

HERMANUS ANIMAL WELFARE SOCIETY

TREASURER'S REPORT

FINANCIAL YEAR ENDED 31 MARCH 2024

Introduction:

Good evening, everyone. It is my pleasure to present to you the financial results of HAWS for the financial year ended 31 March 2024. In general, I can report that HAWS remains in a good and stable financial position. This is not an easy accomplishment as there are many economic challenges faced by our country today that is transferred to its people. We as a welfare organisation are dependent on these good-hearted people and a big thank you goes out to the public for its continuous support.

Financial performance:

An overview of the financial performance for the year puts HAWS in a net surplus of R 875,000. This is an increase of 30% compared to last year. This unbelievable result is mainly driven by the following revenue streams:

- Shop income and storage sales of R 2.4 million. This is down by 3% compared to last year.
- Donations of R 1.2 million. This is up by 60% compared to last year. This is wonderful and we cannot thank you enough.
- Clinic income of R 850,000. This is down by 5% compared to last year. The clinic does have its challenges and even though it is a great contributor to our revenue stream the costs to run the clinic does exceed the income it generates. The clinic however is an integral part of the services HAWS provides to the general public. Systems have been put in place to combat unnecessary spending and this will hopefully assist with the future financial performance of the clinic.
- Legacies of R 560,000. This is in line with last year.

In total the income generated by HAWS for the year amounted for R 6.5 million. This up by 11% compared to last year. Our expenses grew by 8.5% to R 5.7 million. Our main cost centres are:

- Employee costs of R 2.2 million. This increased by 11% compared to last year. We appointed a general manager in the year which contributed to the increase.
- Clinic supplies and vet fees of R 1.1 million. This increased by 8% compared to last year.
- Animal provision and community food expenses of R 628,000. This is up by 10% compared to last year.

These three cost centres account for 70% of the organisation's total expenses.

Financial position:

The organisation had assets valued at R 6 million at 31 March 2024. These assets mainly consist out of:

- Fixed assets of R 2.8 million.
- Cash reserves of R 3 million. Our cash reserves are kept in a Standard Bank Market Linked account. This account guarantees our capital and bears interest at around 7% per annum.
- VAT refunds owed to us by SARS of R 130,000.

Our only liabilities are our normal supplier accounts that are paid on time within 30 days of statement date. These payments work out at around R 200,000 per month.

Even though our financial position is stable at present, a need remains to be cautious with our spending as uncertain time remains.

Budget:

A budget has been prepared to allow for an increase in income and expenses of 8%. Legacy income is always an unknown and it is not expected that the general donations received will be as high as the current year. Taking this into consideration it is expected that the organisation will continue its surplus trend, although lower than the current year. This makes our cash surplus all the more valuable.

Closing:

In closing I would like to thank the committee for its support during the year and especially Mariska and Melissa that attended to the day-to-day books of the organisation.

I have been the treasurer of HAWS for the last 18 months and am thankful for the opportunity to be part of this wonderful organisation. Due to time constraints on my side with a young family and duties towards my practice, I am unable to continue as treasurer and as such am standing down tonight. I am leaving the organisation in a sound financial position and a clean audit report and believe the next person will continue and improve the systems already in place.

Should there be any questions, please pull me aside afterwards and I will gladly assist as best I can.

Thank you.