses for Research and Operations		
Employee cost	30,574	28,536
Repairs and maintenance	1,650	971
Administrative expenses	14,376	13,155
Health promotion and fundraising costs	3,088	1,867
Care home and patient costs	3,760	2,166
Commission payable	2,174	2,444
Other expenses	2,020	3,530
Audit fees	1,281	1,042
Operating lease expenses	278	258
Depreciation on right of use of asset	1,486	1,278
Depreciation on property and equipment	1,039	1,356
Total other administrative and service delivery expenses	**61,726**	**56,603**
21. Reconciliation of surplus for the year to cash utilised in Operations		
Surplus for the year	**14,309**	**20,282**
Adjustments for:		
Investment revenue	(4,270)	(2,084)
Finance costs	669	598
Depreciation expense	2,525	2,634
Loss / (Gain) on disposal of property and equipment and derecognition of leases	199	(1,018)
Net gain arising on financial assets as at FVTPL	(2,487)	(2,035)
Income from donated assets	(248)	-
Other non-cash flow items	105	40
Movement in slow moving and obsolete stock	(50)	(219)
Movement in ECL	(293)	(1,212)
Change in operating assets and liabilities:		
Adjustments for (increase) / decrease in inventories	1,299	(777)
Adjustments for decrease in receivables	453	967
Adjustments for increase / (decrease) in trade and other payables	(73)	151
Net cash flows from operations	**12,138**	**17,327**

Notes to the Financial Statements

Figures in R `000	2024	2023

22. Financial Instruments

22.1 Fair value of financial assets

Valuation techniques and assumptions applied for the purposes of measuring fair value

All financial instruments are carried at fair value or amounts that approximate fair value. The carrying amounts for investments, cash, and cash equivalents as well as receivables and payables approximate fair value due to the short-term nature of the instruments. These are reflected below.

The fair values of financial assets and liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on an active liquid market are determined with reference to quoted market prices.
- The fair values of other financial assets and liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

22.2 Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured after initial recognition to fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in markets that are not active
- inputs other than quoted prices that are observable for the asset or liability, for example interest rates and yield curves observable at commonly quoted intervals,implied volatilities and credit spreads
- inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs').

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Financial assets designated at FVTPL 31/03/2024	50,553	-	19,915	70,468
Financial assets designated at FVTPL 31/03/2023	40,522	-	17,705	58,227

There were no transfers between the different levels during the financial year

Notes to the Financial Statements

Figures in R `000	2024	2023

Financial Instruments continued...

22.3 Categories of financial assets

Financial assets		
Cash and bank balances	19,222	14,139
Designated as at FVTPL	74,648	58,228
Loans and receivables (excluding VAT)	4,901	4,919
Financial liabilities		
Trade and other payables (excluding VAT)	(5,769)	(5,746)
Lease liabilities	(5,133)	(6,275)

23. Financial Risk Management

23.1 Foreign currency risk management

There is no exposure to foreign currency risk as there are no transactions or balances denominated in foreign currency.

23.2 Interest rate risk management

CANSA finances its operations through its accumulated funds and cash accumulated in the bank. Due to there being no external borrowings, exposure to interest rate risk is minimal.

23.3 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity management framework for CANSA's short-term funding and liquidity management requirements. CANSA manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, also ensuring that adequate unutilised borrowing facilities are maintained. It is CANSA's policy to deposit short and medium-term cash investments with major financial institutions.

Liquidity profile
The liquidity profile of CANSA's financial assets and liabilities is reflected below:

At 31 March 2024	0-1 year R'000	2 to 5 years R'000	Total R'000
Financial assets			
Designated as at FVTPL	19,915	50,553	70,468
Loans and receivables – at amortised cost	4,901	-	4,901
Cash and cash equivalents -at amortised cost	19,222	-	19,222
Financial liabilities			
Trade and other payables - amortised cost	(5,769)	-	(5,769)
Lease liabilities	(2,007)	(4,112)	(6,119)

Notes to the Financial Statements

Figures in R `000	2024	2023

Financial Risk Management continued...

At 31 March 2023	0-1 year R'000	2 to 5 years R'000	Total R'000
Financial assets			
Designated as at FVTPL	17,705	40,522	58,227
Loans and receivables – at amortised cost	4,919	-	4,919
Cash and cash equivalents -at amortised cost	14,139	-	14,139
Financial liabilities			
Trade and other payables - at amortised cost	(5,746)	-	(5,746)
Lease liabilities	(1,806)	(6,119)	(7,925)

23.4 Market risk management

Due to the nature of CANSA's operations and services, investment portfolios are managed by portfolio managers.

In addition, there are certain portfolios of investments, which include capital guarantees. Most of CANSA's investments are equity based. These are subject to price fluctuations on the JSE and are managed by ABAX, Sanlam, Visio Capital, Fedgroup, and Ninety One.

