

Treasurer's Report

During the year ending 31 March 2025 WESSA continued its positive financial momentum with improved financial control and oversight and enhanced reporting.

While the organisational model will take time to pivot and align with the strategy approved in July 2022 the improvements resulted in sound information being made available for decision-making and increased confidence on the organisations ability to manage particularly its cash resources. Resolution of legacy matters such as the financial responsibility for Bush Pigs, the complex corporate structure and the lack of unrestricted funds from non-operational income are slowly being dealt with. As these changes are affected, resources are put behind the ONE WESSA initiative of Educate, Advocate and Act.

Key matters impacting the financial stability of the organisation during the year were:

➤ **Stabilisation of the cash management process**
During the year the cash balances did vary significantly. However, the improved visibility of both historical and forecast cashflow at both the operational and group level improved accountability and decision making. The improved process also supported ongoing alignment efforts relating to membership and the ONE WESSA strategy. Notwithstanding the volatility of the cash balances during the year, the group ended the year with an increase in cash from R29,020,699 to R33,771,135. This was driven mainly by a significant increase in income from projects detailed in the financial review. The contribution of investment income remained stable. Non-cash movements in relation to fair value adjustments and provisioning continued to have a meaningful impact of the financial reporting.

➤ **Increased focus on asset management**
Following the detailed and rigorous review of the historical balance sheet in the prior year, the investment required to maintain properties received attention in the current year. Locations for training must be maintained at an acceptable level to secure the safety and comfort of learners.



After a thorough review of the cash flows required to upgrade Bush Pigs together with the opportunity to make a difference through continued education efforts at this site, it was decided to sell this property. This was concluded in the previous year, but the cash received in the financial year under review. This brings to an end the ongoing responsibility to provide cash to Bush Pigs, which had built up loans of R4,336,680. The review of assets will continue into the new financial year and aims to ensure WESSA has the right asset base on which to deliver its mandate. In time the management of assets will include the management of cash and investment assets as well as property and other fixed assets.

➤ **Initiation of dedicated fundraising efforts**
The drive for access to unrestricted funds to better support the new strategy got off to a slow start during the financial year under review. Performance was below our internally set targets. Changes were implemented and the Philanthropy and Resource Mobilisation unit was launched. We remain focused on building out the Legacy Fund in the lead up to our centenary celebrations in 2026. The fund looks to create a capital base of R100 million off which WESSA would generate non-operational income to utilise in pursuance of our strategy, retaining the capital in perpetuity.

With this change, cash and investment management increases in prominence and a Revenue generation and Investments Committee (RIC) chaired by Augustine Morkel will provide independent and dedicated oversight of these investments.

➤ **Membership**
Financial alignment and integration with membership made good progress during the year and this trend is expected to continue in the years ahead.

As Lebo Ntlha, our current CFO, will be leaving us at the end of August 2025 I would like to express my thanks to her for the very important role she has played in delivering an improved finance team, an improved financial position and significantly improved processes and reporting systems. Lebo, we are not only grateful for the tireless effort you invested in WESSA but also the wonderful energy you brought, always challenging us with both deep insight and a genuine love for WESSA. You will be missed. We will not be filling this position in the short term but will reconsider the group's needs early in the 2026 calendar year.

A big thanks also to Nana Mchunu, the Head of Finance, and her team, who this year held responsibility for the operational reporting and audit, which was commended by the external audit team.

Finally, thanks go to the rest of the board for their ongoing support in understanding that the exciting and valuable work done by the organisation must be based on sound financial principles.



Ms Deborah Millar
WESSA Treasurer

WESSA's financial strength and sustainability continued to improve during the year under review.

