

# HERMANUS ANIMAL WELFARE SOCIETY

## TREASURER'S REPORT

### FINANCIAL YEAR ENDED 31 MARCH 2025

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## Introduction

Good evening everyone. My name is Anthony Olivier and it is my pleasure to present to you the financial results of HAWS for the financial year ended 31<sup>st</sup> March 2025. I would like to confirm that I was co-opted on the committee 3 weeks prior to the financial year ended which I am reporting on tonight. The Hermanus Animal Welfare Society (HAWS) experienced a decline in both revenue and net results in the 2025 financial year. Despite increased income from several operational activities, rising expenses—particularly employee and veterinary costs—led to a net deficit. The organization however still maintains a strong financial position, with stable cash reserves and low liabilities, this is thanks to the continued support of so many people and organisations in our community. For this we are forever grateful.

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## Statement of Financial Position (Balance Sheet) Comparison

Category	2025	2024	Change
<b>Total Assets</b>	R 5,931,777	R 6,011,953	▼ R 80,176 (-1.3%)
Property, Plant & Equipment	R 2,658,469	R 2,779,382	▼ R 120,913
Cash & Cash Equivalents	R 3,202,020	R 2,991,244	▲ R 210,776
Trade & Other Receivables	R 71,288	R 241,327	▼ R 170,039
<b>Total Liabilities</b>	R 144,584	R 201,112	▼ R 56,528
<b>Retained Income</b>	R 4,476,649	R 4,500,297	▼ R 23,648

### Key Points:

- Slight overall asset reduction driven by depreciation.
- Strong improvement in cash reserves, partly offset by reduced liabilities.
- Liabilities remain low, indicating sound liquidity and solvency.

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## Statement of Comprehensive Income Comparison

Category	2025	2024	Change
Total Revenue	R 1,431,710	R 1,740,206 ▼	R 308,496 (-17.7%)
Other Income	R 4,532,161	R 4,710,796 ▼	R 178,635
Operating Expenses	R 6,162,783	R 5,716,984 ▲	R 445,799 (+7.8%)
Surplus / (Deficit)	(R 23,648)	R 875,063 ▼	R 898,711

### Key Points:

- Donations and legacies fell by 17.7%, (▼R505 913) this is such a variable income and always difficult to gauge what amount we will receive each year. This income stream is really appreciated by our organisation and a testament to the trust the donors have that their valuable contribution will be responsibly used for the well-being and care of all animals in our community.
- Veterinary expenses remained high (R 1.1 million), slightly down from the previous year.
- Employee costs increased by R 663,410 (+29.6%), The daily operations at HAWS are extremely demanding and requires a committed team as the care and control of all our animals is of paramount importance, this can only be done with investments in staff.
- We would also like to thank the help and dedication of all the volunteers who form an integral part of the running of HAWS.
- Overall deficit of R 23,648 marks a downturn compared to the prior year's surplus of R 875,063.
- This decline must be the key focus of the new committee in order to ensure the growth of all our income streams while closely monitoring monthly expenses.

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## Detail Income Streams Comparison

Income Stream	2025	2024	Change
Shop Income	R 2,150,162	R 2,442,874 ▼	R 292,712
Clinic Income	R 944,963	R 849,659 ▲	R 95,304
Kennel Income	R 879,047	R 712,878 ▲	R 166,169
Street Collections	R 60,548	R 48,850 ▲	R 11,698
Rental Income	R 165,043	R 147,609 ▲	R 17,434

### Observations:

**Shop income** declined, while **clinic** and **kennel services** improved, reflecting higher operational engagement.

**Donations** dropped, especially from legacies, due to timing or donor estate cycles.

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## Expense Analysis

Expense Category	2025	2024	Change
Employee Costs	R 2,899,960	R 2,236,550	▲ R 663,410
Veterinary Expenses	R 1,102,011	R 1,139,503	▼ R 37,492
Rent (Shops, Storage)	R 398,783	R 393,542	▲ R 5,241
Community Food Expenses	R 152,258	R 306,752	▼ R 154,494
Depreciation	R 130,412	R 83,456	▲ R 46,956

### Observation:

- The biggest cost drivers were staff and veterinary-related expenses.
- Community outreach food support was reduced, likely due to budget reprioritization.

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## Conclusion

While HAWS ended the 2025 financial year with a small deficit, however, it remains financially healthy with a strong cash base and low liabilities. Revenue diversification (kennel and clinic income) helped offset donation and royalty declines. However, rising staff costs and high operational expenses need continual monitoring and improvement.

### Closing:

While I never met him, I would like to thank Hugh Hopkins, former treasurer, for his contribution towards Hermanus Animal Welfare.

In closing I would also like to thank the committee for its support during this short period and especially Melissa that attends to the day-to-day books of the organisation.