23.5 Credit risk management

Potential concentrations of credit risk consist principally of debtors and balances at banks. Debtors consist mainly of corporate donations, Medical aid, Seal of Recognition and Cause Related Marketing customers. Due to the nature of the debtors, credit evaluations are not performed. However, revenue and the related debt are only recognised when no significant uncertainty as to its collectibility exists. Appropriate allowance for estimated irrecoverable amounts are made at year-end. Management do not consider high levels of material credit risk exposure that was not already mitigated by the allowance for estimated credit loss. Refer to Note 4.8 for details.

24. Retirement fund contributions

The Cancer Association of South Africa Pension Fund is a defined contribution plan. The funds are governed by the Pension Funds Act of 1956. All permanent employees contribute to the fund. It also includes the disability, administrative and funeral contributions made by CANSA and its employees.

Number of Pension Fund members	103	92
Pension Fund contributions for the year – employer and employee contributions	2,605	2,500

25. Taxation

CANSA is exempt from tax in terms of Section 10 of the Income Tax Act.

Notes to the Financial Statements

Figures in R `000	2024	2023

Related Party transactions and Directors' emoluments continued...

26.4 Non-Executive Directors

The fees for services as director, additional fees for service on the board committees and the chairman's fee are reviewed annually. The remuneration of non-executive directors for the year ended 31 March 2024 was:

For attendance at meetings:		
Dr M.A. Mandew (*)	-	6
Dr R. Mngqibisa (*)	9	12
Mr B.A. Mazarura (*)	15	6
Rev. V.F. Memani-Sedile	25	20
Ms J.I. Palmer (*)	12	15
Ms J.I. Palmer	3	-
Judge D. Pillay (*)	6	9
Prof. M.I. Parker (*)	9	12
Prof. H.M. Habile (*)	6	-
Mr. A.J. Pienaar (*)	3	-
Total	**88**	**80**

(*) Remuneration was donated to CANSA.

27. Going Concern

It is the opinion of the Board of Directors that CANSA is a going concern.

The following major considerations were taken into account in assessing whether CANSA will remain a going concern for the foreseeable future:

Valuation of the freehold land and buildings indicated a total market value of R36,525 million on 31 March 2024. Valuations are performed every two years. We concur that there have not been any significant changes to the market valuation since the last valuation in 2022. The carrying value of the freehold land and buildings is currently R6,938 million (2023: R7,135 million). The current level of investments, being R70,667 million (2023: R58,227 million), is adequate to cover operating and research related costs for the next twelve months.

During the financial year under review, management implemented changes in the operational model of CANSA to reduce costs and improve efficiencies in response to the prevailing turbulent economic conditions. The directors have reviewed the company's cash flow forecast for the year to 31 March 2025 and, in light of this review and the current financial position, they are satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future. The anticipated surplus is a direct result of the measures and reforms being implemented to maximise revenue and curtail costs.

These reforms include:
A streamlined CANSA service offerings basket to ensure we deliver on our mission in the most affordable way while securing sustainable donor support and fundraising streams.
Focus on high impact projects in 2024/2025, building on the virtual fundraising successes of 2023/24, and continuing to implement effective traditional approaches to driving fundraising.
Deployment of operations with highly competent national teams and utilising core competencies to deliver on our mission.
Restructured work environment with reduced number of national offices and reviewing of contracts to save cost.

Notes to the Financial Statements

Figures in R `000	2024	2023

Going Concern continued...

The directors have reviewed the cash flow forecasts in light of the above restructuring initiatives. The Board is comfortable that CANSA will have access to sufficient resources to continue with operations for the foreseeable future.

28. Contingent Asset

As reported in the previous financial year, CANSA established that its outsourced tele-fundraising service provider had not paid over to CANSA all donations collected. A court order was issued on the 11 February 2022 in favour of CANSA, wherein the defendants were ordered to pay CANSA an amount of R2,5 million with interest of 10% effective 2019. At year-end the recovery of the amount was uncertain and henceforth no asset was recorded in the Annual Financial Statements.

The processes for edictal citation have been successfully completed. Management is in the process of attaching the immovable property registered on the debtor's name to enable us to proceed with a sale of execution of the debtor's immovable property.

29. Subsequent event

CANSA resolved on the 28th of November 2023 to sell the Richards Bay property situated at 27 Bauhina Bend at prevailing market prices. The building was used as a Care Home and it was no longer financially viable to operate the Care Home. On 31 March 2024, the property had a carrying value of R1,360m and it was sold for an amount of R1,600m excluding transactional costs. The transfer of the building was finalised and registered with the Deeds Offices on the 25th of June 2024.